# Schedule 4.6

## Financial Statements

See attached.

**December 31, 2008**
**Year-End Financial Statements**

# Hartford Computer Group, Inc.
# and Subsidiaries

## Report on Consolidated Financial Statements

## Year Ended December 31, 2008

## CONTENTS

J.H. COHN LLP
Accountants and Consultants since 1919

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## Report of Independent Public Accountants

To the Stockholders and Board of Directors
Hartford Computer Group, Inc.

We have audited the accompanying consolidated balance sheet of Hartford Computer Group, Inc. and Subsidiaries as of December 31, 2008, and the related consolidated statements of operations, stockholders' deficit and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Hartford Computer Group, Inc. and Subsidiaries as of December 31, 2008, and their results of operations and cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

J.H. Cohn LLP

Los Angeles, California
March 29, 2010

**HARTFORD COMPUTER GROUP, INC. AND SUBSIDIARIES**
**CONSOLIDATED BALANCE SHEET**
**December 31, 2008**
(In thousands, except share data)

**ASSETS**

| | |
|---|---|
| CURRENT ASSETS | |
| Cash | $ 1,189 |
| Restricted cash | 1,800 |
| Accounts receivable, net | 5,388 |
| Inventories | 3,616 |
| Prepaid and other current assets | 542 |
| Total current assets | 12,535 |
| PROPERTY AND EQUIPMENT, net | 424 |
| OTHER ASSETS | 244 |
| | $ 13,203 |

See notes to consolidated financial statements

**HARTFORD COMPUTER GROUP, INC. AND SUBSIDIARIES**
**CONSOLIDATED BALANCE SHEET**
**December 31, 2008**
**(In thousands, except share data)**

**LIABILITIES AND STOCKHOLDERS' DEFICIT**

| | |
|---|---|
| CURRENT LIABILITIES | |
| Line of credit | $ 954 |
| Accounts payable | 2,172 |
| Accrued expenses and other liabilities | 6,108 |
| Deferred revenues | 336 |
| Accrued interest - related parties | 19,079 |
| Notes payable - related parties | 27,666 |
| Total current liabilities | 56,315 |
| DEFERRED RENTS | 183 |
| Total liabilities | 56,498 |
| COMMITMENTS AND CONTINGENCIES | |
| STOCKHOLDERS' DEFICIT | |
| Series A preferred stock, $0.001 par value: | |
| Authorized - 1,000,000 shares | |
| Issued and outstanding - 598,000 shares | 1 |
| Liquidation preference of $5,980,000 | |
| Common stock, $0.001 par value: | |
| Class A - Authorized 10,000,000 shares, | |
| Issued and outstanding 4,800,000 shares | |
| Class B - Authorized 10,000,000 shares, | |
| Issued and outstanding 4,800,000 shares | |
| Class C - Authorized 5,000,000 shares, | 11 |
| Issued and outstanding 1,390,636 shares | |
| Additional paid-in capital | 48,809 |
| Accumulated deficit | (91,838) |
| Accumulated other comprehensive loss - foreign currency translation | (278) |
| | (43,295) |
| | $ 13,203 |

See notes to consolidated financial statements

**HARTFORD COMPUTER GROUP, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENT OF OPERATIONS**
**For the year ended December 31, 2008**
(In thousands)

| | | |
|---|---|---|
| Revenues | $ | 66,858 |
| Cost of revenues | | 46,799 |
| Gross profit | | 20,059 |
| Operating expenses | | 18,394 |
| Income from operations | | 1,665 |
| Other income (expense): | | |
| Interest expense | | (6,851) |
| Interest income | | 65 |
| Other expense, net | | (37) |
| | | (6,823) |
| Loss before provision for income taxes | | (5,158) |
| Provision for income taxes | | (5) |
| NET LOSS | $ | (5,163) |

See notes to consolidated financial statements

**HARTFORD COMPUTER GROUP, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIT**
**For the year ended December 31, 2008**
(In thousands, except share data)

| | Series A preferred stock | | Common stock | | Additional | Accumulated | Accumulated other comprehensive | Total Stockholders' |
|---|---|---|---|---|---|---|---|---|
| | Shares | Amount | Shares | Amount | paid-in capital | deficit | loss | Deficit |
| Balance, January 1, 2008 | 598,000 | $ 1 | 10,990,636 | $ 11 | $ 48,809 | $ (86,675) | $ (32) | $ (37,886) |
| Comprehensive loss: | | | | | | | | |
| Net loss | | | | | | (5,163) | | (5,163) |
| Foreign currency translation adjustment | | | | | | | (246) | (246) |
| Total comprehensive loss | | | | | | | | (5,409) |
| Balance, December 31, 2008 | 598,000 | $ 1 | 10,990,636 | $ 11 | $ 48,809 | $ (91,838) | $ (278) | $ (43,295) |

See notes to consolidated financial statements

**HARTFORD COMPUTER GROUP, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENT OF CASH FLOWS**
**For the year ended December 31, 2008**
(In thousands)

| | |
|---|---|
| Cash flows from operating activities: | |
| Net loss | $ (5,163) |
| Adjustments to reconcile net loss to net cash used in operating activities: | |
| Depreciation and amortization | 164 |
| Bad debt expense | 57 |
| Changes in operating assets and liabilities: | |
| Accounts receivable | (201) |
| Inventories | (831) |
| Prepaid expenses and other current assets | 128 |
| Other assets | (93) |
| Accounts payable | 635 |
| Accrued expenses and other current liabilities | (1,871) |
| Deferred revenues | 336 |
| Deferred rents | (48) |
| Accrued interest - related parties | 6,481 |
| Net cash used in operating activities | (406) |
| Cash flows from investing activities: | |
| Purchases of property and equipment | (248) |
| Restricted cash | (300) |
| Net cash used in investing activities: | (548) |
| Cash flows from financing activities: | |
| Net borrowings on line of credit | 323 |
| Effect of foreign exchange rates on cash | 31 |
| Net decrease in cash | (600) |
| Cash at beginning of year | 1,789 |
| Cash at end of year | $ 1,189 |
| Supplemental disclosure of cash flow information: | |
| Cash paid during the year for interest | $ 306 |

See notes to consolidated financial statements

**Hartford Computer Group, Inc. and Subsidiaries**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2008
(In thousands)

NOTE A – DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business

Hartford Computer Group, Inc. and Subsidiaries (collectively the "Company") is a full cycle computer reseller engaged in depot repair of laptop computers, onsite repair of desktop computers, sale of computer hardware and software, and the sale of computer parts. The Company sells its products and services to a wide range of customers throughout the United States and Canada.

Hartford Computer Group, Inc. ("Hartford"), dba Nexicore Services in the United States and Canada, was incorporated in Illinois in 1978 and was later reorganized as a Delaware corporation under the same name in 2005. Hartford has its headquarters in California, has a branch location in Canada, and sales offices in Illinois and Maryland.

Nexicore Services, LLC was organized in 2002 in Florida and is a wholly-owned subsidiary of Hartford. Nexicore Services, LLC's facility is located in Florida where it houses the Company's call center.

Hartford Computer Government, Inc. was incorporated in 2004 in Illinois and is a wholly-owned subsidiary of Hartford. Hartford Computer Hardware, Inc. was incorporated in 2005 in Illinois and is a wholly-owned subsidiary of Hartford.

Liquidity

As of December 31, 2008, the Company has negative working capital, with a significant portion of its current liabilities related to notes payable to related parties (see Note E). These notes are effectively due on demand but to date, the lenders have not demanded repayment of the principal or unremitted accrued interest.

Principles of Consolidation

The consolidated financial statements include the accounts of Hartford, Hartford Computer Government, Inc., Hartford Computer Hardware, Inc., and Nexicore Services, LLC. All material intercompany balances and transactions have been eliminated in consolidation.

NOTE A – DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign Currency Translation

The financial statements of Nexicore Services in the Company's Canada division are translated into United States dollars, in accordance with Statement of Financial Accounting Standards ("SFAS") No. 52, "Foreign Currency Translation", using current and historical exchange rates, as appropriate. The functional currency is the Canadian dollar and, accordingly, foreign currency translation adjustments should be included as a component of accumulated other comprehensive loss in the consolidated statement of stockholders' deficit. Translation losses for the year ended December 31, 2008 were $246. Any gains or losses resulting from foreign currency transactions are reflected in the consolidated statement of operations for the period in which they occur. Transaction losses for the year ended December 31, 2008 totaled $187 and are included in other expense in the accompanying consolidated statement of operations.

Restricted Cash

The Company's restricted cash of $1,800 as of December 31, 2008 is used to secure the letters of credit that the Company has with a bank (see Note I).

Inventories

Inventories are comprised primarily of finished goods and are stated at the lower of cost (moving weighted average) or market.

Property and Equipment

Property and equipment are recorded at cost. Depreciation and amortization of property and equipment are computed using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized over the shorter of their useful lives or the remaining lease term.

Expenditures for major renewals and improvements that extend the useful lives of property and equipment are capitalized. Expenditures for repairs and maintenance are charged to expense as incurred.

Revenue Recognition

Service revenues – The Company recognizes service revenues upon completion of the service event. Service revenues for the year ended December 31, 2008 were approximately $55,000.

Hardware revenues - The Company recognizes revenues from the sales of packaged hardware and software when title and risk of loss transfers to the customer, which is generally upon shipment. Hardware revenues for the year ended December 31, 2008 were approximately $11,900.

NOTE A – DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

All revenues are recorded net of sales taxes.

The Company recorded deferred revenues of $336 at December 31, 2008 related to one purchase contract with a governmental body. The deferred revenues represent installation, training, and other services that were completed in 2009.

Income Taxes

The Company accounts for income taxes in accordance with SFAS No. 109, "Accounting for Income Taxes" ("SFAS 109"). Under SFAS 109, income taxes are recognized for the amount of taxes payable or refundable for the current year and deferred tax liabilities and assets are recognized for the future tax consequences of transactions that have been recognized in the Company's financial statements or tax returns. A valuation allowance is provided when it is more likely than not that some portion or all of the deferred tax asset will not be realized.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to makes estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Long Lived Assets

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability is measured by comparison of the asset's carrying amount to the future net cash flows the asset is expected to generate. If an asset is considered to be impaired, the impairment to be recognized is measured by the amount at which the carrying amount of the asset exceeds its fair value. During the year ended December 31, 2008, no impairment was recognized.

Shipping Costs

For the year ended December 31, 2008, the Company billed freight-out to customers in the amount of $227, which are included in revenues, and costs incurred for freight-out were $2,591, which were included in cost of revenues.

(In thousands)

NOTE A – DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Advertising

Advertising costs are expensed as incurred. Advertising expense was $5 for the year ended December 31, 2008.

Deferred Rents

The Company's operating leases for its California, Florida, and Canada facilities include scheduled rent increases. In accordance with accounting policies generally accepted in the United States, the Company has accounted for these leases to provide straight-line charges to operations over the lives of the leases.

New Accounting Pronouncement

In June 2006, Financial Accounting Standards Board ("FASB") Interpretation No. 48 ("FIN 48"), "Accounting for Uncertainty in Income Taxes - An Interpretation of SFAS No. 109," was issued. FIN 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with SFAS 109. FIN 48 also prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. In addition, FIN 48 provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. FASB Staff Position ("FSP") FIN 48-3 deferred adoption for most nonpublic enterprises to annual periods beginning after December 15, 2008. The Company, pursuant to the FSP, elected to defer its application until its required effective date of January 1, 2009. The Company's policy for evaluating uncertain tax positions prior to the adoption of FIN 48 is based on management's estimate of whether it is reasonably possible that a liability has been incurred for unrecognized income tax benefits by applying SFAS No. 5, "Accounting for Contingencies". Management does not expect the adoption of FIN 48 to have a material effect on the consolidated financial condition or results of operations of the Company.

NOTE B – ACCOUNTS RECEIVABLE

Accounts receivable balances at December 31, 2008 are as follows:

| | 2008 |
|---|---|
| Accounts receivable | $ 5,868 |
| Allowance for doubtful accounts and returns | (480) |
| | $ 5,388 |

(In thousands)

## NOTE C – PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31, 2008:

| | Useful Lives | 2008 |
|---|---|---|
| Computer equipment and software | 3 - 5 yrs | $ 260 |
| Automobiles | 3 yrs | 27 |
| Leasehold improvements | 3 – 10 yrs | 216 |
| Test equipment | 1 – 5 yrs | 196 |
| Furniture and fixtures | 5 – 7 yrs | 260 |
| | | 959 |
| Less accumulated depreciation and amortization | | (535) |
| | | $ 424 |

Depreciation and amortization expense associated with property and equipment was $164 for the year ended December 31, 2008.

## NOTE D – LINE OF CREDIT

Hartford Computer Government, Inc. and Hartford Computer Hardware, Inc. have a revolving credit facility with a finance company with a maximum credit limit of $1,500 for inventory purchases. Invoices of authorized suppliers for inventory purchases made by the Company are paid directly by the finance company. Outstanding advances cannot exceed the lesser of the credit limit or borrowing base. Outstanding advances at December 31, 2008 were $954.

Interest accrues when the Company defers payments to the finance company beyond the authorized suppliers' payment terms and is payable monthly at a base rate as determined by the finance company plus a finance rate of 8.4%. At December 31, 2008, the prevailing interest rate was 12.4%. Interest expense for the year ended December 31, 2008 is $5. Annual fees for the credit facility are $6.

Advances under the line of credit facility are collateralized by an irrevocable letter of credit of $1,500 (see Note I).

The credit agreement includes provisions for reporting and financial covenants. Hartford Computer Government, Inc. and Hartford Computer Hardware, Inc. are not in compliance with these covenants as of December 31, 2008.

(In thousands)

## NOTE E – NOTES PAYABLE - RELATED PARTIES

Notes payable – related parties are due to three of the Company's stockholders and consist of the following:

| | |
|---|---|
| Notes Payable-Senior Lender | |
| Senior Lender note payable, bearing interest at prime (prime rate was 3.25% at December 31, 2008) plus 7.25%, original due date of December 31, 2006 and effectively due on demand, monthly interest payments at the prime rate were made in 2008. | $ 4,418 |
| Term note A, bearing interest at prime (prime rate was 3.25% at December 31, 2008) plus a 9.0% margin and 2% default rate, original due date of May 9, 2008 and effectively due on demand. | 9,579 |
| Term note B, bearing interest at 11.0% plus 3% default rate, original due date of May 9, 2008 and effectively due on demand. | 5,102 |
| Term note C, bearing interest at prime (prime rate was 3.25% at December 31, 2008) plus 6.25% and effectively due on demand. | 3,032 |
| Term note D, bearing interest at 25.0% and effectively due on demand. | 1,500 |
| Term note E, bearing interest at 25.0% and effectively due on demand. | 2,000 |
| Promissory note payable bearing interest at 8%, original due date of June 1, 2005 and effectively due on demand, unsecured and subordinated to the Senior Lender. | 869 |
| Promissory note payable, bearing interest at 5%, original due date of June 1, 2005 and effectively due on demand, unsecured and subordinated to the Senior Lender. | 1,166 |
| | $ 27,666 |

Interest expense on these notes for the year ended December 31, 2008 is $6,747 and accrued interest on these notes totaled $19,079 at December 31, 2008.

NOTE F – INCOME TAXES

The Company is delinquent in filing its federal and various states' income tax returns since 2004 and is currently in the process of preparing these delinquent income tax returns. The Company expects to owe penalties and interest but is currently unable to estimate these amounts.

The Company has recorded a provision of approximately $5 for the year ended December 31, 2008 that primarily represents the minimum state income taxes

As of December 31, 2008, the Company's deferred income tax assets total approximately $35,000 which are primarily comprised of federal and state net operating loss carryforwards and accrued interest to related parties, and for which there is a full valuation allowance. The federal and state net operating loss carryforwards expire at various dates through 2028. The valuation allowance increased by approximately $2,000 during the year ended December 31, 2008.

NOTE G – CONTINGENT LIABILITIES

In the ordinary course of conducting its business, the Company becomes involved in various lawsuits and administrative proceedings. Some of these proceedings may result in fines, penalties, or judgments being assessed against the Company which, from time to time, may have an impact on earnings for a particular period. The Company has been a party to several lawsuits some of which have settled over the previous years. As of December 31, 2008, the Company was aware of three remaining lawsuits: (1) the first one the Company began settlement proceedings prior to 2008 and was subsequently settled in October 2009 for approximately $300; (2) the second one the Company continues to defend and is able to reasonably estimate its costs; and (3) the third one the Company continues to defend but, along with legal counsel, is unable to determine the outcome and costs. It is the Company's policy to record liabilities for estimated legal fees and settlements in the period it determines that such amounts can be reasonably estimated. At December 31, 2008, the Company has a liability of $1,253 related to such costs, which is included in accrued expenses and other liabilities in the accompanying consolidated balance sheet.

The Company is undergoing a sales tax audit by the State of California for the years 2005 through 2008. The Company has recorded a $500 reserve as of December 31, 2008, included in accrued expenses and other liabilities in the accompanying consolidated balance sheet, based on its current assessment of the preliminary audit results, including any possible interest and penalties.

NOTE H – RETIREMENT PLAN

For United States employees, the Company sponsors a defined contribution plan under Section 401(k) of the Internal Revenue Code. The plan allows eligible employees the ability to defer a portion of their annual compensation up to the annual maximum amount allowable by law. The plan also allows for the Company to make discretionary contributions. The Company made no contributions to the plan during the year ended December 31, 2008.

