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To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

9-1-06

1. Name of conveying party(ies)

Acterna, LLC, Acterna Corporation

2. Name and address of receiving party(ies)

Name: Rockwell Collins, Inc.

Internal Address: _____

M/S 124-323

Street Address: 400 Collins Road NE

City: Cedar Rapids

State: Iowa

Country: USA

Zip: 52498

Additional name(s) of conveying party(ies) attached? Yes No

Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance/Execution Date(s):

Execution Date(s) 13 June 2002

Assignment

Merger

Security Agreement

Change of Name

Joint Research Agreement

Government Interest Assignment

Executive Order 9424, Confirmatory License

Other Correction of Patent No. (13907/0720)

4. Application or patent number(s):

This document is being filed together with a new application.

A. Patent Application No.(s)

B. Patent No.(s)

4,975,696

Additional numbers attached? Yes No

5. Name and address to whom correspondence concerning document should be mailed:

Name: Nathan O. Jensen

Internal Address: M/S 124-323

Street Address: 400 Collins Road NE

City: Cedar Rapids

State: Iowa

Zip: 52498

Phone Number: _____

Fax Number: _____

Email Address: _____

6. Total number of applications and patents involved: 1

7. Total fee (37 CFR 1.21(h) & 3.41) \$ 40.00

Authorized to be charged by credit card

Authorized to be charged to deposit account

Enclosed

None required (government interest not affecting title)

8. Payment Information

a. Credit Card Last 4 Numbers _____

Expiration Date _____

b. Deposit Account Number 18-1722

Authorized User Name Nathan O. Jensen

9. Signature:

Nathan O. Jensen
Signature

February 1, 2006

Date

02/03 2006 DBYRME 00000233 181722 4975696

01 FC 0021 40.00 DA Nathan O. Jensen

Name of Person Signing

Total number of pages including cover sheet, attachments, and documents:

93

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O.Box 1450, Alexandria, V.A. 22313-1450

RECORDATION FORM COVER SHEET
PATENTS ONLY

To the Honorable Commissioner of Patents and Trademarks. Please record the attached document.

1. Name of conveying party(ies):
Acterna LLC, Acterna Corporation

Additional names(s) of conveying party(ies) attached [] Yes [xx] No

2. Name and address of receiving party(ies):

Name: Rockwell Collins, Inc.

Street Address: 400 Collins Rd. NE

City: Cedar Rapids State: IA Zip: 52498

3. Nature of Conveyance:

[] Assignment [] Merger
[] Security Agreement [] Change of Name
[XX] Other: Stock Purchase Agreement

Execution Date: **13 June 2002**

Additional name(s) and address(es) attached? [] Yes [xx] No

4. Application number(s) or patent number(s)

If this document is being filed together with a new application, the execution date of the application is:

A. Patent Application No.(s)

09/666,209; 09/666,428; 09/666,986; 09/791,100; 09/798,491

B. Patent No.(s)

4,976,696; 5,208,590; 6,476,879 (issued from 09/497,903)

Additional numbers attached? [] Yes [XX] No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Nathan Jensen
Internal Address: Intellectual Property Department 124-323
Street Address: 400 Collins Rd. NE
City: Cedar Rapids State: IA 52498

6. Total number of applications and patents involved 8

7. Total Fee (37 CFR 3.41): \$320.00

[] Enclosed
[xx] Authorized to be charged to deposit account

8. Deposit Account Number: 18-1722
(Attach duplicate copy if paying by Deposit Account)

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Nathan Jensen, Reg.#41,460

Name of Person Signing

Nathan Jensen
Signature

August 25, 2003

Date

Total number of pages comprising cover sheet [1]

Mail documents to be recorded with required cover sheet information to:

02/03/2006 DBYRME 00000234 181722 09666209
01 FC:8021 320.00 DA

COMMISSIONER OF PATENTS AND TRADEMARKS
MAIL STOP ASSIGNMENTS
ALEXANDRIA, VA 22313-1450

PATENT
REEL: 017537 FRAME: 0432

STOCK PURCHASE AGREEMENT

STOCK PURCHASE AGREEMENT, dated as of June 13, 2002, among Acterna Corporation, a Delaware corporation (the "Parent"), Acterna LLC, a Delaware limited liability company (the "Seller"), and Rockwell Collins, Inc., a Delaware corporation (the "Purchaser").