**Hartford Computer Group, Inc. and Subsidiaries**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2008
(In thousands)

NOTE I – COMMITMENTS

Operating Leases

The Company leases its California, Florida and Canada facilities under non-cancelable operating leases. During the year ended December 31, 2008, monthly payments for these facilities totaled approximately $90 and the monthly payments increase at specified rates each year. These leases expire at various dates through December 2013. Under the terms of these leases, the Company is required to pay all utilities, real estate taxes, and insurance costs associated with the properties. The Company leases its Illinois and Maryland facilities under month-to-month lease agreements.

The Company leases certain equipment under several non-cancelable operating leases with aggregate monthly payments of approximately $17. These leases expire at various dates through June 2014.

Rent expense under these leases totaled $996 for the year ended December 31, 2008.

The following is a schedule of future minimum lease payments:

| Years ending December 31, | |
|---|---|
| 2009 | $ 1,373 |
| 2010 | 1,289 |
| 2011 | 650 |
| 2012 | 310 |
| 2013 | 186 |
| Thereafter | 4 |
| | $ 3,812 |

Letters of Credit

The Company has a $1,500 irrevocable letter of credit facility with a bank that is used to secure advances on the line of credit facility (see Note D). This letter of credit is secured by a $1,500 certificate of deposit with the same bank, included in restricted cash in the accompanying consolidated balance sheet, and expired on July 15, 2009. This letter of credit facility and certificate of deposit were subsequently renewed.

The Company has a $300 standby letter of credit facility with a bank that is used to secure accounts payable to one of the Company's vendors. This letter of credit is secured by a $300 certificate of deposit with the same bank, included in restricted cash in the accompanying consolidated balance sheet, and expired on May 13, 2009. This letter of credit facility and certificate of deposit were subsequently renewed.

**Hartford Computer Group, Inc. and Subsidiaries**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2008
(In thousands)

NOTE J – CONCENTRATIONS OF RISK

Financial instruments which potentially subject the Company to concentrations of credit risk consist primarily of cash and accounts receivable.

The Company maintains its cash balances in financial institutions located in the United States and Canada. The Company's cash balances located in the United States are insured by the Federal Deposit Insurance Corporation up to $250 and cash balances located in Canada have no insurance coverage. At December 31, 2008, the Company's uninsured cash balances totaled approximately $1,656.

Concentrations of credit risk with respect to trade receivables are limited due to the large number of customers comprising the Company's customer base, their dispersion across different geographic areas, and generally short payment terms. In addition, the Company closely monitors the extension of credit to its customers while maintaining allowances for potential credit losses. On a periodic basis, the Company evaluates its trade accounts receivable and establishes an allowance for doubtful accounts, based on a history of past write-offs and collections and current credit considerations.

The Company made significant sales to two customers of approximately $18,000 and $12,000 during the year ended December 31, 2008 which collectively represented 45% of total revenues. Accounts receivable from two customers totaled approximately $2,200 which represented 38% of total accounts receivable at December 31, 2008.

NOTE K – PREFERRED AND COMMON STOCK

Series A Preferred Stock

Holders of Series A Preferred Stock are entitled to elect 2 Directors to the Board of Directors. Upon liquidation, dissolution or winding-up of the Company, holders of Series A Preferred Stock are entitled to be paid out before holders of Common Stock at $10.00 per share. Dividends are payable when declared by the Board of Directors.

Common Stock

The Company issued 3 classes of Common Stock:

- Class A – entitled to elect 5 Directors to the Board of Directors
- Class B – entitled to elect 1 Director to the Board of Directors
- Class C – entitled to elect 1 Director to the Board of Directors, pending approval of the majority of the other members of the Board of Directors

NOTE K – PREFERRED AND COMMON STOCK (Continued)

Common Stock (Continued)

Upon liquidation, dissolution or winding-up of the Company, and after holders of Series A Preferred Stock have been paid out, any remaining assets will be paid out to holders of Class A, B, and C Common Stock on a pro-rata basis. The 2005 reorganization and merger agreement further provides that the aggregate amount of pay-out to holders of Class A and B Common Stock shall be paid based on a specific allocation schedule.

**December 31, 2009**
**Year-End Financial Statements**

# Hartford Computer Group, Inc.
# and Subsidiaries

## Report on Consolidated Financial Statements

**Years Ended December 31, 2009 and 2008**

## CONTENTS

J.H. COHN LLP
Accountants and Consultants since 1919

www.jhcohn.com • 888-542-6461 • fax 888-542-3291

## Report of Independent Public Accountants

To the Stockholders and Board of Directors
Hartford Computer Group, Inc.

We have audited the accompanying consolidated balance sheets of Hartford Computer Group, Inc. and Subsidiaries as of December 31, 2009 and 2008, and the related consolidated statements of operations, stockholders' deficit and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Hartford Computer Group, Inc. and Subsidiaries as of December 31, 2009 and 2008, and their results of operations and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note B to the consolidated financial statements, the Company has had recurring losses, deficit equity and negative working capital, which raises substantial doubt about its ability to continue as a going concern. Management's plans regarding this matter are also described in Note B. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

The accompanying consolidated financial statements have been restated to reflect that the debt discussed in Note F is secured by substantially all the assets of the Company and that the Company was not in compliance with certain covenants for which it obtained a waiver.

J.H. Cohn LLP

Los Angeles, California
October 15, 2010
(except for Notes A and F, as to which the date is January 10, 2011)

**HARTFORD COMPUTER GROUP, INC. AND SUBSIDIARIES**
**CONSOLIDATED BALANCE SHEETS**
**December 31, 2009 and 2008**
**(In thousands, except share data)**

**ASSETS**

| | 2009 | 2008 |
|---|---|---|
| CURRENT ASSETS | | |
| Cash | $ 2,350 | $ 1,189 |
| Restricted cash | 2,231 | 1,800 |
| Accounts receivable, net | 6,948 | 5,388 |
| Inventories | 4,922 | 3,616 |
| Prepaid expenses and other current assets | 763 | 542 |
| Total current assets | 17,214 | 12,535 |
| PROPERTY AND EQUIPMENT, net | 424 | 424 |
| OTHER ASSETS | 252 | 244 |
| | $ 17,890 | $ 13,203 |

**HARTFORD COMPUTER GROUP, INC. AND SUBSIDIARIES**
**CONSOLIDATED BALANCE SHEETS**
**December 31, 2009 and 2008**
**(In thousands, except share data)**

**LIABILITIES AND STOCKHOLDERS' DEFICIT**

| | 2009 | 2008 |
|---|---|---|
| CURRENT LIABILITIES | | |
| Line of credit | $ 543 | $ 954 |
| Accounts payable | 3,964 | 2,172 |
| Accrued expenses and other liabilities | 5,239 | 6,108 |
| Deferred revenues | - | 336 |
| Accrued interest - related parties | 26,271 | 19,079 |
| Notes payable - related parties | 29,296 | 27,666 |
| Total current liabilities | 65,313 | 56,315 |
| DEFERRED RENTS | 207 | 183 |
| Total liabilities | 65,520 | 56,498 |
| COMMITMENTS AND CONTINGENCIES | | |
| STOCKHOLDERS' DEFICIT | | |
| Series A preferred stock, $0.001 par value: Authorized - 1,000,000 shares Issued and outstanding - 598,000 shares Liquidation preference of $5,980,000 | 1 | 1 |
| Common stock, $0.001 par value: Class A - Authorized 10,000,000 shares, Issued and outstanding 4,800,000 shares Class B - Authorized 10,000,000 shares, Issued and outstanding 4,800,000 shares Class C - Authorized 5,000,000 shares, Issued and outstanding 1,390,636 shares | 11 | 11 |
| Additional paid-in capital | 48,809 | 48,809 |
| Accumulated deficit | (95,858) | (91,838) |
| Accumulated other comprehensive loss - foreign currency translation | (593) | (278) |
| | (47,630) | (43,295) |
| | $ 17,890 | $ 13,203 |

See notes to consolidated financial statements

**HARTFORD COMPUTER GROUP, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF OPERATIONS**
**For the years ended December 31, 2009 and 2008**
(In thousands)

| | 2009 | 2008 |
|---|---|---|
| Revenues | $ 74,796 | $ 66,858 |
| Cost of revenues | 52,041 | 46,799 |
| Gross profit | 22,755 | 20,059 |
| Operating expenses | 19,563 | 18,394 |
| Income from operations | 3,192 | 1,665 |
| Other income (expense): | | |
| Interest expense | (7,557) | (6,851) |
| Interest income | 25 | 65 |
| Other income (expense), net | 328 | (37) |
| | (7,204) | (6,823) |
| Loss before provision for income taxes | (4,012) | (5,158) |
| Provision for income taxes | (8) | (5) |
| NET LOSS | $ (4,020) | $ (5,163) |

See notes to consolidated financial statements

**HARTFORD COMPUTER GROUP, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT**
**For the years ended December 31, 2009 and 2008**
(In thousands, except share data)

| | Series A preferred stock | | Common stock | | Additional paid-in capital | Accumulated deficit | Accumulated other comprehensive loss | Total stockholders' deficit |
|---|---|---|---|---|---|---|---|---|
| | Shares | Amount | Shares | Amount | | | | |
| Balance, January 1, 2008 | 598,000 | $ 1 | 10,990,636 | $ 11 | $ 48,809 | $ (86,675) | $ (32) | $ (37,886) |
| Net loss for 2008 | | | | | | (5,163) | | (5,163) |
| Foreign currency translation adjustment | | | | | | | (246) | (246) |
| Total comprehensive loss | | | | | | | | (5,409) |
| Balance, December 31, 2008 | 598,000 | 1 | 10,990,636 | 11 | 48,809 | (91,838) | (278) | (43,295) |
| Net loss for 2009 | | | | | | (4,020) | | (4,020) |
| Foreign currency translation adjustment | | | | | | | (315) | (315) |
| Total comprehensive loss | | | | | | | | (4,335) |
| Balance, December 31, 2009 | 598,000 | $ 1 | 10,990,636 | $ 11 | $ 48,809 | $ (95,858) | $ (593) | $ (47,630) |

See notes to consolidated financial statements

**HARTFORD COMPUTER GROUP, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF CASH FLOWS**
**For the years ended December 31, 2009 and 2008**
(In thousands)

| | 2009 | 2008 |
|---|---|---|
| Cash flows from operating activities: | | |
| Net loss | $ (4,020) | $ (5,163) |
| Adjustments to reconcile net loss to net cash provided by (used in) operating activities: | | |
| Depreciation and amortization | 191 | 164 |
| Bad debt expense | 124 | 57 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable | (1,428) | (201) |
| Inventories | (1,022) | (831) |
| Prepaid expenses and other current assets | (193) | 128 |
| Other assets | 5 | (93) |
| Accounts payable | 1,597 | 635 |
| Accrued expenses and other liabilities | (1,161) | (1,871) |
| Deferred revenues | (336) | 336 |
| Deferred rents | 18 | (48) |
| Accrued interest - related parties | 7,192 | 6,481 |
| Net cash provided by (used in) operating activities | 967 | (406) |
| Cash flows from investing activities: | | |
| Purchases of property and equipment | (167) | (248) |
| Restricted cash | (431) | (300) |
| Net cash used in investing activities | (598) | (548) |
| Cash flows from financing activities: | | |
| Net (payments) borrowings on line of credit | (411) | 323 |
| Borrowings on notes payable - related parties | 1,630 | - |
| Net cash provided by financing activities | 1,219 | 323 |
| Effect of foreign exchange on cash | (427) | 31 |
| Net increase (decrease) in cash | 1,161 | (600) |
| Cash at beginning of year | 1,189 | 1,789 |
| Cash at end of year | $ 2,350 | $ 1,189 |
| Supplemental disclosure of cash flow information: | | |
| Cash paid during the year for interest | $ 365 | $ 306 |
| Cash paid during the year for income taxes | $ 8 | $ - |

See notes to consolidated financial statements

**Hartford Computer Group, Inc. and Subsidiaries**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2009 and 2008
(In thousands)

## NOTE A – DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Description of Business

Hartford Computer Group, Inc. and Subsidiaries (collectively the "Company") is an electronics repair company engaged in the reselling, whole unit depot repair, onsite services, and part repair/distribution for laptop computers, desktop computers, consumer gaming units, printers, flat screen televisions, and other consumer and commercial electronics. The Company's customers are located throughout the United States, including Puerto Rico and Guam, and in Canada.

Hartford Computer Group, Inc. ("Hartford"), dba Nexicore Services in the United States and Canada, was incorporated in Illinois in 1978 and was later reorganized as a Delaware corporation under the same name in 2005. Hartford has its headquarters in California, has a branch location in Canada, and sales offices in Illinois and Maryland.

Nexicore Services, LLC was organized in 2002 in Florida and is a wholly-owned subsidiary of Hartford. Nexicore Services, LLC's facility is located in Florida where it houses the Company's call center.

Hartford Computer Government, Inc. was incorporated in 2004 in Illinois and is a wholly-owned subsidiary of Hartford. It operates in the state of Maryland where it primarily services governmental entities.

Hartford Computer Hardware, Inc. was incorporated in 2005 in Illinois and is a wholly-owned subsidiary of Hartford. It operates in Illinois where it services a contract with a major retailer.

### Principles of Consolidation

The consolidated financial statements include the accounts of Hartford, Hartford Computer Government, Inc., Hartford Computer Hardware, Inc., and Nexicore Services, LLC. All material intercompany balances and transactions have been eliminated in consolidation.

### Foreign Currency Translation

The financial statements of Nexicore Services in the Company's Canada division are translated into United States dollars, using current and historical exchange rates, as appropriate. The functional currency is the Canadian dollar and, accordingly, foreign currency translation adjustments should be included as a component of accumulated other comprehensive loss in the consolidated statements of stockholders' deficit. Translation losses for the years ended December 31, 2009 and 2008 were $315 and $246, respectively. Any losses resulting from foreign currency transactions are reflected in the consolidated statements of operations for the period in which they occur. Transaction gains (losses) for the years ended December 31, 2009 and 2008 totaled $221 and ($187), respectively, and are included in other income (expense) in the accompanying consolidated statements of operations.

NOTE A – DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted Cash

The Company's restricted cash as of December 31, 2009 and 2008 of $2,231 and $1,800, respectively, is used to secure the letters of credit that the Company has with a bank (see Note J).

Inventories

Inventories are comprised primarily of finished goods and are stated at the lower of cost (moving weighted average) or market.

Property and Equipment

Property and equipment are recorded at cost. Depreciation and amortization of property and equipment are computed using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized using the straight-line method over the shorter of their useful lives or the remaining lease term.

Expenditures for major renewals and improvements that extend the useful lives of property and equipment are capitalized. Expenditures for repairs and maintenance are charged to expense as incurred.

Revenue Recognition

Service revenues – The Company recognizes service revenues upon completion of the service event. Service revenues for the years ended December 31, 2009 and 2008 were approximately $63,800 and $55,000, respectively.

Hardware revenues - The Company recognizes revenues from the sales of packaged hardware and software when title and risk of loss transfers to the customer, which is generally upon shipment. Hardware revenues for the years ended December 31, 2009 and 2008 were approximately $11,000 and $11,900, respectively.

All revenues are recorded net of sales taxes.

The Company recorded deferred revenues of $336 at December 31, 2008 related to one purchase contract with a governmental body. The deferred revenues represent installation, training, and other services that were completed in 2009.

**Hartford Computer Group, Inc. and Subsidiaries**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2009 and 2008
(In thousands)

NOTE A – DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to makes estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Long Lived Assets

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability is measured by comparison of the asset's carrying amount to the future net cash flows the asset is expected to generate. If an asset is considered to be impaired, the impairment to be recognized is measured by the amount at which the carrying amount of the asset exceeds its fair value. During the years ended December 31, 2009 and 2008, no impairment was recognized.

Shipping Costs

The Company records costs incurred for freight-out in cost of revenues.

Advertising

Advertising costs are expensed as incurred. Advertising expense was $57 and $5 for the years ended December 31, 2009 and 2008, respectively.

Deferred Rents

The Company's operating leases for its California, Florida, and Canada facilities include scheduled rent increases. The Company has accounted for these leases to provide straight-line charges to operations over the lives of the leases.

Income Taxes

Income taxes are recognized for the amount of taxes payable or refundable for the current year and deferred tax liabilities and assets for future tax consequences of transactions that have been recognized in the Company's financial statements or tax returns. A valuation allowance is provided when it is more likely than not that some portion or all of the deferred tax assets will not be realized.

NOTE A – DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Company adopted the new accounting for uncertainty in income taxes guidance on January 1, 2009. The adoption of that guidance did not result in the recognition of any unrecognized tax benefits and the Company has no unrecognized tax benefits at December 31, 2009 and 2008. The Company's U.S. Federal and state income tax returns prior to the 2003 calendar year are closed. Management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

The Company recognizes interest and penalties associated with tax matters as part of the income tax provision and includes accrued interest and penalties with the related tax liability in the consolidated balance sheets.

Subsequent Events

The Company has evaluated subsequent events through October 15, 2010, which is the date the consolidated financial statements were originally available to be issued, and January 10, 2011, which is the date the reissued consolidated financial statements were available to be issued. The change reflects a revised disclosure, which was originally issued in error, that the debt discussed in Note F is secured by substantially all assets of the Company rather than unsecured, and that the Company was not in compliance with certain covenants for which it obtained a waiver.

NOTE B – GOING CONCERN

The Company's consolidated financial statements have been presented on the basis that it is a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

As of December 31, 2009 and 2008, the Company has had recurring losses (resulting from interest expense on notes payable to related parties), deficit equity and negative working capital with a significant portion of its current liabilities related to notes payable to related parties (see Note F). These notes and the related accrued interest are effectively due on demand. The Company has attempted to negotiate the extension of the loans with the Senior Lenders. Through the current date, the Senior Lenders, who are also stockholders of the Company, have not demanded repayment of the principal or unremitted accrued interest. In 2010, one of the related party debt holders whose note payable is subordinated to the Senior Lenders notes (see Note F) filed to foreclose on its loan of approximately $1,400 at the time of filing. Management and legal counsel believe that this cause of action will not be maintained because this debt is contractually subordinated to the Senior Lenders' related party notes. Management does not expect that the Senior Lenders will demand repayment in the foreseeable future.

**Hartford Computer Group, Inc. and Subsidiaries**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2009 and 2008
(In thousands)

NOTE C – ACCOUNTS RECEIVABLE

Accounts receivable balances at December 31, 2009 and 2008 are as follows:

| | 2009 | 2008 |
|---|---|---|
| Accounts receivable | $ 7,573 | $ 5,868 |
| Allowance for doubtful accounts | (402) | (260) |
| Allowance for returns | (223) | (220) |
| | $ 6,948 | $ 5,388 |

NOTE D – PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31, 2009 and 2008:

| | Useful Lives | 2009 | 2008 |
|---|---|---|---|
| Computer equipment and software | 3 - 5 yrs | $ 286 | $ 260 |
| Automobiles | 3 yrs | 27 | 27 |
| Leasehold improvements | 3 - 10 yrs | 267 | 216 |
| Test equipment | 1 - 5 yrs | 243 | 196 |
| Furniture and fixtures | 5- 7 yrs | 289 | 260 |
| Sub-total | | 1,112 | 959 |
| Less accumulated depreciation and amortization | | (688) | (535) |
| | | $ 424 | $ 424 |

Depreciation and amortization expense associated with property and equipment for the years ended December 31, 2009 and 2008 was $191 and $164, respectively.

NOTE E – LINE OF CREDIT

Hartford Computer Government, Inc. and Hartford Computer Hardware, Inc. have a revolving credit facility with a finance company with a maximum credit limit of $1,500 for inventory purchases. Invoices of authorized suppliers for inventory purchases made by the Company are paid directly by the finance company. Outstanding advances cannot exceed the lesser of the credit limit or borrowing base. Outstanding advances at December 31, 2009 and 2008 were $543 and $954, respectively.

Interest accrues when the Company defers payments to the finance company beyond the authorized suppliers' payment terms and is payable monthly at a base rate as determined by the finance company plus a finance rate of 7.65%. At December 31, 2009 and 2008, the prevailing interest rates were 10.9% and 12.4%, respectively. Interest expense for the years ended December 31, 2009 and 2008 was $44 and $5, respectively. Annual fees for the credit facility are $6 for both years.

(In thousands)

NOTE E – LINE OF CREDIT (Continued)

Borrowings under the line of credit facility are collateralized by an irrevocable letter of credit of $1,500 (see Note J).

The credit agreement includes provisions for reporting and financial covenants. Hartford Computer Government, Inc. and Hartford Computer Hardware, Inc. are not in compliance with these covenants as of December 31, 2009.

NOTE F – NOTES PAYABLE - RELATED PARTIES

Notes payable – related parties are due to three of the Company's stockholders and consist of the following:

| | 2009 | 2008 |
|---|---|---|
| Notes Payable-Senior Lender (secured by substantially all assets of the Company) | | |
| Senior Lender Revolver notes payable, bearing interest at prime (prime rate was 3.25% at December 31, 2009 and 2008) plus 7.25%, original due date of December 31, 2006 and effectively due on demand, monthly interest payments at the prime rate were made in 2009 and 2008 with the remaining interest due upon demand; interest on advances received in 2009 of $1,630 were payable at the full interest rate each month. | $ 6,048 | $ 4,418 |
| Term note A, bearing interest at prime (prime rate was 3.25% at December 31, 2009 and 2008) plus a 9.0% margin and 2% default rate, original due date of May 9, 2008 and effectively due on demand. | 9,579 | 9,579 |
| Term note B, bearing interest at 11.0% plus 3% default rate, original due date of May 9, 2008 and effectively due on demand. | 5,102 | 5,102 |
| Term note C, bearing interest at prime (prime rate was 3.25% at December 31, 2009 and 2008) plus 6.25% and effectively due on demand. | 3,032 | 3,032 |
| Term note D, bearing interest at 25.0% and effectively due on demand. | 1,500 | 1,500 |
| Term note E, bearing interest at 25.0% and effectively due on demand. | 2,000 | 2,000 |

**Hartford Computer Group, Inc. and Subsidiaries**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2009 and 2008
(In thousands)

NOTE F – NOTES PAYABLE - RELATED PARTIES (Continued)

| | 2009 | 2008 |
|---|---|---|
| Promissory note payable bearing interest at 8%, original due date of June 1, 2005 and effectively due on demand, unsecured and subordinated to the Senior Lender. | 869 | 869 |
| Promissory note payable, bearing interest at 5%, original due date of June 1, 2005 and effectively due on demand, unsecured and subordinated to the Senior Lender. | 1,166 | 1,166 |
| | $ 29,296 | $ 27,666 |

The loan agreements for the Notes Payable-Senior Lender provide for certain reporting and performance covenants. The Company was not in compliance with certain covenants for which the Company obtained a waiver through January 31, 2011.

Interest expense on these notes for the years ended December 31, 2009 and 2008 is $7,484 and $6,747 and accrued interest on these notes totaled $26,271 and $19,079 at December 31, 2009 and 2008, respectively.

NOTE G – INCOME TAXES

The Company is delinquent in filing its Federal and various states' income tax returns since 2006 and is currently in the process of preparing these delinquent income tax returns. The Company expects to owe nominal penalties and interest when these returns are filed.

The Company has recorded a provision for the years ended December 31, 2009 and 2008 of $8 and $5, respectively, that primarily represent the minimum state income taxes.

**Hartford Computer Group, Inc. and Subsidiaries**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2009 and 2008
(In thousands)

NOTE G – INCOME TAXES (Continued)

Federal and state deferred tax assets and liabilities are comprised of the following at December 31:

| | 2009 | 2008 |
|---|---|---|
| Deferred tax assets: | | |
| Goodwill | $ 852 | $ 951 |
| Accrued commissions | 100 | 61 |
| Reserve for bad debt | 238 | 183 |
| Inventory reserve | 897 | 771 |
| Accrued vacation | 246 | 216 |
| Settlement reserve | 417 | 505 |
| Legal fees reserve | 150 | 160 |
| Other accrued liabilities | 138 | 275 |
| Other | 144 | 64 |
| Net operating loss carryforward | 29,418 | 27,877 |
| Total deferred tax assets | 32,600 | 31,063 |
| Valuation allowance | (32,600) | (31,063) |
| Net deferred tax assets | $ – | $ – |

Deferred tax assets are reduced by a valuation allowance if it is more likely than not that some portion or all of the deferred tax assets will not be realized. Valuation allowances are reassessed whenever there are changes in circumstances that may cause a change in judgment. As of December 31, 2009 and 2008, management believed it was more likely than not the entire deferred tax asset will not be realized. The valuation allowance increased by $1,537 and $2,177 during the years ended December 31, 2009 and 2008, respectively.

At December 31, 2009, the Company has approximately $81,200 of Federal and $31,400 of state net operating loss ("NOL") carryforwards. Federal losses begin to expire during 2030 and state losses begin to expire during 2020. Realization of the NOL carryforwards is dependent upon generating sufficient taxable income prior to the expiration of the loss carryforwards. A portion of these net operating losses from the U.S. operations may also be subject to limitation in future years under Section 382 of the Internal Revenue Code. A determination as to this limitation, if any, will be made at a future date as the net operating losses are utilized, if available.

**Hartford Computer Group, Inc. and Subsidiaries**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2009 and 2008
(In thousands)

NOTE H – CONTINGENT LIABILITIES

In the ordinary course of conducting its business, the Company becomes involved in various lawsuits and administrative proceedings. Some of these proceedings may result in fines, penalties, or judgments being assessed against the Company which, from time to time, may have an impact on earnings for a particular period. The Company has been a party to several lawsuits some of which have settled over the previous years. As of December 31, 2009, the Company was aware of three remaining lawsuits: (1) the first one the Company continues to defend and is able to reasonably estimate its costs; (2) the second one the Company had settled in 2010 for $22; and (3) the third one was filed in 2010 for which legal counsel is unable to predict the outcome. It is the Company's policy to record liabilities for estimated legal fees and settlements in the period it determines that such amounts can be reasonably estimated. At December 31, 2009 and 2008, the Company has a liability of $1,038 and $1,253, respectively, related to such costs, which is included in accrued expenses and other liabilities in the accompanying consolidated balance sheets.

During 2009 and 2008, the Company was undergoing a sales tax audit by the State of California for the years 2005 through 2009. On October 4, 2010, the State of California sales tax audit was completed resulting in a final tax liability of $604. The Company is also currently undergoing a retail sales tax audit by the Ontario Ministry of Finance for the periods from May 21, 2004 to February 28, 2007. The Company had recorded a reserve of $800 and $500 as of December 31, 2009 and 2008, respectively, which as of December 31, 2009 includes an estimate of the projected outcome of the Ontario Ministry of Finance's retail sales tax audit. The reserve is included in accrued expenses and other liabilities in the accompanying consolidated balance sheets.

NOTE I – RETIREMENT PLAN

For United States employees, the Company sponsors a defined contribution plan under Section 401(k) of the Internal Revenue Code. The plan allows eligible employees the ability to defer a portion of their annual compensation up to the annual maximum amount allowable by law. The plan also allows for the Company to make discretionary contributions. The Company made no contributions to the plan during the years ended December 31, 2009 and 2008.

NOTE J – COMMITMENTS

Operating Leases

The Company leases its California, Florida and Canada facilities under non-cancelable operating leases. During the years ended December 31, 2009 and 2008, monthly payments for these facilities totaled approximately $95 and $90, respectively. The monthly payments increase at specified rates each year. These leases expire at various dates through February 2014. Under the terms of these leases, the Company is required to pay all utilities, real estate taxes, and insurance costs associated with the properties. The Company leases its Illinois and Maryland facilities under month-to-month lease agreements.

(In thousands)

NOTE J – COMMITMENTS (Continued)

The Company leases certain equipment under several non-cancelable operating leases with aggregate monthly payments of approximately $13 and $17 in the years ended December 31, 2009 and 2008, respectively. These leases expire at various dates through June 2014.

Rent expense under these leases for the years ended December 31, 2009 and 2008 totaled $1,332 and $996, respectively.

The following is a schedule of future minimum lease payments:

| Year ending December 31, | |
|---|---|
| 2010 | $ 1,113 |
| 2011 | 515 |
| 2012 | 314 |
| 2013 | 272 |
| 2014 | 46 |
| | $ 2,260 |

Letters of Credit

The Company has a $1,500 irrevocable letter of credit facility with a bank that is used to secure borrowings on the line of credit facility (see Note E). This letter of credit is secured by a $1,500 certificate of deposit with the same bank, included in restricted cash in the accompanying consolidated balance sheets, and expires on July 15, 2010.

The Company has a $300 standby letter of credit facility with a bank that is used to secure accounts payable to one of the Company's vendors. This letter of credit is secured by a $300 certificate of deposit with the same bank, included in restricted cash in the accompanying consolidated balance sheets, and expires on September 29, 2010.

The Company has a $431 standby letter of credit facility with a bank that is used to secure accounts payable to one of the Company's vendors. This letter of credit is secured by a $431 certificate of deposit with the same bank, included in restricted cash in the accompanying consolidated balance sheets, and expires on September 29, 2010.

**Hartford Computer Group, Inc. and Subsidiaries**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2009 and 2008
(In thousands)

NOTE K – CONCENTRATIONS OF RISK

Financial instruments which potentially subject the Company to concentrations of credit risk consist primarily of cash, restricted cash and accounts receivable.

The Company maintains its cash balances in financial institutions located in the United States and Canada. The Company's cash balances located in the United States are insured by the Federal Deposit Insurance Corporation and cash balances located in Canada have no insurance coverage. At December 31, 2009 and 2008, the Company's uninsured cash balances totaled $668 and $295, respectively, and uninsured restricted cash balances totaled $2,277 and $1,842, respectively.

Concentrations of credit risk with respect to trade receivables are limited due to the large number of customers comprising the Company's customer base, their dispersion across different geographic areas, and generally short payment terms. In addition, the Company closely monitors the extension of credit to its customers while maintaining allowances for potential credit losses. On a periodic basis, the Company evaluates its trade accounts receivable and establishes an allowance for doubtful accounts, based on a history of past write-offs and collections and current credit considerations.

During the years ended December 31, 2009 and 2008, three customers comprised 48% of total revenues and two customers comprised 45% of total revenues, respectively. At December 31, 2009 and 2008, three customers comprised 49% of accounts receivable and two customers comprised 38% of accounts receivable, respectively.

Revenues from the Canadian operation represent approximately 31% of the total company revenues.

NOTE L – PREFERRED AND COMMON STOCK

Series A Preferred Stock

Holders of Series A Preferred Stock are entitled to elect 2 Directors to the Board of Directors. Upon liquidation, dissolution or winding-up of the Company, holders of Series A Preferred Stock are entitled to be paid out before holders of Common Stock at $10.00 per share. Dividends are payable when declared by the Board of Directors.

Common Stock

The Company issued 3 classes of Common Stock:

- Class A – entitled to elect 5 Directors to the Board of Directors
- Class B – entitled to elect 1 Director to the Board of Directors
- Class C – entitled to elect 1 Director to the Board of Directors, pending approval of the majority of the other members of the Board of Directors

NOTE L – PREFERRED AND COMMON STOCK (Continued)

Upon liquidation, dissolution or winding-up of the Company, and after holders of Series A Preferred Stock have been paid out, any remaining assets will be paid out to holders of Class A, B, and C Common Stock on a pro-rata basis. The 2005 reorganization and merger agreement further provides that the aggregate amount of pay-out to holders of Class A and B Common Stock shall be paid based on a specific allocation schedule.

**December 31, 2010**
**Year-End Financial Statements**

# Hartford Computer Group, Inc. and Subsidiaries

## Report on Consolidated Financial Statements

## Years Ended December 31, 2010 and 2009

## CONTENTS

J.H. COHN LLP
Accountants and Consultants since 1919

www.jhcohn.com • 888-542-6461 • fax 888-542-3291

# Report of Independent Public Accountants

To the Stockholders and Board of Directors
Hartford Computer Group, Inc.