W I T N E S S E T H :

WHEREAS, the Seller owns indirectly through the Seller's Subsidiaries (i) all of the issued and outstanding shares of the capital stock of Airshow, Inc., a Delaware corporation ("Airshow"); and (ii) all of the issued and outstanding shares of the capital stock of Airshow France S.A.R.L. ("Airshow France"), a société à responsabilité limitée;

WHEREAS, the Parent owns all of the equity interests of the Seller; and

WHEREAS, the Parent and the Seller wish to cause the Seller's Subsidiaries to sell the Shares to the Purchaser, and the Purchaser wishes to purchase the Shares from the Seller's Subsidiaries, on the terms and conditions and for the consideration described in this Agreement (defined terms having the meanings indicated in Article VI);

NOW, THEREFORE, in consideration of the mutual promises, covenants, representations and warranties made herein and of the mutual benefits to be derived herefrom, the parties hereto agree as follows:

ARTICLE I SALE AND PURCHASE

1.1 Sale and Purchase of the Shares.

Subject to the terms and conditions of this Agreement and in reliance on the covenants, representations and warranties contained herein, at the Closing, the Parent and the Seller will cause the Seller's Subsidiaries to sell, convey, transfer, assign and deliver to the Purchaser, and the Purchaser will purchase and acquire from the Seller's Subsidiaries, all of the Shares, free and clear of all Liens (other than any Liens created by the Purchaser). In consideration for the sale, conveyance, transfer, assignment and delivery of the Shares, the Purchaser will, at the Closing, pay an aggregate purchase price of One Hundred Sixty Million Dollars (\$160,000,000) (as adjusted pursuant to

Section 1.3, the "Purchase Price"), payable in cash to the Seller in the manner set forth in Section 1.4, and subject to adjustment as set forth in Section 1.3.

1.2 Closing Net Assets Statement.

(a) Within 60 days after the Closing Date, the Purchaser will prepare and deliver to the Seller a special purpose statement of the assets and liabilities of the Company Group as of the close of business on the Closing Date (the "Closing Net Assets Statement"). The date on which the Closing Net Assets Statement is delivered to the Seller is referred to herein as the "Delivery Date". The Closing Net Assets Statement will be prepared in accordance with the accounting principles, policies, practices and procedures set forth on Schedule 1.2(a) and, with respect to matters not set forth on Schedule 1.2(a), in accordance with GAAP, except that (i) no amount will be set forth on the Closing Net Assets Statement in respect of (A) cash, (B) Intercompany Accounts canceled pursuant to Section 4.23 or (C) liabilities to the extent they are the responsibility of the Seller or the Seller Affiliates (other than Airshow or Airshow France) following the Closing under this Agreement and (ii) the amounts set forth on the Closing Net Assets Statement for (x) Airshow's minority equity investment in AirCell, Inc., (y) the intangible asset of Airshow recorded in connection with the License, Manufacturing Support and Non-Competition Agreement dated as of September 30, 1999 by and between Datron/Transco Inc. and Airshow and (z) Taxes (other than Consolidated Federal Income Taxes and Consolidated State Income Taxes), will be \$3,525,000, \$625,000 and \$103,506, respectively, which amounts are the amounts set forth for such items on the Interim Balance Sheet. Anything contained herein to the contrary notwithstanding, the amounts set forth on the Closing Net Assets Statement will not reflect any purchase accounting adjustments as a result of the acquisition of the Shares by the Purchaser. The amount of assets shown on the Closing Net Assets Statement minus the amount of liabilities shown on the Closing Net Assets Statement is referred to herein as "Net Assets". The Purchaser will retain Deloitte & Touche LLP ("D&T") to audit the Closing Net Assets Statement and to render their report thereon stating that the Closing Net Assets Statement has been prepared in accordance with the terms of this Section 1.2(a). Such report of D&T will be delivered to the Seller together with the Closing Net Assets Statement. The Seller will, upon reasonable request of the Purchaser, cause its employees and applicable employees of the Seller Affiliates to assist the Purchaser and its representatives in the preparation of the Closing Net Assets Statement and to assist D&T in connection with its audit of the Closing Net Assets Statement and its issuance of a report thereon; provided, however, that such assistance will not interfere with the normal work duties of such employees. The Seller will cause the Purchaser, the Purchaser's representatives and D&T to be provided with access at all reasonable times, following reasonable notice, to the properties, books and records of the Seller and the Seller Affiliates related to the Company Group for such purposes; provided, however, that such access will not interfere with the normal work duties of the employees of the