We have audited the accompanying consolidated balance sheets of Hartford Computer Group, Inc. and Subsidiaries as of December 31, 2010 and 2009, and the related consolidated statements of operations, stockholders' deficit and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Hartford Computer Group, Inc. and Subsidiaries as of December 31, 2010 and 2009, and their results of operations and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note B to the consolidated financial statements, the Company has had recurring losses, deficit equity and negative working capital, which raises substantial doubt about its ability to continue as a going concern. Management's plans regarding this matter are also described in Note B. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

J.H. Cohn LLP

Los Angeles, California
July 26, 2011

**HARTFORD COMPUTER GROUP, INC. AND SUBSIDIARIES**
**CONSOLIDATED BALANCE SHEETS**
**December 31, 2010 and 2009**
(In thousands, except share data)

**ASSETS**

| | 2010 | 2009 |
|---|---|---|
| CURRENT ASSETS | | |
| Cash | $ 2,912 | $ 2,350 |
| Restricted cash | 2,271 | 2,231 |
| Accounts receivable, net | 12,641 | 6,948 |
| Inventories | 6,695 | 4,922 |
| Prepaid expenses and other current assets | 1,035 | 763 |
| Total current assets | 25,554 | 17,214 |
| PROPERTY AND EQUIPMENT, net | 384 | 424 |
| OTHER ASSETS | 404 | 252 |
| | $ 26,342 | $ 17,890 |

**HARTFORD COMPUTER GROUP, INC. AND SUBSIDIARIES**
**CONSOLIDATED BALANCE SHEETS**
**December 31, 2010 and 2009**
(In thousands, except share data)

**LIABILITIES AND STOCKHOLDERS' DEFICIT**

| | 2010 | 2009 |
|---|---|---|
| CURRENT LIABILITIES | | |
| Line of credit | $ 1,150 | $ 543 |
| Accounts payable | 5,793 | 3,964 |
| Accrued expenses and other liabilities | 5,395 | 5,239 |
| Income taxes payable | 420 | - |
| Deferred revenues | 249 | - |
| Accrued interest - related parties | 34,744 | 26,271 |
| Notes payable - related parties | 31,896 | 29,296 |
| Total current liabilities | 79,647 | 65,313 |
| DEFERRED RENTS | 137 | 207 |
| Total liabilities | 79,784 | 65,520 |
| COMMITMENTS AND CONTINGENCIES | | |
| STOCKHOLDERS' DEFICIT | | |
| Series A preferred stock, $0.001 par value: Authorized - 1,000,000 shares Issued and outstanding - 598,000 shares Liquidation preference of $5,980,000 | 1 | 1 |
| Common stock, $0.001 par value: Class A - Authorized 10,000,000 shares, Issued and outstanding 4,800,000 shares Class B - Authorized 10,000,000 shares, Issued and outstanding 4,800,000 shares Class C - Authorized 5,000,000 shares, Issued and outstanding 1,390,636 shares | 11 | 11 |
| Additional paid-in capital | 48,809 | 48,809 |
| Accumulated deficit | (102,026) | (95,858) |
| Accumulated other comprehensive loss - foreign currency translation | (237) | (593) |
| | (53,442) | (47,630) |
| | $ 26,342 | $ 17,890 |

See notes to consolidated financial statements

**HARTFORD COMPUTER GROUP, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF OPERATIONS**
**For the years ended December 31, 2010 and 2009**
(In thousands)

| | 2010 | 2009 |
|---|---|---|
| Revenues | $ 94,998 | $ 74,796 |
| Cost of revenues | 68,476 | 52,041 |
| Gross profit | 26,522 | 22,755 |
| Operating expenses | 23,362 | 19,563 |
| Income from operations | 3,160 | 3,192 |
| Other income (expense): | | |
| Interest expense | (9,105) | (7,557) |
| Interest income | 26 | 25 |
| Other income, net | 176 | 328 |
| | (8,903) | (7,204) |
| Loss before provision for income taxes | (5,743) | (4,012) |
| Provision for income taxes | (425) | (8) |
| NET LOSS | $ (6,168) | $ (4,020) |

See notes to consolidated financial statements

**HARTFORD COMPUTER GROUP, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT**
**For the years ended December 31, 2010 and 2009**
(In thousands, except share data)

| | Series A preferred stock | | Common stock | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Shares | Amount | Shares | Amount | Additional paid-in capital | Accumulated deficit | Accumulated other comprehensive loss | Total stockholders' deficit |
| Balance, January 1, 2009 | 598,000 | $ 1 | 10,990,636 | $ 11 | $ 48,809 | $ (91,838) | $ (278) | $ (43,295) |
| Net loss for 2009 | | | | | | (4,020) | | (4,020) |
| Foreign currency translation adjustment | | | | | | | (315) | (315) |
| Total comprehensive loss | | | | | | | | (4,335) |
| Balance, December 31, 2009 | 598,000 | 1 | 10,990,636 | 11 | 48,809 | (95,858) | (593) | (47,630) |
| Net loss for 2010 | | | | | | (6,168) | | (6,168) |
| Foreign currency translation adjustment | | | | | | | 356 | 356 |
| Total comprehensive loss | | | | | | | | (5,812) |
| Balance, December 31, 2010 | 598,000 | $ 1 | 10,990,636 | $ 11 | $ 48,809 | $ (102,026) | $ (237) | $ (53,442) |

See notes to consolidated financial statements

**HARTFORD COMPUTER GROUP, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF CASH FLOWS**
**For the years ended December 31, 2010 and 2009**
(In thousands)

| | 2010 | 2009 |
|---|---|---|
| Cash flows from operating activities: | | |
| Net loss | $ (6,168) | $ (4,020) |
| Adjustments to reconcile net loss to net cash provided by (used in) operating activities: | | |
| Depreciation and amortization | 193 | 191 |
| Bad debt expense | 385 | 124 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable | (5,958) | (1,428) |
| Inventories | (1,697) | (1,022) |
| Prepaid expenses and other current assets | (263) | (193) |
| Other assets | (148) | 5 |
| Accounts payable | 1,726 | 1,597 |
| Accrued expenses and other liabilites | 102 | (1,161) |
| Income taxes payable | 420 | - |
| Deferred revenues | 249 | (336) |
| Deferred rents | (72) | 18 |
| Accrued interest - related parties | 8,473 | 7,192 |
| Net cash provided by (used in) operating activities | (2,758) | 967 |
| Cash flows from investing activities: | | |
| Purchases of property and equipment | (146) | (167) |
| Restricted cash | (40) | (431) |
| Net cash used in investing activities | (186) | (598) |
| Cash flows from financing activities: | | |
| Net (payments) borrowings on line of credit | 606 | (411) |
| Borrowings on notes payable - related parties | 2,600 | 1,630 |
| Net cash provided by financing activities | 3,206 | 1,219 |
| Effect of foreign exchange on cash | 300 | (427) |
| Net increase in cash | 562 | 1,161 |
| Cash at beginning of year | 2,350 | 1,189 |
| Cash at end of year | $ 2,912 | $ 2,350 |
| Supplemental disclosure of cash flow information: | | |
| Cash paid during the year for interest | $ 632 | $ 365 |
| Cash paid during the year for income taxes | $ 40 | $ 8 |

See notes to consolidated financial statements

**Hartford Computer Group, Inc. and Subsidiaries**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2010 and 2009
(In thousands)

## NOTE A – DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Description of Business

Hartford Computer Group, Inc. and Subsidiaries (collectively the "Company") is an electronics repair and installation company engaged in the reselling, whole unit depot repair, onsite services, and part repair/distribution for laptop computers, desktop computers, consumer gaming units, printers, flat screen televisions, and other consumer and commercial electronics. The Company's customers are located throughout the United States, including Puerto Rico and Guam, and in Canada.

Hartford Computer Group, Inc. ("Hartford"), dba Nexicore Services in the United States and Canada, was incorporated in Illinois in 1978 and was later reorganized as a Delaware corporation under the same name in 2005. Hartford has its headquarters in California, has a branch location in Canada, and sales offices in Illinois and Maryland.

Nexicore Services, LLC was organized in 2002 in Florida and is a wholly-owned subsidiary of Hartford. Nexicore Services, LLC's facility is located in Florida where it houses the Company's call center.

Hartford Computer Government, Inc. was incorporated in 2004 in Illinois and is a wholly-owned subsidiary of Hartford. It operates in the State of Maryland where it primarily services governmental entities.

Hartford Computer Hardware, Inc. was incorporated in 2005 in Illinois and is a wholly-owned subsidiary of Hartford. It operates in Illinois where it services a contract with a major retailer.

### Principles of Consolidation

The consolidated financial statements include the accounts of Hartford, Hartford Computer Government, Inc., Hartford Computer Hardware, Inc., and Nexicore Services, LLC. All material intercompany balances and transactions have been eliminated in consolidation.

### Foreign Currency Translation

The financial statements of Nexicore Services in the Company's Canada division are translated into United States dollars, using current and historical exchange rates, as appropriate. The functional currency is the Canadian dollar and, accordingly, foreign currency translation adjustments should be included as a component of accumulated other comprehensive loss in the consolidated statements of stockholders' deficit. Translation gains (losses) for the years ended December 31, 2010 and 2009 were $356 and ($315), respectively. Any losses resulting from foreign currency transactions are reflected in the consolidated statements of operations for the period in which they occur. Transaction gains for the years ended December 31, 2010 and 2009 totaled $83 and $221, respectively, and are included in other income, net in the accompanying consolidated statements of operations.

**Hartford Computer Group, Inc. and Subsidiaries**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2010 and 2009
(In thousands)

NOTE A – DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted Cash

The Company's restricted cash as of December 31, 2010 and 2009 of $2,271 and $2,231, respectively, is used to secure the letters of credit that the Company has with a bank (see Note J).

Inventories

Inventories are comprised primarily of finished goods and are stated at the lower of cost (moving weighted average) or market.

Property and Equipment

Property and equipment are recorded at cost. Depreciation and amortization of property and equipment are computed using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized using the straight-line method over the shorter of their useful lives or the remaining lease term.

Expenditures for major renewals and improvements that extend the useful lives of property and equipment are capitalized. Expenditures for repairs and maintenance are charged to expense as incurred.

Revenue Recognition

Service revenues – The Company recognizes service revenues upon completion of the service event. Service revenues for the years ended December 31, 2010 and 2009 were approximately $84,600 and $63,800, respectively.

Hardware revenues - The Company recognizes revenues from the sales of packaged hardware and software when title and risk of loss transfers to the customer, which is generally upon shipment. Hardware revenues for the years ended December 31, 2010 and 2009 were approximately $10,400 and $11,000, respectively.

All revenues are recorded net of sales taxes.

The Company recorded deferred revenues of $249 at December 31, 2010 related to long-term extended warranty and maintenance service contracts. Revenues will be recognized as services are performed over the lives of the contracts.

**Hartford Computer Group, Inc. and Subsidiaries**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2010 and 2009
(In thousands)

NOTE A – DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to makes estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Long-Lived Assets

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability is measured by comparison of the asset's carrying amount to the future net cash flows the asset is expected to generate. If an asset is considered to be impaired, the impairment to be recognized is measured by the amount at which the carrying amount of the asset exceeds its fair value. During the years ended December 31, 2010 and 2009, no impairment was recognized.

Shipping Costs

The Company records costs incurred for freight-out in cost of revenues.

Advertising

Advertising costs are expensed as incurred. Advertising expense was $13 and $57 for the years ended December 31, 2010 and 2009, respectively.

Deferred Rents

The Company's operating leases for its Florida and Canada facilities include scheduled rent increases. The Company has accounted for these leases to provide straight-line charges to operations over the lives of the leases.

Income Taxes

Income taxes are recognized for the amount of taxes payable or refundable for the current year and deferred tax liabilities and assets for future tax consequences of transactions that have been recognized in the Company's financial statements or tax returns. A valuation allowance is provided when it is more likely than not that some portion or all of the deferred tax assets will not be realized.

NOTE A – DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Company has no unrecognized tax benefits at December 31, 2010 and 2009. The Company's U.S. Federal and state income tax returns through the 2005 calendar year are closed. Management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

The Company recognizes interest and penalties associated with tax matters as part of the income tax provision and includes accrued interest and penalties with the related tax liability in the consolidated balance sheets. Interest and penalties are $45 and $0 in 2010 and 2009, respectively.

Subsequent Events

The Company has evaluated subsequent events through July 26, 2011, which is the date the consolidated financial statements were available to be issued.

NOTE B – GOING CONCERN

The Company's consolidated financial statements have been presented on the basis that it is a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

As of December 31, 2010 and 2009, the Company has had recurring losses (resulting primarily from interest expense on notes payable to related parties), deficit equity and negative working capital with a significant portion of its current liabilities related to notes payable to related parties (see Note F). These notes and the related accrued interest are effectively due on demand. The Company has attempted to negotiate the extension of the loans with the Senior Lenders. Through the report date, the Senior Lenders, who are also stockholders of the Company, have not demanded repayment of the principal or unremitted accrued interest. Management does not expect that the Senior Lenders will demand repayment in the foreseeable future. Additionally, in 2010, the Company had negative cash flows from operations and was not in compliance with certain reporting and financial covenants (see Note E).

**Hartford Computer Group, Inc. and Subsidiaries**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2010 and 2009
(In thousands)

NOTE C – ACCOUNTS RECEIVABLE

Accounts receivable balances at December 31, 2010 and 2009 are as follows:

| | 2010 | 2009 |
|---|---|---|
| Accounts receivable | $ 13,244 | $ 7,573 |
| Allowance for doubtful accounts | (310) | (402) |
| Allowance for returns | (293) | (223) |
| | $ 12,641 | $ 6,948 |

NOTE D – PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31, 2010 and 2009:

| | Useful Lives | 2010 | 2009 |
|---|---|---|---|
| Computer equipment and software | 3 - 5 yrs | $ 302 | $ 286 |
| Automobiles | 3 yrs | 27 | 27 |
| Leasehold improvements | 3 - 10 yrs | 284 | 267 |
| Test equipment | 1 - 5 yrs | 298 | 243 |
| Furniture and fixtures | 5- 7 yrs | 361 | 289 |
| Sub-total | | 1,272 | 1,112 |
| Less accumulated depreciation and amortization | | (888) | (688) |
| | | $ 384 | $ 424 |

Depreciation and amortization expense associated with property and equipment for the years ended December 31, 2010 and 2009 was $193 and $191, respectively.

NOTE E – LINE OF CREDIT

Hartford Computer Government, Inc. and Hartford Computer Hardware, Inc. have a revolving credit facility with a finance company with a maximum credit limit of $1,500 for inventory purchases. Invoices of authorized suppliers for inventory purchases made by the Company are paid directly by the finance company. Outstanding advances cannot exceed the lesser of the credit limit or borrowing base. Outstanding advances at December 31, 2010 and 2009 were $1,150 and $543, respectively.

Interest accrues when the Company defers payments to the finance company beyond the authorized suppliers' payment terms and is payable monthly at a base rate as determined by the finance company plus a finance rate of 7.65%. At December 31, 2010 and 2009, the prevailing interest rates were 10.9% and 10.9%, respectively. Interest expense for the years ended December 31, 2010 and 2009 was $28 and $44, respectively. Annual fees for the credit facility are $6 for both years.

**Hartford Computer Group, Inc. and Subsidiaries**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2010 and 2009
(In thousands)

NOTE E – LINE OF CREDIT (Continued)

Borrowings under the line of credit facility are collateralized by an irrevocable letter of credit of $1,500 (see Note J).

The credit agreement includes provisions for reporting and financial covenants. Hartford Computer Government, Inc. and Hartford Computer Hardware, Inc. are not in compliance with these covenants as of December 31, 2010.

NOTE F – NOTES PAYABLE - RELATED PARTIES

Notes payable – related parties are due to three of the Company's stockholders and consist of the following:

| | 2010 | 2009 |
|---|---|---|
| Notes Payable-Senior Lender (secured by substantially all assets of the Company) | | |
| Senior Lender Revolver notes payable, bearing interest at prime (prime rate was 3.25% at December 31, 2010 and 2009) plus 7.25%, original due date of December 31, 2006 and effectively due on demand, monthly interest payments at the prime rate were made in 2010 and 2009 with the remaining interest due upon demand. The Company received an advance in December 2010 of $2,600. Interest on this advance is payable at the full interest rate each month. | $ 8,648 | $ 6,048 |
| Term note A, bearing interest at prime (prime rate was 3.25% at December 31, 2010 and 2009) plus a 9.0% margin and 2% default rate, original due date of May 9, 2008 and effectively due on demand. | 9,579 | 9,579 |
| Term note B, bearing interest at 11.0% plus 3% default rate, original due date of May 9, 2008 and effectively due on demand. | 5,102 | 5,102 |
| Term note C, bearing interest at prime (prime rate was 3.25% at December 31, 2010 and 2009) plus 6.25% and effectively due on demand. | 3,032 | 3,032 |
| Term note D, bearing interest at 25.0% and effectively due on demand. | 1,500 | 1,500 |
| Term note E, bearing interest at 25.0% and effectively due on demand. | 2,000 | 2,000 |

**Hartford Computer Group, Inc. and Subsidiaries**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2010 and 2009
(In thousands)

NOTE F – NOTES PAYABLE - RELATED PARTIES (Continued)

| | 2010 | 2009 |
|---|---|---|
| Promissory note payable bearing interest at 8%, effectively due on demand, unsecured and subordinated to the Senior Lender. | $ 869 | $ 869 |
| Promissory note payable, bearing interest at 5%, effectively due on demand, unsecured and subordinated to the Senior Lender. | 1,166 | 1,166 |
| | $ 31,896 | $ 29,296 |

The loan agreements for the Notes Payable-Senior Lender provide for certain reporting and performance covenants. The Company was not in compliance with certain covenants for which the Company obtained a waiver through July 31, 2011.

Interest expense on these notes for the years ended December 31, 2010 and 2009 is $8,912 and $7,484 and accrued interest on these notes totaled $34,744 and $26,271 at December 31, 2010 and 2009, respectively

NOTE G – INCOME TAXES

The components of the provision for income taxes are as follows:

| | 2010 | 2009 |
|---|---|---|
| Current: | | |
| Federal | $ 117 | $ - |
| State | 288 | 8 |
| Penalties and interest | 20 | - |
| | $425 | $ 8 |

**Hartford Computer Group, Inc. and Subsidiaries**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2010 and 2009
(In thousands)

NOTE G – INCOME TAXES (Continued)

Federal and state deferred tax assets and liabilities are comprised of the following at December 31:

| | 2010 | 2009 |
|---|---|---|
| Deferred tax assets: | | |
| Goodwill | $ 750 | $ 852 |
| Accrued commissions | 135 | 100 |
| Reserve for bad debt | 187 | 238 |
| Inventory reserve | 1,262 | 897 |
| Accrued vacation | 309 | 246 |
| Settlement reserve | 452 | 417 |
| Legal fees reserve | 4 | 150 |
| Accrued interest payable | 438 | - |
| Other accrued liabilities | 168 | 138 |
| Other | 237 | 144 |
| Credit carryforward | 117 | - |
| Net operating loss carryforward | 27,220 | 29,418 |
| Total deferred tax assets | 31,279 | 32,600 |
| Valuation allowance | (31,279) | (32,600) |
| Net deferred tax assets | $ - | $ - |

Deferred tax assets are reduced by a valuation allowance if it is more likely than not that some portion or all of the deferred tax assets will not be realized. Valuation allowances are reassessed whenever there are changes in circumstances that may cause a change in judgment. As of December 31, 2010 and 2009, management believed it was more likely than not the entire deferred tax asset will not be realized. The valuation allowance decreased by $1,321 during 2010 and increased by $1,537 during 2009.

The Company is delinquent in filing its Canadian income tax return for 2009 and is currently in the process of preparing this delinquent return. The Company expects to owe nominal penalties and interest when this return is filed.

At December 31, 2010, the Company has approximately $53,600 of Federal, $31,800 of state and $29,400 of foreign net operating loss ("NOL") carryforwards. Federal losses begin to expire during 2030 and state losses begin to expire during 2020. Realization of the NOL carryforwards is dependent upon generating sufficient taxable income prior to the expiration of the loss carryforwards. A portion of these net operating losses from U.S. operations may also be subject to limitation in future years under Section 382 of the Internal Revenue Code. A determination as to this limitation, if any, will be made at a future date as the NOLs are utilized, if available.

**Hartford Computer Group, Inc. and Subsidiaries**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2010 and 2009
(In thousands)

NOTE H – CONTINGENT LIABILITIES

In the ordinary course of conducting its business, the Company becomes involved in various lawsuits and administrative proceedings. Some of these proceedings may result in fines, penalties or judgments being assessed against the Company which, from time to time, may have an impact on earnings for a particular period. The Company has been a party to several lawsuits some of which have settled over the previous years. As of December 31, 2010, the Company was aware of two remaining lawsuits: (1) the first one the Company continues to defend and is able to reasonably estimate its costs; (2) the second one legal counsel is unable to predict the outcome. It is the Company's policy to record liabilities for estimated legal fees and settlements in the period it determines that such amounts can be reasonably estimated. At December 31, 2010 and 2009, the Company has a liability of $677 and $1,038, respectively, related to such costs, which is included in accrued expenses and other liabilities in the accompanying consolidated balance sheets.

During 2009 and 2008, the Company was undergoing a sales tax audit by the State of California for the years 2005 through 2009. On October 4, 2010, the State of California sales tax audit was completed resulting in a final tax liability of $604. The amount owed was paid in 2010.

The Company was undergoing a retail sales tax audit by the Ontario Ministry of Finance for the period from May 21, 2004 to February 28, 2007 for which a reserve of $800 was recorded as of December 31, 2009. The audit was settled in April 2011 for $11 plus interest. As of December 31, 2010, the Company holds a reserve of $906 for provincial taxes owed to other provinces.

NOTE I – RETIREMENT PLAN

For United States employees, the Company sponsors a defined contribution plan under Section 401(k) of the Internal Revenue Code. The plan allows eligible employees the ability to defer a portion of their annual compensation up to the annual maximum amount allowable by law. The plan also allows for the Company to make discretionary contributions. The Company made no contributions to the plan during the years ended December 31, 2010 and 2009.

NOTE J – COMMITMENTS

Operating Leases

The Company leases its California, Florida and Canada facilities under non-cancelable operating leases. During the years ended December 31, 2010 and 2009, monthly payments for these facilities totaled approximately $89 and $95, respectively. The monthly payments for the Florida and Canada facilities increase at specified rates each year. These leases expire at various dates through February 2014. Under the terms of these leases, the Company is required to pay all utilities, real estate taxes, and insurance costs associated with the properties. The Company leases its Illinois and Maryland facilities under month-to-month lease agreements.

**Hartford Computer Group, Inc. and Subsidiaries**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2010 and 2009
(In thousands)

NOTE J – COMMITMENTS (Continued)

The Company leases certain equipment under several non-cancelable operating leases with aggregate monthly payments of $14 and $13 in the years ended December 31, 2010 and 2009, respectively. These leases expire at various dates through 2015.

Rent expense under these leases for the years ended December 31, 2010 and 2009 totaled $1,439 and $996, respectively.

The following is a schedule of future minimum lease payments:

| Year ending December 31, | |
|---|---|
| 2011 | $ 1,245 |
| 2012 | 328 |
| 2013 | 286 |
| 2014 | 55 |
| 2015 | 8 |
| | $ 1,922 |

Letters of Credit

The Company has a $1,500 irrevocable letter of credit facility with a bank that is used to secure borrowings on the line of credit facility (see Note E). This letter of credit is secured by a $1,500 certificate of deposit with the same bank, included in restricted cash in the accompanying consolidated balance sheets, and expires on July 15, 2012.

The Company has a $771 standby letter of credit facility with a bank that is used to secure accounts payable to one of the Company's vendors. This letter of credit is secured by a $731 certificate of deposit with the same bank plus a $40 savings account, included in restricted cash in the accompanying consolidated balance sheets, and expires on September 29, 2011.

**Hartford Computer Group, Inc. and Subsidiaries**
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2010 and 2009
(In thousands)

NOTE K – CONCENTRATIONS OF RISK

Financial instruments which potentially subject the Company to concentrations of credit risk consist primarily of cash, restricted cash and accounts receivable.

The Company maintains its cash and restricted cash balances in financial institutions located in the United States and Canada. The Company's cash balances located in the United States are insured by the Federal Deposit Insurance Corporation and cash balances located in Canada have no insurance coverage. At December 31, 2010 and 2009, the Company's uninsured cash balances totaled $622 and $668, respectively, and uninsured restricted cash balances totaled $2,021 and $1,981, respectively.

Concentrations of credit risk with respect to trade receivables are limited due to the large number of customers comprising the Company's customer base, their dispersion across different geographic areas, and generally short payment terms. In addition, the Company closely monitors the extension of credit to its customers while maintaining allowances for potential credit losses. On a periodic basis, the Company evaluates its trade accounts receivable and establishes an allowance for doubtful accounts, based on a history of past write-offs and collections and current credit considerations.

During the years ended December 31, 2010 and 2009, three customers comprised 51% and 48% of total revenues, respectively. At December 31, 2010 and 2009, two customers comprised 53% of accounts receivable and three customers comprised 49% of accounts receivable, respectively.

Revenues from the Canadian operation represent approximately 28% of the total Company's revenues.

NOTE L – PREFERRED AND COMMON STOCK

Series A Preferred Stock

Holders of Series A Preferred Stock are entitled to elect 2 Directors to the Board of Directors. Upon liquidation, dissolution or winding-up of the Company, holders of Series A Preferred Stock are entitled to be paid out before holders of Common Stock at $10.00 per share. Dividends are payable when declared by the Board of Directors.

Common Stock

The Company issued 3 classes of Common Stock:

- Class A – entitled to elect 5 Directors to the Board of Directors
- Class B – entitled to elect 1 Director to the Board of Directors
- Class C – entitled to elect 1 Director to the Board of Directors, pending approval of the majority of the other members of the Board of Directors

NOTE L – PREFERRED AND COMMON STOCK (Continued)

Upon liquidation, dissolution or winding-up of the Company, and after holders of Series A Preferred Stock have been paid out, any remaining assets will be paid out to holders of Class A, B, and C Common Stock on a pro-rata basis. The 2005 reorganization and merger agreement further provides that the aggregate amount of pay-out to holders of Class A and B Common Stock shall be paid based on a specific allocation schedule.

**September 30, 2011**
**Interim Financial Statements**

Nexicore
Consolidated Balance Sheet

**Consolidated Balance Sheet**

| | Fiscal Year Ending December 31, 2011 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Jan-11 | Feb-11 | Mar-11 | Apr-11 | May-11 | Jun-11 | Jul-11 | Aug-11 | Sept-11 |
| **ASSETS** | | | | | | | | | |
| **Current Assets** | | | | | | | | | |
| Cash | 1,345,409 | 1,949,970 | 2,291,334 | 1,548,800 | 2,563,268 | 2,678,748 | 3,434,527 | 5,036,621 | 3,567,713 |
| Restricted Cash | 2,271,127 | 2,271,138 | 2,271,150 | 2,271,161 | 2,271,172 | 2,271,181 | 2,271,186 | 2,271,193 | 2,271,200 |
| Accounts Receivable, net | 14,733,776 | 13,301,545 | 11,533,141 | 12,736,100 | 11,841,249 | 12,848,350 | 12,224,042 | 12,106,773 | 11,360,880 |
| Inventory | 7,122,341 | 7,612,603 | 7,872,717 | 7,842,257 | 7,871,645 | 7,598,921 | 7,487,233 | 7,676,168 | 7,519,878 |
| Prepaid Expenses and Other | 1,178,583 | 888,099 | 1,619,492 | 1,003,167 | 751,989 | 982,598 | 1,023,209 | 1,259,759 | 1,113,604 |
| **Total Current Assets** | **26,651,236** | **26,023,355** | **25,587,834** | **25,401,485** | **25,299,323** | **26,379,798** | **26,440,197** | **28,350,514** | **25,833,275** |
| Property and Equipment, net | 496,887 | 485,940 | 475,214 | 469,441 | 459,766 | 463,518 | 452,949 | 443,740 | 438,812 |
| Other Assets | 399,761 | 395,464 | 406,666 | 402,369 | 401,571 | 397,273 | 392,976 | 381,302 | 377,005 |
| **Total Assets** | **27,547,884** | **26,904,759** | **26,469,714** | **26,273,295** | **26,160,660** | **27,240,589** | **27,286,122** | **29,175,556** | **26,649,092** |
| **LIABILITIES & EQUITY** | | | | | | | | | |
| **Current Liabilities** | | | | | | | | | |
| Hardware Line of Credit | 584,611 | 663,089 | 1,087,977 | 900,805 | 1,030,545 | 1,117,882 | 984,603 | 1,363,451 | 921,534 |
| Accounts Payable | 6,202,901 | 5,470,771 | 4,531,392 | 5,035,562 | 4,429,660 | 3,589,318 | 3,881,936 | 4,191,353 | 3,488,219 |
| Accrued Expenses and Other Liabilities (1) | 6,559,227 | 6,358,058 | 5,893,777 | 5,068,200 | 4,871,605 | 6,301,027 | 5,838,457 | 6,549,394 | 5,228,666 |
| Deferred Revenues | 180,832 | 181,074 | 301,261 | 295,884 | 348,375 | 412,750 | 431,188 | 399,109 | 332,162 |
| **Total Current Liabilities** | **13,527,571** | **12,672,992** | **11,814,407** | **11,300,451** | **10,680,185** | **11,420,977** | **11,136,184** | **12,503,307** | **9,970,581** |
| Accrued Interest | 35,523,416 | 36,304,633 | 37,097,314 | 37,901,227 | 38,719,820 | 39,547,107 | 40,385,814 | 41,236,496 | 42,097,411 |
| Notes Payable - Related Parties | 31,796,078 | 31,796,078 | 31,796,078 | 31,796,078 | 32,211,078 | 32,211,078 | 32,211,078 | 32,211,078 | 31,796,078 |
| Deferred Rents | 131,764 | 126,961 | 120,988 | 115,879 | 110,769 | 105,660 | 99,789 | 93,917 | 88,046 |
| **Total Liabilities** | **80,978,829** | **80,900,664** | **80,828,787** | **81,113,635** | **81,721,852** | **83,284,822** | **83,832,865** | **86,044,798** | **83,952,116** |
| **Stockholders' Equity** | | | | | | | | | |
| Preferred Stock | 598 | 598 | 598 | 598 | 598 | 598 | 598 | 598 | 598 |
| Common Stock | 10,600 | 10,600 | 10,600 | 10,600 | 10,600 | 10,600 | 10,600 | 10,600 | 10,600 |
| Additional paid-in capital | 48,810,178 | 48,810,178 | 48,810,178 | 48,810,178 | 48,810,178 | 48,810,178 | 48,810,178 | 48,810,178 | 48,810,178 |
| Accumulated Deficit | (102,016,419) | (102,581,379) | (102,944,547) | (103,425,814) | (104,146,666) | (104,629,707) | (105,132,217) | (105,454,716) | (105,888,498) |
| Foreign Currency Translation | (235,902) | (235,902) | (235,902) | (235,902) | (235,902) | (235,902) | (235,902) | (235,902) | (235,902) |
| **Total Equity** | **(53,430,945)** | **(53,995,905)** | **(54,359,073)** | **(54,840,340)** | **(55,561,192)** | **(56,044,233)** | **(56,546,743)** | **(56,869,242)** | **(57,303,024)** |
| **Total Liabilities & Equity** | **27,547,884** | **26,904,759** | **26,469,714** | **26,273,295** | **26,160,660** | **27,240,589** | **27,286,122** | **29,175,556** | **26,649,092** |

(1) Accrued Expenses and Other Liabilities includes the following accrued taxes as of 9/30/2011: accrued sales, use, provincial, and income taxes of $1.475 million.

| | Jan-11 | Feb-11 | Mar-11 | Apr-11 | May-11 | Jun-11 | Jul-11 | Aug-11 | Sept-11 |
|---|---|---|---|---|---|---|---|---|---|
| Memo Items: | | | | | | | | | |
| Selected Current Assets: | | | | | | | | | |
| Accounts Receivable, net | 14,733,776 | 13,301,545 | 11,533,141 | 12,736,100 | 11,841,249 | 12,848,350 | 12,224,042 | 12,106,773 | 11,360,880 |
| Inventory | 7,122,341 | 7,612,603 | 7,872,717 | 7,842,257 | 7,871,645 | 7,598,921 | 7,487,233 | 7,676,168 | 7,519,878 |
| Prepaid Expenses and Other | 1,178,583 | 888,099 | 1,619,492 | 1,003,167 | 751,989 | 982,598 | 1,023,209 | 1,259,759 | 1,113,604 |
| **Total** | **23,034,700** | **21,802,247** | **21,025,350** | **21,581,524** | **20,464,883** | **21,429,869** | **20,734,484** | **21,042,700** | **19,994,362** |
| Selected Current Liabilities: | | | | | | | | | |
| Accounts Payable | 6,202,901 | 5,470,771 | 4,531,392 | 5,035,562 | 4,429,660 | 3,589,318 | 3,881,936 | 4,191,353 | 3,488,219 |
| Accrued Expenses and Other Liabilities excluding accrued taxes | 4,730,812 | 4,518,551 | 4,378,020 | 3,614,954 | 3,377,449 | 4,781,235 | 4,324,886 | 5,048,032 | 3,753,316 |
| Deferred Revenues | 180,832 | 181,074 | 301,261 | 295,884 | 348,375 | 412,750 | 431,188 | 399,109 | 332,162 |
| **Total** | **11,114,545** | **10,170,396** | **9,210,673** | **8,946,400** | **8,155,484** | **8,783,303** | **8,638,010** | **9,638,494** | **7,573,697** |
| Working Capital as defined | 11,920,155 | 11,631,851 | 11,814,677 | 12,635,124 | 12,309,399 | 12,646,566 | 12,096,474 | 11,404,206 | 12,420,665 |
| Accrued Taxes | 1,828,415 | 1,839,507 | 1,515,757 | 1,453,246 | 1,494,156 | 1,519,792 | 1,513,571 | 1,501,362 | 1,475,350 |

**Nexicore**
Summary Income Statement

| Excluding Hardware | 2009 ACTUALS BY MONTH (1) | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Fiscal Year Ending December 31, 2009 | | | | | | | | | | | | |
| | Jan-09 | Feb-09 | Mar-09 | Apr-09 | May-09 | Jun-09 | Jul-09 | Aug-09 | Sept-09 | Oct-09 | Nov-09 | Dec-09 | FY2009A |
| **Revenues** | **$5,531,535** | **$5,173,069** | **$5,611,033** | **$4,476,916** | **$5,268,424** | **$5,612,969** | **$4,923,752** | **$5,222,926** | **$5,331,017** | **$5,712,288** | **$5,476,734** | **$5,430,019** | **$63,770,682** |
| *% Change* | | | | | | | | | | | | | |
| **Cost of Revenues** | | | | | | | | | | | | | |
| Labor | 942,682 | 758,130 | 724,297 | 646,396 | 639,931 | 619,252 | 654,974 | 640,275 | 695,979 | 735,809 | 760,966 | 880,905 | 8,699,596 |
| Materials | 2,159,692 | 1,902,925 | 1,938,348 | 1,763,513 | 2,251,078 | 2,434,097 | 1,887,334 | 2,004,634 | 2,073,413 | 2,303,043 | 2,842,890 | 2,466,279 | 26,027,246 |
| Freight | 558,620 | 481,756 | 426,119 | 389,923 | 362,701 | 349,751 | 414,305 | 434,990 | 468,549 | 498,849 | 495,979 | 483,213 | 5,364,755 |
| Other | 285,530 | 236,837 | 254,906 | 212,440 | 193,003 | 260,648 | 251,047 | 199,203 | 270,421 | 230,567 | (14,966) | 125,005 | 2,504,641 |
| **Total Cost of Revenues** | **$3,946,524** | **$3,379,648** | **$3,343,670** | **$3,012,272** | **$3,446,713** | **$3,663,748** | **$3,207,660** | **$3,279,102** | **$3,508,362** | **$3,768,268** | **$4,084,869** | **$3,955,402** | **$42,596,238** |
| *% Revenues* | *71.3%* | *65.3%* | *59.6%* | *67.3%* | *65.4%* | *65.3%* | *65.1%* | *62.8%* | *65.8%* | *66.0%* | *74.6%* | *72.8%* | *66.8%* |
| **Gross Profit** | **$1,585,011** | **$1,793,421** | **$2,267,363** | **$1,464,644** | **$1,821,711** | **$1,949,221** | **$1,716,092** | **$1,943,824** | **$1,822,655** | **$1,944,020** | **$1,391,865** | **$1,474,617** | **$21,174,444** |
| *% Margin* | *28.7%* | *34.7%* | *40.4%* | *32.7%* | *34.6%* | *34.7%* | *34.9%* | *37.2%* | *34.2%* | *34.0%* | *25.4%* | *27.2%* | *33.2%* |
| **SG&A** | | | | | | | | | | | | | |
| Salaries | 1,069,033 | 1,023,941 | 1,036,277 | 1,015,125 | 1,021,136 | 994,905 | 1,046,316 | 1,047,686 | 1,019,537 | 1,149,708 | 1,071,287 | 1,122,197 | 12,617,148 |
| Contract Labor | 34,758 | 31,215 | 34,859 | 34,185 | 36,991 | 41,026 | 44,097 | 34,532 | 38,561 | 35,639 | 40,464 | 37,609 | 443,936 |
| Rent | 117,500 | 109,657 | 124,285 | 118,013 | 118,362 | 124,103 | 121,370 | 123,926 | 127,345 | 125,204 | 129,888 | 169,939 | 1,509,592 |
| Other | 336,248 | 344,925 | 275,927 | 312,072 | 304,543 | 272,188 | 319,621 | 309,898 | 286,277 | 305,284 | 377,921 | 517,075 | 3,961,979 |
| **Total SG&A** | **$1,557,539** | **$1,509,738** | **$1,471,348** | **$1,479,395** | **$1,481,032** | **$1,432,222** | **$1,531,404** | **$1,516,042** | **$1,471,720** | **$1,615,835** | **$1,619,560** | **$1,846,820** | **$18,532,655** |
| *% Revenues* | *28.2%* | *29.2%* | *26.2%* | *33.0%* | *28.1%* | *25.5%* | *31.1%* | *29.0%* | *27.6%* | *28.3%* | *29.6%* | *34.0%* | *29.1%* |
| D&A | 15,645 | 16,985 | 15,480 | 15,227 | 16,688 | 15,421 | 15,456 | 16,653 | 15,388 | 15,624 | 17,273 | 15,609 | 191,449 |
| EBIT | $11,827 | $266,698 | $780,535 | ($29,978) | $323,991 | $501,578 | $169,232 | $411,129 | $335,547 | $312,561 | ($244,968) | ($387,812) | $2,450,340 |
| *% Margin* | *0.2%* | *5.2%* | *13.9%* | *(0.7%)* | *6.1%* | *8.9%* | *3.4%* | *7.9%* | *6.3%* | *5.5%* | *(4.5%)* | *(7.1%)* | *3.8%* |
| Addbacks of Extraordinary Items | - | - | - | - | - | - | - | - | - | - | - | - | 213,329 |
| **Adjusted EBIT** | **$11,827** | **$266,698** | **$780,535** | **($29,978)** | **$323,991** | **$501,578** | **$169,232** | **$411,129** | **$335,547** | **$312,561** | **($244,968)** | **($387,812)** | **$2,663,669** |
| *% Margin* | *0.2%* | *5.2%* | *13.9%* | *(0.7%)* | *6.1%* | *8.9%* | *3.4%* | *7.9%* | *6.3%* | *5.5%* | *(4.5%)* | *(7.1%)* | *4.2%* |