Seller and the Seller Affiliates. Without limiting the generality of the foregoing, the Seller will cause such employees of the Seller and the Seller Affiliates as the Purchaser or D&T shall reasonably request to execute and deliver reasonable representation letters in favor of D&T in connection with their audit of the Closing Net Assets Statement and their issuance of a report thereon. The Purchaser will cause such employees of the Company Group as D&T shall reasonably request to execute and deliver reasonable representation letters in favor of D&T in connection with their audit of the Closing Net Assets Statement and their issuance of a report thereon. In addition, the Seller will execute and deliver, and will cause each of the Seller Affiliates to execute and deliver, and the Purchaser will execute and deliver, and will cause each member of the Company Group to execute and deliver, such documentation as D&T may reasonably request to evidence the waiver by such Persons of any claim against D&T based upon D&T's report on the Closing Net Assets Statement rendered pursuant to this Section 1.2(a).

(b) The Closing Net Assets Statement will be deemed to be the final, binding and conclusive Closing Net Assets Statement (the "Final Closing Net Assets Statement") for all purposes at, and at all times after, the close of business on the thirtieth day after the Delivery Date unless the Seller delivers to the Purchaser written notice of its disagreement (a "Notice of Disagreement") prior to the close of business on the thirtieth day after the Delivery Date specifying in reasonable detail the nature of the Seller's objections to the Closing Net Assets Statement. The Purchaser will cause the Seller and its representatives to be provided with access at all reasonable times, following reasonable notice, to the personnel, properties, books and records of the Company Group and to any non-proprietary work papers of D&T, in each case relating to the Closing Net Assets Statement, in order to review the Closing Net Assets Statement and prepare the Notice of Disagreement, if any; provided, however, that such access will not interfere with the normal work duties of the employees of the Company Group. To be assertable in a Notice of Disagreement, an objection by the Seller with respect to any individual item on the Closing Net Assets Statement must assert that the Closing Net Assets Statement was not prepared in accordance with the terms of Section 1.2(a) with respect to such item and relate to an adjustment equal to or greater than \$20,000. The Parent and the Seller (on behalf of themselves and their Affiliates) hereby waive the right to assert any objection to the Closing Net Assets Statement that is not asserted in a Notice of Disagreement delivered by the Seller to the Purchaser prior to the close of business on the thirtieth day after the Delivery Date. If a Notice of Disagreement is delivered by the Seller to the Purchaser within such 30-day period, then the Closing Net Assets Statement (as adjusted, if necessary) will be deemed to be the Final Closing Net Assets Statement for all purposes on the earlier of (x) the date the Purchaser and the Seller resolve in writing all differences they have with respect to the Closing Net Assets Statement or (y) the date the disputed matters are resolved in writing by the Unaffiliated Firm (as defined below). In the event that disputed matters are resolved by the Unaffiliated Firm

(as set forth below in accordance with the terms hereof), the Final Closing Net Assets Statement will consist of the applicable amounts from the Closing Net Assets Statement (or amounts otherwise agreed to in writing by the Purchaser and the Seller) as to items that have not been submitted for resolution to the Unaffiliated Firm, and the amounts determined by the Unaffiliated Firm as to items that were submitted for resolution by the Unaffiliated Firm.