**Footnote**
(1) Please refer to separate schedule featuring detail relating to addbacks.

Nexicore
Summary Income Statement

| Excluding Hardware | 2010 ACTUALS BY MONTH (1) (2) (3) | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Fiscal Year Ending December 31, 2010 | | | | | | | | | | | | |
| | Jan-10 | Feb-10 | Mar-10 | Apr-10 | May-10 | Jun-10 | Jul-10 | Aug-10 | Sept-10 | Oct-10 | Nov-10 | Dec-10 | FY2010A |
| **Revenues** | $6,495,902 | $6,364,110 | $7,132,687 | $6,620,674 | $6,603,658 | $6,592,273 | $7,102,689 | $7,488,255 | $7,037,514 | $8,082,429 | $8,030,029 | $7,057,740 | $84,607,960 |
| *% Change* | *17.4%* | *23.0%* | *27.1%* | *47.9%* | *25.3%* | *17.4%* | *44.3%* | *43.4%* | *32.0%* | *41.5%* | *46.6%* | *30.0%* | *32.7%* |
| **Cost of Revenues** | | | | | | | | | | | | | |
| Labor | 978,196 | 827,538 | 926,299 | 767,450 | 867,410 | 822,057 | 894,493 | 950,136 | 944,031 | 914,473 | 909,258 | 892,762 | 10,694,103 |
| Materials | 3,643,208 | 2,714,227 | 3,031,076 | 2,726,010 | 2,600,440 | 2,770,819 | 3,060,261 | 3,257,119 | 3,100,427 | 4,672,760 | 3,736,091 | 3,044,559 | 38,356,997 |
| Freight | 506,831 | 531,779 | 637,501 | 542,160 | 553,367 | 517,152 | 477,237 | 557,680 | 481,088 | 534,148 | 494,276 | 514,666 | 6,347,885 |
| Other | 108,003 | 351,383 | 290,618 | 372,925 | 327,291 | 394,304 | 351,135 | 389,102 | 406,321 | (209,496) | 339,101 | 418,507 | 3,539,194 |
| **Total Cost of Revenues** | $5,236,238 | $4,424,927 | $4,885,494 | $4,408,545 | $4,348,508 | $4,504,332 | $4,783,126 | $5,154,037 | $4,931,867 | $5,911,885 | $5,478,726 | $4,870,494 | $58,938,179 |
| *% Revenues* | *80.6%* | *69.5%* | *68.5%* | *66.6%* | *65.8%* | *68.3%* | *67.3%* | *68.8%* | *70.1%* | *73.1%* | *68.2%* | *69.0%* | *69.7%* |
| **Gross Profit** | $1,259,664 | $1,939,183 | $2,247,193 | $2,212,129 | $2,255,150 | $2,087,941 | $2,319,563 | $2,334,218 | $2,105,647 | $2,170,544 | $2,551,303 | $2,187,246 | $25,669,781 |
| *% Margin* | *19.4%* | *30.5%* | *31.5%* | *33.4%* | *34.2%* | *31.7%* | *32.7%* | *31.2%* | *29.9%* | *26.9%* | *31.8%* | *31.0%* | *30.3%* |
| **SG&A** | | | | | | | | | | | | | |
| Salaries | 1,140,049 | 1,104,565 | 1,142,607 | 1,152,595 | 1,200,535 | 1,099,473 | 1,125,234 | 1,168,376 | 1,164,829 | 1,241,652 | 1,208,524 | 1,252,941 | 14,001,380 |
| Contract Labor | 53,941 | 52,472 | 74,289 | 87,440 | 63,504 | 75,230 | 94,321 | 91,318 | 116,150 | 146,946 | 159,786 | 184,769 | 1,200,166 |
| Rent | 118,460 | 117,033 | 117,071 | 122,071 | 118,703 | 118,252 | 116,871 | 117,748 | 117,267 | 119,830 | 120,132 | 110,427 | 1,413,865 |
| Other | 281,638 | 341,079 | 328,021 | 370,568 | 339,916 | 379,264 | 476,295 | 408,164 | 431,633 | 525,930 | 391,778 | 374,464 | 4,648,750 |
| **Total SG&A** | $1,594,088 | $1,615,149 | $1,661,988 | $1,732,674 | $1,722,658 | $1,672,219 | $1,812,721 | $1,785,606 | $1,829,879 | $2,034,358 | $1,880,220 | $1,922,601 | $21,264,161 |
| *% Revenues* | *24.5%* | *25.4%* | *23.3%* | *26.2%* | *26.1%* | *25.4%* | *25.5%* | *23.8%* | *26.0%* | *25.2%* | *23.4%* | *27.2%* | *25.1%* |
| D&A | 16,566 | 16,347 | 16,885 | 16,990 | 18,642 | 17,214 | 15,982 | 16,305 | 14,985 | 14,907 | 15,088 | 13,355 | 193,266 |
| EBIT | ($350,990) | $307,687 | $568,320 | $462,465 | $513,850 | $398,508 | $490,860 | $532,307 | $260,783 | $121,279 | $655,995 | $251,290 | $4,212,354 |
| *% Margin* | *(5.4%)* | *4.8%* | *8.0%* | *7.0%* | *7.8%* | *6.0%* | *6.9%* | *7.1%* | *3.7%* | *1.5%* | *8.2%* | *3.6%* | *5.0%* |
| Addbacks of Extraordinary Items | 4,980 | 7,878 | 66,815 | 27,848 | 34,813 | 33,233 | 112,228 | 50,759 | 35,842 | 142,488 | 82,079 | 389,273 | 988,237 |
| **Adjusted EBIT** | ($346,010) | $315,565 | $635,135 | $490,313 | $548,663 | $431,741 | $603,088 | $583,066 | $296,625 | $263,767 | $738,074 | $640,563 | $5,200,591 |
| *% Margin* | *(5.3%)* | *5.0%* | *8.9%* | *7.4%* | *8.3%* | *6.5%* | *8.5%* | *7.8%* | *4.2%* | *3.3%* | *9.2%* | *9.1%* | *6.1%* |

**Footnotes**

(1) The data above excludes one-time expenses relating to the contemplated transaction totaling $1.010 million in fiscal year 2010, comprised of the following:

| | |
|---|---|
| One-time management compensation expense in connection with the contemplated transaction | 875,000 |
| Investment banking fees and expenses | 134,853 |
| **Total** | **1,009,853** |

(2) In 2010, the Company wrote off $0.455 million of A/R in connection with the sudden shutdown of customer Partsearch. In 2011, the Company recovered $0.252 million of the Partsearch A/R that had been written off. The amount recovered is reflected in fiscal year 2010 EBIT and the remaining $0.203 million has been classified as an addback as further detailed in the addbacks schedule. Nexicore believes that this represented a non-recurring expense relating to a one-time anomaly, since nearly 100% of the Company's A/R due from Partsearch was current at the time of its shutdown, and because Nexicore's normal annual A/R write-offs have historically been far smaller.

(3) Please refer to separate schedule featuring detail relating to addbacks.

Nexicore
Summary Income Statement

| Excluding Hardware | 2011 ACTUALS BY MONTH (1) (2) | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Fiscal Year Ending December 31, 2011 | | | | | | | | | |
| | Jan-11 | Feb-11 | Mar-11 | Apr-11 | May-11 | Jun-11 | Jul-11 | Aug-11 | Sept-11 | FY2011 YTD |
| **Revenues** | **$9,124,654** | **$6,885,114** | **$7,683,192** | **$6,799,709** | **$6,458,828** | **$7,069,731** | **$6,856,910** | **$7,838,324** | **$7,303,295** | **$66,019,757** |
| *% Change* | *40.5%* | *8.2%* | *7.7%* | *2.7%* | *(2.2%)* | *7.2%* | *(3.5%)* | *4.7%* | *3.8%* | |
| Cost of Revenues | | | | | | | | | | |
| Labor | 984,154 | 916,246 | 939,226 | 878,517 | 861,865 | 831,039 | 783,002 | 851,333 | 755,322 | 7,800,704 |
| Materials | 4,135,599 | 2,984,844 | 3,450,410 | 2,990,033 | 2,817,244 | 3,210,372 | 3,087,690 | 3,820,260 | 3,373,429 | 29,869,881 |
| Freight | 587,158 | 476,699 | 616,263 | 537,937 | 523,375 | 569,711 | 501,092 | 564,108 | 507,170 | 4,883,513 |
| Other | 389,677 | 326,764 | 315,460 | 326,944 | 279,651 | 247,154 | 263,905 | 211,099 | 222,119 | 2,582,773 |
| **Total Cost of Revenues** | **$6,096,588** | **$4,704,553** | **$5,321,359** | **$4,733,431** | **$4,482,135** | **$4,858,276** | **$4,635,689** | **$5,446,800** | **$4,858,040** | **$45,136,871** |
| *% Revenues* | *66.8%* | *68.3%* | *69.3%* | *69.6%* | *69.4%* | *68.7%* | *67.6%* | *69.5%* | *66.5%* | *68.4%* |
| **Gross Profit** | **$3,028,066** | **$2,180,561** | **$2,361,833** | **$2,066,278** | **$1,976,693** | **$2,211,455** | **$2,221,221** | **$2,391,524** | **$2,445,255** | **$20,882,886** |
| *% Margin* | *33.2%* | *31.7%* | *30.7%* | *30.4%* | *30.6%* | *31.3%* | *32.4%* | *30.5%* | *33.5%* | *31.6%* |
| SG&A | | | | | | | | | | |
| Salaries | 1,313,149 | 1,164,950 | 1,218,666 | 1,252,057 | 1,288,711 | 1,292,388 | 1,236,616 | 1,253,444 | 1,218,478 | 11,238,459 |
| Contract Labor | 191,882 | 153,295 | 130,181 | 126,488 | 99,915 | 122,743 | 126,237 | 145,090 | 107,608 | 1,203,439 |
| Rent | 121,493 | 121,197 | 121,032 | 114,520 | 120,706 | 114,839 | 117,787 | 118,104 | 118,050 | 1,067,728 |
| Other | 386,428 | 379,400 | 448,109 | 333,754 | 412,424 | 435,010 | 345,306 | 385,834 | 365,822 | 3,492,087 |
| **Total SG&A** | **$2,012,952** | **$1,818,842** | **$1,917,988** | **$1,826,819** | **$1,921,756** | **$1,964,980** | **$1,825,946** | **$1,902,472** | **$1,809,958** | **$17,001,713** |
| *% Revenues* | *22.1%* | *26.4%* | *25.0%* | *26.9%* | *29.8%* | *27.8%* | *26.6%* | *24.3%* | *24.8%* | *25.8%* |
| D&A | 14,281 | 16,459 | 15,131 | 15,103 | 14,735 | 15,270 | 14,576 | 14,633 | 14,682 | 134,870 |
| EBIT | $1,000,833 | $345,260 | $428,714 | $224,356 | $40,202 | $231,205 | $380,699 | $474,419 | $620,615 | $3,746,303 |
| *% Margin* | *11.0%* | *5.0%* | *5.6%* | *3.3%* | *0.6%* | *3.3%* | *5.6%* | *6.1%* | *8.5%* | *5.7%* |
| Addbacks of Extraordinary Items | 38,028 | 20,448 | 72,340 | 43,060 | 68,925 | 112,948 | 15,921 | 42,269 | 27,089 | 441,029 |
| **Adjusted EBIT** | **$1,038,861** | **$365,708** | **$501,054** | **$267,416** | **$109,127** | **$344,153** | **$396,620** | **$516,688** | **$647,704** | **$4,187,331** |
| *% Margin* | *11.4%* | *5.3%* | *6.5%* | *3.9%* | *1.7%* | *4.9%* | *5.8%* | *6.6%* | *8.9%* | *6.3%* |

Footnotes
(1) The data above excludes investment banking fees and expenses totaling $202k during the first 9 months of fiscal year 2011.
(2) Please refer to separate schedule featuring detail relating to addbacks.

## Schedule 4.7

### Absence of Certain Changes or Events

(a)

1. In September, 2011, Nexicore was notified of the termination of its laptop repair business with Best Buy Canada.

(b)

1. On November 22, 2011, Parent sold those assets identified on Schedule 2.2(o).

(c)

1. Parent normally requests incremental funding from its primary secured lender due to seasonal peaks in volume for the hardware business. On May 4, 2011, Parent received a loan in the amount of $415,000 from Delaware Street Capital. The aforementioned loan was repaid on September 14, 2011.

2. As previously discussed with Avnet IT staff, in addition to payments due for a valid license on its SAP system, Nexicore has also been in discussions with other software providers to update a number of licenses (Microsoft, Symantec, etc.). Nexicore estimates the obligation of these licenses to be approximately $160,000 and plans to pay this from Nexicore cash flow during December, 2011 or January, 2012.

(d)

None.

(e)

1. In September, 2011, Nexicore was notified of the termination of its laptop repair business with Best Buy Canada.

(f)

None.

(g)

None.

(h)

1. On June 25, 2011, Parent began an investigation into the use of Parent's Home Depot credit card that is used for maintenance purchases. It was determined that a member of the maintenance staff had been charging personal items in addition to company purchases. The staff member made approximately $12,300 in unauthorized

purchases. Two additional maintenance staff members were aware of the purchases and did not report them to management. All three staff members were terminated and one is being prosecuted.

(i)

1. Bankruptcy Case

2. CCAA Recognition Proceedings

3. As indicated during phone calls in August and September 2011 between Avnet and Nexicore, Nexicore has a payment due to the Canadian province of Quebec for provincial sales tax. The financial liability has been accrued on Nexicore's balance sheet as Taxes Payable since 2008, and was approximately $1.2 million as of September 30, 2011. Nexicore plans to pay this obligation from existing cash prior to Closing.

4. Parent believes its total provincial taxes owed to all other provinces in Canada is approximately $45,000. The liability has been accrued on Parent's financial statements.

5. Parent estimates it will have total income tax obligation in 2011 of approximately $244,000, of which $165,000 has been paid to date. The liability has been accrued on Parent's financial statements.

6. Parent believes approximately $51,000 is due and outstanding to US states for sales/use tax. The liability has been accrued on Parent's financial statements.

7. In May, 2011 Parent began to provide certain installation services in the state of New York for public works contracts. The NY Department of Labor requires that each install comply with Prevailing Wage job classification that determines the hourly wage paid to an employee for a particular install. Parent's Human Resource department originally determined the hourly Prevailing Wage rate for employees performing this work to be approximately $13.46 to $24.51.

   The job classification listed for the majority of the installs is "Electrician" which carries a prevailing wage amount of approximately $32 to $49 per hour. The rate varies by county. Parent believes the job classification to be incorrect as no electrical work is performed during the installation -- however a job classification for the type of installation being performed has yet to be defined by the Department of Labor. Parent's HR department has determined that until final compliance requirements are determined, certain employees may be eligible for back-pay in certain situations. Amount of exposure is currently estimated to be approximately $25,000.

(j)

1. Bankruptcy Case

2. CCAA Recognition Proceedings

(k)

None.

**Schedule 4.8(b)**

**Sufficiency of Transferred Assets**

1. The disclosures set forth in Schedule 2.2(o) and 2.2(r) are incorporated herein by this reference.

**Schedule 4.9**

**Licenses and Permits**

1. Nexicore has an application pending for installation services for the New York City Department of Education.

## Schedule 4.11(a)

### Employees

1. See attached.
2. Employment Agreement, dated October 1, 2005, by and between Hartford Computer Group, Inc. and Brian Mittman
3. Employment Agreement, dated October 1, 2008, by and between Hartford Computer Group, Inc. and Randy Hodgson
4. Anthem Blue Cross Medical Insurance (PPO, HMO)
5. Anthem Blue Cross Dental Insurance (PPO, DHMO)
6. Lincoln National Life Insurance
7. Life Insurance ($25,000)
8. EyeMed Vision
9. AFLAC Cancer Plan
10. AFLAC Dental Insurance
11. AFLAC Short Term Disability
12. AFLAC Long Term Disability
13. AFLAC Hospitalization
14. AFLAC Accident
15. AFLAC Life Insurance
16. Lincoln National Short Term Disability
17. Lincoln National Long Term Disability
18. 401k Fidelity
19. OHIP (Ontario Health Insurance Plan)
    a. Medical
    b. Dental
    c. Prescription

d. Emergency Transportation

e. Vision

**Hartford Computer Group**
**Employee Listing as of December 6, 2011**

| DEPT | JOB TITLE | State/Location | HIRE DATE |
|---|---|---|---|
| 10215 | Packaging Clerk | CA | 10/7/2002 |
| 10215 | Packaging Clerk | CA | 12/17/2001 |
| 10215 | Packaging Clerk | CA | 4/26/2011 |
| 10216 | Shipping Clerk | CA | 11/22/2010 |
| 10215 | Packaging Clerk | CA | 4/26/2011 |
| 10222 | Laptop Final Testing Clerk | CA | 7/5/2011 |
| 10222 | Laptop Final Test Technician | CA | 10/27/2010 |
| 10214 | Order Processing Clerk | CA | 5/17/2010 |
| 10213 | Quality Control Clerk | CA | 4/18/2011 |
| 10122 | Inside Sales Representative | CA | 10/5/2011 |
| 10215 | Order Processing Clerk | CA | 8/31/2009 |
| 10212 | Receiving Clerk | CA | 1/24/2011 |
| 10215 | Packaging Clerk | CA | 11/22/2010 |
| 10215 | Packaging Clerk | CA | 10/17/2011 |
| 10214 | Order Processing Clerk | CA | 10/17/2011 |
| 10216 | Shipping Clerk | CA | 7/20/2010 |
| 10222 | Packaging Clerk | CA | 3/1/2010 |
| 10222 | Asset Reovery Clerk | CA | 8/1/2011 |
| 10212 | Receiving Clerk | CA | 4/18/2011 |
| 10213 | Quality Control Clerk | CA | 7/20/2010 |
| 10222 | Laptop Final Test Technician | CA | 6/27/2011 |
| 10212 | Materials Handler | CA | 7/29/2011 |
| 10213 | Quality Control Clerk | CA | 9/27/2010 |
| 10441 | File Clerk | CA | 6/29/2011 |
| 10212 | Receiving Clerk | CA | 4/18/2011 |
| 10212 | Materials Handler | CA | 2/15/2010 |
| 10215 | Packaging Clerk | CA | 11/23/2009 |
| 10321 | Inventory Clerk | CA | 1/11/2011 |
| 10222 | Laptop Tech Final Testing | CA | 12/6/2010 |
| 10215 | Packaging Clerk | CA | 3/23/2007 |
| 10215 | Packaging Clerk | CA | 10/17/2011 |
| 10122 | Inside Sales Representative | CA | 9/12/2011 |
| 10214 | Order Processing Clerk | CA | 11/22/2010 |
| 30123 | Customer Service Representative | FL | 6/1/2010 |
| 30123 | Customer Service Representative | FL | 11/7/2011 |
| 30211 | Field Service Representative | MI | 1/3/2011 |
| 30123 | Customer Service Representative | FL | 4/28/2008 |
| 30123 | Customer Service Representative | FL | 11/16/2009 |
| 30123 | Customer Service Representative | FL | 3/2/2009 |
| 30123 | Customer Service Representative | FL | 9/19/2011 |
| 30123 | Customer Service Representative | FL | 10/5/2009 |
| 30513 | Billing Administrator | FL | 10/5/2009 |
| 30123 | Customer Service Representative | FL | 9/19/2011 |
| 30123 | Customer Service Representative | FL | 9/19/2011 |
| 10215 | Packaging Clerk | CA | 11/13/2000 |
| 20222 | Break Fix Technician | Ontario | 7/19/2010 |

| DEPT | JOB TITLE | State/Location | HIRE DATE |
|---|---|---|---|
| 20321 | Inventory Control Clerk | Ontario | 3/9/2009 |
| 20213 | Quality Control Clerk | Ontario | 12/21/2009 |
| 20321 | Inventory Control Clerk | Ontario | 9/7/2010 |
| 20212 | Shipping/Receiving Clerk | Ontario | 3/9/2009 |
| 20212 | Shipping/Receiving Clerk | Ontario | 1/5/2009 |
| 20222 | Break Fix Technician | Ontario | 9/8/2009 |
| 10321 | Inventory Clerk | CA | 9/14/2009 |
| 10213 | Quality Control Clerk | CA | 8/16/2004 |
| 10321 | Inventory Clerk | CA | 2/28/2011 |
| 10215 | Order Processing Clerk | CA | 4/30/2001 |
| 10222 | Data Verification/Entry Clerk | CA | 1/31/2011 |
| 30123 | Customer Service Representative | FL | 12/20/2010 |
| 20212 | Shipping/Receiving Clerk | Ontario | 8/20/2009 |
| 10216 | Shipping Clerk | CA | 4/26/2011 |
| 10222 | Repair Technician | CA | 5/14/2007 |
| 10214 | Laptop Order Processor | CA | 11/5/2010 |
| 10212 | Materials Handler | CA | 2/9/2009 |
| 10213 | Quality Control Clerk | CA | 1/24/2011 |
| 30211 | Field Service Representative | MI | 1/3/2011 |
| 30123 | Customer Service Representative | FL | 9/30/2011 |
| 30123 | Customer Service Representative | FL | 9/28/2009 |
| 30123 | Customer Service Representative | FL | 9/30/2011 |
| 20222 | Break Fix Technician | Ontario | 11/24/2008 |
| 20212 | Shipping/Receiving Clerk | Ontario | 11/8/2010 |
| 20213 | Quality Control Clerk | Ontario | 3/25/2010 |
| 20111 | Sales Assistant | Ontario | 8/17/2010 |
| 20212 | Shipping/Receiving Clerk | Ontario | 2/9/2009 |
| 20213 | Quality Control Lead | Ontario | 3/15/2011 |
| 20111 | Sales Assistant | Ontario | 10/29/2007 |
| 20222 | Break Fix Technician | Ontario | 1/2/2009 |
| 20222 | Break Fix Technician | Ontario | 11/24/2008 |
| 20222 | Break Fix Technician | Ontario | 11/25/2008 |
| 20222 | Break Fix Technician | Ontario | 11/24/2008 |
| 20321 | Inventory Control Clerk | Ontario | 1/12/2009 |
| 20222 | Break Fix Technician | Ontario | 9/22/2008 |
| 10222 | Laptop Final Test Technician | CA | 11/12/2010 |
| 10232 | QC Technician | CA | 8/13/2008 |
| 10321 | Inventory Clerk | CA | 2/20/2006 |
| 10222 | Asset Recovery Lead | CA | 7/2/2010 |
| 30123 | Customer Service Representative | FL | 8/2/2010 |
| 30123 | Customer Service Representative | FL | 9/19/2011 |
| 30513 | Recruiter | FL | 10/31/2005 |
| 30124 | Tech Support Representative | FL | 3/7/2011 |
| 30124 | Customer Service Representative | FL | 2/23/2009 |
| 10222 | Lead | CA | 1/30/2006 |
| 10222 | Shipping Clerk | IL | 3/4/2011 |
| 10215 | Rework Tech | CA | 7/23/2007 |
| 10121A | Printer Repair Technician | IL | 10/17/2011 |
| 30123 | Customer Service Representative | FL | 10/8/2007 |
| 30211 | Tech Support Representative | MI | 1/3/2011 |

| DEPT | JOB TITLE | State/Location | HIRE DATE |
|---|---|---|---|
| 30123 | Customer Service Representative | FL | 9/21/2009 |
| 30124 | Tech Support Representative | FL | 10/27/2008 |
| 30123 | Customer Service Representative | FL | 7/7/2008 |
| 30124 | Customer Service Representative | FL | 11/30/2009 |
| 30124 | Tech Support Representative | FL | 12/20/2010 |
| 30123 | Customer Service Representative | FL | 11/19/2007 |
| 30123 | Customer Service Representative | FL | 5/27/2008 |
| 30123 | Customer Service Representative | FL | 8/9/2010 |
| 30123 | Customer Service Representative | FL | 1/28/2008 |
| 30123 | Customer Service Representative | FL | 9/22/2008 |
| 30211 | Field Service Techician | MI | 11/14/2011 |
| 30123 | Project Manager | FL | 10/5/2009 |
| 20213 | Quality Control Clerk | Ontario | 8/3/2010 |
| 20222 | Technical Services Representative | Ontario | 3/14/2011 |
| 20321 | Inventory Control Clerk | Ontario | 12/30/2008 |
| 20213 | Break Fix Technician | Ontario | 10/26/2009 |
| 20111 | Sales Assistant | Ontario | 10/24/2006 |
| 20321 | Inventory Control Clerk | Ontario | 11/27/2008 |
| 20321 | Inventory Control Clerk | Ontario | 12/22/2008 |
| 20111 | Sales Assistant | Ontario | 11/8/2010 |
| 20321 | Inventory Control Clerk | Ontario | 9/7/2008 |
| 20213 | Quality Control Clerk | Ontario | 11/24/2008 |
| 20212 | Shipping/Receiving Clerk | Ontario | 2/9/2009 |
| 20321 | Inventory Control Clerk | Ontario | 9/8/2009 |
| 20222 | Break Fix Technician | Ontario | 7/12/2010 |
| 20213 | Quality Control Clerk | Ontario | 9/7/2010 |
| 20111 | Sales Assistant | Ontario | 10/27/2008 |
| 10321 | Inventory Clerk | CA | 7/24/2006 |
| 10222 | System Board Technician | CA | 8/14/2006 |
| 10222 | Repair Technician | CA | 5/21/2007 |
| 10216 | Shipping Lead | CA | 4/30/2007 |
| 10232 | Parts Specialist | CA | 7/21/2008 |
| 30124 | Tech Support Representative | FL | 10/30/2009 |
| 20213 | Quality Control Clerk | Ontario | 3/2/2007 |
| 20111 | RMA Coordinator | Ontario | 7/9/2007 |
| 10222 | Repair Technician | CA | 6/27/2011 |
| 10122 | Customer Service Representative | CA | 6/9/2008 |
| 10213 | QC Technician | CA | 10/24/2007 |
| 10222 | Repair Technician | CA | 11/20/2006 |
| 10222 | Repair Technician | CA | 10/2/2006 |
| 10222 | Repair Technician | CA | 2/21/2011 |
| 10222 | Electronic Repair Technician | CA | 11/22/2010 |
| 10222 | Repair Technician | CA | 2/14/2011 |
| 10214 | Order Processing Clerk | CA | 2/1/1999 |
| 10122 | Customer Service Representative | CA | 7/11/2011 |
| 10222 | Repair Technician | CA | 5/7/2007 |
| 10222 | Mechanical Assembler | CA | 9/27/2004 |
| 10222 | Repair Technician | CA | 1/31/2011 |
| 10321 | Inventory Clerk | CA | 7/11/2005 |
| 10222 | Laptop Final Test Technician | CA | 1/19/2010 |

| DEPT | JOB TITLE | State/Location | HIRE DATE |
|---|---|---|---|
| 10222 | Test Technician Trainee | CA | 6/17/2002 |
| 10222 | Electronic Repair Technician | CA | 8/8/2005 |
| 10222 | Electronic Repair Technician | CA | 7/20/2010 |
| 10413 | AP File Clerk | CA | 2/4/2008 |
| 10222 | Electronic Repair Technician | CA | 4/30/2010 |
| 10222 | Repair Technician | CA | 11/9/2010 |
| 30211 | Field Service Representative | MI | 12/13/2010 |
| 30211 | Field Service Representative | MI | 1/10/2011 |
| 30125 | Field Service Representative | MI | 3/24/2011 |
| 30124 | Tech Support Representative | FL | 3/31/2008 |
| 30211 | Field Service Representative | MI | 1/3/2011 |
| 30211 | Field Service Representative | MI | 12/13/2010 |
| 30211 | Field Service Representative | MI | 12/13/2010 |
| 30211 | Field Service Representative | MI | 1/3/2011 |
| 30211 | Field Service Representative | MI | 12/13/2010 |
| 20222 | Break Fix Technician | Ontario | 11/8/2010 |
| 20213 | Quality Control Clerk | Ontario | 9/13/2010 |
| 20321 | Parts Ordering Clerk | Ontario | 3/17/2008 |
| 20213 | Quality Control Clerk | Ontario | 2/5/2007 |
| 20212 | Shipping/Receiving Clerk | Ontario | 3/30/2006 |
| 20222 | Break Fix Technician | Ontario | 8/20/2009 |
| 20222 | Break Fix Technician | Ontario | 12/14/2009 |
| 10222 | System Board Technician | CA | 7/9/2001 |
| 10216 | Shipping Clerk | CA | 11/22/2010 |
| 10222 | Repair Technician | CA | 2/7/2011 |
| 10222 | Repair Technician | CA | 1/13/2011 |
| 10222 | Quality Control Clerk | CA | 9/12/2005 |
| 10222 | Repair Technician | CA | 10/1/2007 |
| 10122 | Customer Service Representative | CA | 10/29/2007 |
| 30124 | Tech Support Representative | FL | 6/2/2008 |
| 30124 | Tech Support Representative | FL | 11/17/2008 |
| 20211 | Media Repair Tech | Ontario | 5/2/2006 |
| 10212 | Receiving Lead | CA | 2/6/2006 |
| 10212 | Receiving Lead | CA | 3/3/2008 |
| 10222 | Repair Technician | CA | 9/18/2006 |
| 10222 | Mechanical Assembler | CA | 1/9/2006 |
| 10212 | Receiving Clerk | CA | 5/8/2007 |
| 10222 | Test Techician | CA | 6/22/2011 |
| 10222 | Test Techician | CA | 1/31/2011 |
| 10222 | Printer Repair Technician | CA | 8/23/2007 |
| 10222 | Technician Assitant | CA | 5/23/2011 |
| 30124 | Field Service Representative | MI | 2/7/2011 |
| 30124 | Field Service Representative | MI | 2/7/2011 |
| 30125 | Field Service Techician | MI | 6/20/2011 |
| 30124 | Tech Support Representative | FL | 10/10/2011 |
| 30125 | Field Service Techician | MI | 11/28/2011 |
| 30124 | Service Administrator | FL | 9/16/2004 |
| 20111 | Program Supervisor | Ontario | 2/25/2008 |
| 20222 | Break Fix Technician | Ontario | 8/27/2009 |
| 20211 | Motherboard Repair Technician | Ontario | 2/15/2006 |

| DEPT | JOB TITLE | State/Location | HIRE DATE |
|---|---|---|---|
| 20321 | Parts Ordering Clerk | Ontario | 2/5/2007 |
| 10612 | Program Sales Administrator | CA | 3/29/1999 |
| 10222 | Board Technician | CA | 6/20/2007 |
| 10321 | Finish Goods Lead | CA | 9/17/2001 |
| 30125 | Field Service Techician | FL | 6/6/2011 |
| 30124 | Field Service Techician | FL | 6/13/2011 |
| 10222 | Repair Technician | CA | 5/22/2006 |
| 10222 | Technician | CA | 5/14/2007 |
| 10213 | Lead | CA | 10/16/2007 |
| 10222 | Repair Technician | CA | 1/22/2007 |
| 10222 | Repair Technician | CA | 1/4/2006 |
| 10222 | Repair Technician | CA | 8/14/2006 |
| 20211 | Media Repair Tech | Ontario | 1/24/2007 |
| 10222 | System Board Technician | CA | 3/13/2006 |
| 10222 | System Board Line Lead | CA | 10/9/2000 |
| 10222 | Electronic Repair Technician | CA | 4/30/2010 |
| 10213 | Quality Control Clerk | CA | 2/4/2002 |
| 10222 | Technician | CA | 11/29/2010 |
| 10212 | Receiving Lead | CA | 9/20/2004 |
| 10122 | Customer Service Representative | CA | 11/7/2011 |
| 10122 | Customer Service Representative | CA | 2/2/2011 |
| 10111A | Printer Repair Technician | IL | 5/23/2011 |
| 10441 | Security | CA | 8/6/2011 |
| 10122 | Customer Service Representative | CA | 5/16/2011 |
| 10122 | Customer Service Representative | CA | 1/24/2011 |
| 10222 | Repair Technician | CA | 5/23/2011 |
| 10311 | Assistant Buyer | CA | 9/17/2009 |
| 10122 | Customer Service Representative | CA | 11/28/2011 |
| 10222 | Repair Technician | CA | 5/14/2007 |
| 10222 | Escalations Coordinator | CA | 10/11/2004 |
| 10412 | Collections and Credit Specialist | CA | 12/17/2007 |
| 10122 | Customer Service Representative | CA | 8/25/2011 |
| 10222 | Repair Technician | CA | 9/20/2010 |
| 10413 | A/P Administrative Clerk | CA | 4/18/2007 |
| 10441 | Security | CA | 7/1/2010 |
| 10213 | Hard Drive Tester | CA | 9/15/2008 |
| 10222 | Repair Technician | CA | 5/31/2011 |
| 10122 | Customer Service Representative | CA | 10/10/2011 |
| 10222 | Repair Technician | CA | 6/1/2011 |
| 10222 | Repair Technician | CA | 1/9/2006 |
| 10222 | Lead | CA | 1/24/2005 |
| 10122 | Customer Service Representative | CA | 11/3/2010 |
| 10222 | Repair Technician | CA | 6/5/2006 |
| 10122 | Customer Service Representative | CA | 9/26/2011 |
| 10122 | Customer Service Representative | CA | 7/27/2011 |
| 30123 | Customer Service Representative | FL | 1/17/2011 |
| 30513 | Administrative Assistant | FL | 9/30/2011 |
| 20211 | Motherboard Repair Technician | Ontario | 5/8/2006 |
| 20222 | Break Fix Technician | Ontario | 8/18/2008 |
| 20222 | Break Fix Lead Tech. | Ontario | 9/29/2008 |

| DEPT | JOB TITLE | State/Location | HIRE DATE |
|---|---|---|---|
| 20212 | Sr. Receiving Clerk | Ontario | 7/30/2001 |
| 20213 | Quality Control Lead | Ontario | 2/19/2008 |
| 20222 | Break Fix Technician | Ontario | 6/23/2008 |
| 10222 | Test Techician | CA | 1/9/2006 |
| 10311 | Parts Specialist | CA | 5/14/2007 |
| 30123 | Associate | FL | 11/19/2007 |
| 10222 | Mechanical Repair Technician | CA | 4/13/1998 |
| 10222 | Mechanical Repair Technician | CA | 1/17/2000 |
| 10232 | Parts Specialist | CA | 4/2/2007 |
| 10222 | Repair Technician | CA | 10/2/2006 |
| 10222 | Repair Solderer | CA | 4/25/2005 |
| 10222 | Mechanical Repair Technician | CA | 9/20/2004 |
| 20211 | Motherboard Repair Technician | Ontario | 12/20/2007 |
| 20211 | Motherboard Repair Technician | Ontario | 10/22/2007 |
| 10311 | Puchasing Assistant | CA | 4/8/2011 |
| 10323 | Maintenance | CA | 2/8/2011 |
| 10122 | Customer Service Representative | CA | 7/2/2007 |
| 10222 | Repair Technician | CA | 4/17/2006 |
| 10323 | Maintenance | CA | 4/26/2011 |
| 10122 | Customer Service Representative | CA | 12/13/2010 |
| 10222 | Repair Technician | CA | 11/17/2011 |
| 10311 | Purchasing Support Representative | CA | 5/25/2011 |
| 10321 | Inventory Analyst | CA | 2/24/1997 |
| 10222 | BGA Operator | CA | 4/14/2008 |
| 10122 | Customer Service Representative | CA | 4/20/2011 |
| 10122 | Customer Service Representative | CA | 3/28/2011 |
| 10222 | Sr. Repair Technician | CA | 9/4/2007 |
| 10122 | Lead, Customer Service Representative | CA | 9/28/2011 |
| 30125 | Field Service Techician | NY | 6/6/2011 |
| 30124 | Technical Support | IL | 8/31/2009 |
| 20222 | Break Fix Lead Tech. | Ontario | 2/19/2008 |
| 20222 | Break Fix Technician | Ontario | 1/13/2009 |
| 20222 | Break Fix Technician | Ontario | 12/4/2007 |
| 20122 | Administration Supervisor | Ontario | 6/25/2007 |
| 20213 | Quality Control Lead | Ontario | 11/4/2008 |
| 10222 | Repair Technician | CA | 10/2/2000 |
| 10222 | Production Lead | CA | 12/6/1999 |
| 10122 | Q/A Lead | CA | 1/3/2006 |
| 10311 | Assistant Buyer | CA | 7/21/2011 |
| 10232 | QA Technician | CA | 1/10/2000 |
| 10122 | Customer Service Representative | CA | 11/22/2010 |
| 10222 | Component Repair Technician | CA | 3/1/1999 |
| 10222 | Electronic Repair Technician | CA | 10/9/2000 |
| 10222 | Lead | CA | 1/17/2005 |
| 20211 | Motherboard Repair Technician | Ontario | 12/11/2006 |
| 10412 | Accounts Receivable Clerk | CA | 2/2/2011 |
| 20211 | Motherboard Repair Technician | Ontario | 5/15/2007 |
| 20211 | Motherboard Repair Technician | Ontario | 8/14/2006 |
| 30124 | Field Service Representative | PA | 10/13/2008 |
| 30211 | Field Service Supervisor | MI | 12/13/2010 |

| DEPT | JOB TITLE | State/Location | HIRE DATE |
|---|---|---|---|
| 30125 | Warehouse Lead | NY | 4/7/2011 |
| 30125 | Field Service Representative | NY | 4/19/2011 |
| 10222 | Repair Technician | CA | 6/26/2006 |
| 10216 | Shipping Supervisor | CA | 10/15/2001 |
| 10122 | National Parts Supervisor. | CA | 2/19/2007 |
| 10411 | Accounts Payable Clerk | CA | 10/2/2009 |
| 10214 | Order Processing Clerk | CA | 10/30/1997 |
| 10122 | Customer Service Representative | CA | 4/26/2010 |
| 10222 | System Board Technician | CA | 4/9/2007 |
| 10222 | Repair Technician | CA | 5/31/2011 |
| 30124 | Printer Technician | FL | 12/13/2010 |
| 20321 | Inventory Control Supervisor | Ontario | 3/1/2006 |
| 20222 | Break Fix Technician | Ontario | 5/3/2010 |
| 20213 | Quality Control Lead | Ontario | 5/1/2006 |
| 20222 | Break Fix Technician | Ontario | 1/22/2007 |
| 20321 | Inventory Control Supervisor | Ontario | 9/10/2007 |
| 30124 | Tech Support Supervisor | FL | 9/22/2008 |
| 10222 | Sr. Repair Technician | CA | 7/17/2006 |
| 10222 | System Board Technician | CA | 2/12/2007 |
| 10222 | Repair Technician | CA | 4/3/2006 |
| 20222 | Break Fix Lead Tech. | Ontario | 1/7/2008 |
| 20211 | Motherboard Repair Technician | Ontario | 12/28/2005 |
| 10222 | Mechanical Repair Technician | CA | 7/12/1999 |
| 30124 | Customer Services Supervisor | FL | 2/22/2005 |
| 10122 | Customer Service Representative | CA | 1/17/2011 |
| 10222 | Opitical Tech. | CA | 6/13/2011 |
| 10311 | Purchasing Support Representative | CA | 7/21/2011 |
| 10222 | Repair Solderer | CA | 9/7/2004 |
| 10412 | AR Billing Clerk | CA | 1/7/2011 |
| 10222 | Repair Technician | CA | 1/9/2006 |
| 20111 | Parts Program Coordinator | Ontario | 9/15/2003 |
| 10412 | Collections and Credit Specialist | CA | 10/6/2009 |
| 10411 | Accounts Payable Clerk | CA | 2/14/2000 |
| 30125 | Field Service Representative | CA | 4/13/2011 |
| 10222 | Sr. Repair Technician | CA | 9/18/2006 |
| 10222 | Repair Technician | CA | 6/19/2006 |
| 10321 | Repair Technician | CA | 7/17/2006 |
| 10232 | Parts Team Lead | CA | 9/17/2007 |
| 10411 | Accounts Payable Specialist | CA | 4/20/2009 |
| 10222 | Repair Technician | CA | 10/25/2005 |
| 10222 | Repair Technician | CA | 6/19/2006 |
| 10122 | Customer Service Supervisor | CA | 11/26/2007 |
| 10222 | Sr. Repair Technician | CA | 9/18/2006 |
| 10222 | Component Repair Technician | CA | 4/25/2005 |
| 10311 | Assistant Buyer | CA | 9/16/2002 |
| 10411 | Accounts Payable Specialist | CA | 3/7/2011 |
| 10311 | Assistant Buyer | CA | 10/17/2011 |
| 10222 | Sr. Repair Technician | CA | 9/11/2006 |
| 10222 | Repair Technician | CA | 5/16/2011 |
| 20222 | Break-Fix Sr. Lead Technician | Ontario | 12/19/2005 |

| DEPT | JOB TITLE | State/Location | HIRE DATE |
|---|---|---|---|
| 20213 | QUALITY ASSURANCE | Ontario | 7/9/2007 |
| 20222 | Break-Fix Sr. Lead Technician | Ontario | 4/10/2006 |
| 20122 | IT Administrator | Ontario | 9/12/2006 |
| 20111 | Program Supervisor | Ontario | 3/29/2005 |
| 20211 | Sr. Motherboard Tech/Trainer | Ontario | 1/18/2006 |
| 10413 | Administrator Assistant | CA | 2/24/2006 |
| 10222 | BGA Operator | CA | 4/26/1999 |
| 30124 | Tech Support Representative | FL | 3/31/2008 |
| 30124 | Field Service Representative | FL | 10/1/2007 |
| 10121 | Sales Administrator | CA | 7/25/2005 |
| 10311 | Account Manager | IL | 2/6/1997 |
| 30124 | TV Repair Technician | FL | 7/19/2010 |
| 10311 | Analyst | CA | 11/21/2011 |
| 10222 | Sr. Repair Technician | CA | 3/13/2006 |
| 10311 | Buyer | CA | 3/30/2010 |
| 10222 | Sr. Repair Technician | CA | 10/4/2004 |
| 10321 | Inventory Control Coordinator | CA | 1/16/2006 |
| 10441 | Security | CA | 8/2/2006 |
| 10222 | Mechanical Specialist | CA | 7/21/1997 |
| 10222 | Board Technician | CA | 4/10/2006 |
| 10411 | Accounts Payable Specialist | CA | 8/1/2008 |
| 10222 | Repair Technician | CA | 5/15/2006 |
| 10222 | Sr. Repair Technician | CA | 3/15/1999 |
| 10121A | Sr Sales Manager | IL | 5/12/2008 |
| 10222 | Laptop Supervisor | CA | 10/24/2005 |
| 10222 | Laptop Supervisor | CA | 2/14/2005 |
| 30124 | Tech Support Representative | FL | 7/14/2008 |
| 30124 | Tech Support Supervisor | FL | 3/24/2003 |
| 10311 | Buyer | CA | 2/5/2007 |
| 10222 | Component Repair Technician | CA | 9/7/2004 |
| 10222 | SRT Lead | CA | 3/7/2005 |
| 10222 | Production Supervisor | CA | 6/16/1997 |
| 10222 | Repair Technician | CA | 7/17/2006 |
| 20222 | Production Supervisor | Ontario | 1/2/2007 |
| 20111 | Parts Program Supervisor | Ontario | 4/11/2005 |
| 20111 | Program Supervisor | Ontario | 9/13/2004 |
| 20211 | Production Supervisor | Ontario | 2/20/2006 |
| 30125 | Manager | FL | 9/18/2003 |
| 30125 | Field Service Techician | NY | 6/6/2011 |
| 30125 | Field Service Representative | NY | 4/19/2011 |
| 30124 | Assistant Installation Technician | NJ | 6/6/2011 |
| 10222 | Material Supervisor | CA | 9/12/2005 |
| 10222 | Line Supervisor | CA | 1/9/2006 |
| 30124 | TV Repair Technician | FL | 3/15/2010 |
| 10222 | System Board Repair Technician | CA | 6/1/2011 |
| 10412 | AR Billing Clerk | CA | 9/19/2007 |
| 20211 | BGA Operator | Ontario | 5/15/2007 |
| 10441 | Recruiter | CA | 10/21/2010 |
| 30513 | Billing Manager | FL | 11/17/2008 |
| 10421 | Staff Accountant | CA | 10/21/2002 |

| DEPT | JOB TITLE | State/Location | HIRE DATE |
|---|---|---|---|
| 20212 | Shipping/Receiving Manager | Ontario | 8/14/2006 |
| 10311 | Senior Buyer | CA | 10/12/1998 |
| 10441 | Payroll Administrator | CA | 9/23/2004 |
| 10611 | Help Desk | CA | 11/29/2007 |
| 30124 | Field Service Techician | NY | 9/1/2004 |
| 30124 | Supervisor | FL | 3/24/2003 |
| 10222 | Laptop Supervisor | CA | 6/13/2011 |
| 10412 | A/R Collections Lead | CA | 8/20/2001 |
| 10311 | Buyer | CA | 10/4/2010 |
| 10222 | SRT Lead | CA | 9/5/1996 |
| 20222 | Production Supervisor | Ontario | 5/12/2008 |
| 10121A | Account Manager | IL | 6/18/2001 |
| 10122 | Customer Services Manager | CA | 6/15/2006 |
| 20122 | Manager of Administrative Services | Ontario | 7/30/2002 |
| 20222 | Production Supervisor | Ontario | 7/30/2007 |
| 10211 | Logistics Supervisor | CA | 3/12/2007 |
| 10611 | Administrator, Network | CA | 11/29/2010 |
| 10121 | Program Sales Administrator | CA | 10/26/1998 |
| 10311 | Purchasing Supervisor | CA | 5/17/1999 |
| 20111 | Laptop Program Manager | Ontario | 6/11/2001 |
| 30211 | Field Service Manager | MI | 12/13/2010 |
| 10441 | HR Generalist | CA | 7/6/2006 |
| 30124 | Sr. Field Techician | FL | 5/31/2011 |
| 10121A | Call Center | NE | 1/13/1997 |
| 10411 | AP Lead | CA | 2/5/2008 |
| 30125 | Project Manager | FL | 10/3/2011 |
| 10311 | Buyer | CA | 9/27/2010 |
| 10211 | Logistics Manager | CA | 9/1/1997 |
| 10311 | Sr. Account Mgr | CA | 6/25/2007 |
| 10311 | Analyst, Procurement | CA | 9/7/2010 |
| 10321 | Inventory Control Manager | CA | 11/12/2007 |
| 10222 | SRT Lead | CA | 3/6/2006 |
| 10121 | Bid Specialist | CA | 10/22/2007 |
| 10311 | Analyst | CA | 4/4/2011 |
| 30124 | Project Manager | TN | 6/6/2011 |
| 30123 | Customer Service Manager | FL | 4/23/2007 |
| 30124 | Manager | FL | 8/25/2003 |
| 10222 | Electrical Engineer | CA | 9/5/2006 |
| 10122 | Parts Sales Manager | NV | 2/9/2009 |
| 10421 | Manager of Financial Reporting | CA | 2/4/2008 |
| 30125 | Sr. Client Relations Mgr. | FL | 2/7/2005 |
| 30125 | Program Manager | FL | 9/27/2010 |
| 10421 | Staff Accountant | CA | 10/13/2008 |
| 10311 | Analyst, Procurement | CA | 2/8/2010 |
| 30125 | Implementation Manager | NY | 7/18/2011 |
| 20222 | Production Manager | Ontario | 5/2/2005 |
| 10611 | IT Manager | CA | 10/25/2004 |
| 10121A | Sr. Sales | IL | 9/28/2004 |
| 10211 | IT Manager | CA | 6/23/1997 |
| 10121 | VP Bus Dev | NY | 2/21/2011 |

| DEPT | JOB TITLE | State/Location | HIRE DATE |
|---|---|---|---|
| 10441 | HR Director | CA | 7/5/2005 |
| 10421 | Controller | CA | 8/14/2006 |
| 20222 | Plant Manager | Ontario | 2/7/2005 |
| 10121A | Application Development Manager | IL | 1/3/2006 |
| 10611 | SAP Programmer | CA | 2/28/2005 |
| 10121 | Director of National Accounts. | CA | 5/6/2008 |
| 10211 | VP, Operations | CA | 10/11/2005 |
| 10521 | Chief Financial Officer | CA | 6/12/2006 |
| 10121A | VP, Sales | IL | 10/10/2005 |
| 20521 | General Manager | Ontario | 1/1/2007 |
| 30512 | Vice President | FL | 10/28/2002 |
| 10521 | VP Procurement | CA | 10/10/2005 |
| 10521 | President, CEO | CA | 9/23/2005 |

## Schedule 4.11(b)

## Collective Bargaining Arrangements

None.

## Schedule 4.12

### Brokers

1. Paragon Capital Partners, LLC

## Schedule 4.13

### Restrictions on Business

1. Hardware Service Provider Agreement, dated July 20, 2011, by and between Nexicore Services and Promethean Inc.

## Schedule 5.5

**Buyer Governmental Authorizations and Consents**

None.