(c) During the 20-day period following the delivery of a Notice of Disagreement (the "Resolution Period"), the Purchaser and the Seller will seek in good faith to resolve any differences they may have with respect to matters specified in the Notice of Disagreement. If, at the end of the Resolution Period, the Purchaser and the Seller have not reached agreement on such matters, the Purchaser and the Seller will jointly engage a single arbitrator from the firm of Ernst & Young LLP (or, if a representative of Ernst & Young LLP is unable or unwilling to act in such capacity, a single arbitrator from the firm of KPMG LLP) (the "Unaffiliated Firm") to resolve all matters which remain in dispute with respect to the Closing Net Assets Statement by arbitration in accordance with the procedures set forth in this Section 1.2(c). In connection with such engagement, each of the Purchaser and the Seller agrees to execute, if requested by the Unaffiliated Firm, an engagement letter on terms reasonably satisfactory to each of the Purchaser and the Seller including customary indemnities. Each of the Purchaser and the Seller may submit in writing to the Unaffiliated Firm a position statement together with any applicable supporting documentation it desires (each, a "Position Statement") with respect to each of the Seller's proposed adjustments that remain in dispute following the Resolution Period. Position Statements, if any, shall be delivered to the Unaffiliated Firm, with a copy to the other party hereto (at the same time as it is provided to the Unaffiliated Firm), no later than the later of (x) the third business day following the date the Unaffiliated Firm accepts its engagement hereunder or (y) the thirtieth day following the end of the Resolution Period. Promptly after such engagement of the Unaffiliated Firm, the Purchaser or the Seller will provide the Unaffiliated Firm with a copy of this Agreement, the Closing Net Assets Statement, the Notice of Disagreement and, if applicable, the Position Statements. The Unaffiliated Firm will have the authority to request in writing such additional written submissions from either the Purchaser or the Seller as it deems appropriate; provided, however, that a copy of any such submission will be provided to the other party at the same time as it is provided to the Unaffiliated Firm. Neither party will make (or permit any of its Affiliates to make) any additional submission to the Unaffiliated Firm except pursuant to such a written request by the Unaffiliated Firm. Neither party will communicate (or permit any of its Affiliates to communicate) with the Unaffiliated Firm without providing the other party a reasonable opportunity to participate in such communication with the Unaffiliated Firm (other than with respect to written submissions in response to the written request of the Unaffiliated Firm). The Unaffiliated Firm will have 30 days to review the documents

provided to it pursuant to this Section 1.2(c). Within such 30-day period, the Unaffiliated Firm will furnish simultaneously to both parties its written determination with respect to each of the adjustments in dispute submitted to it for resolution. The Unaffiliated Firm will resolve the differences regarding the Closing Net Assets Statement based solely on the information provided to the Unaffiliated Firm by the Purchaser and the Seller pursuant to the terms of this Agreement (and not independent review). The Unaffiliated Firm's authority will be limited to resolving disputes with respect to whether the Closing Net Assets Statement was prepared in accordance with Section 1.2(a) with respect to the individual items on the Closing Net Assets Statement in dispute (it being understood that the Unaffiliated Firm will have no authority to make any adjustments to any financial statements or amounts other than amounts set forth in the Closing Net Assets Statement that are in dispute). In resolving any disputed item, the Unaffiliated Firm may not assign a value to such item greater than the greatest value for such item asserted by either party or less than the smallest value for such item asserted by either party.

(d) The decision of the Unaffiliated Firm will be, for all purposes, conclusive, non-appealable, final and binding upon the Purchaser, the Parent, the Seller and each of their Affiliates. Such decision will be subject to specific performance pursuant to Section 9.16, and judgment may also be entered thereon as an arbitration award pursuant to the Federal Arbitration Act, 9 U.S.C. §§ 1-16, in any court of competent jurisdiction specified in Section 9.13. The fees of the Unaffiliated Firm will be borne equally by the Purchaser and the Seller. Each party will bear the fees, costs and expenses of its own accountants and all of its other expenses in connection with matters contemplated by this Section 1.2.

1.3 Post-Closing Adjustment.

(a) Upon the Closing Net Assets Statement being deemed the Final Closing Net Assets Statement in accordance with Section 1.2, the Purchase Price will be adjusted, up or down, as follows:

(i) if the amount of Net Assets shown on the Final Closing Net Assets Statement (the "Net Asset Amount") is less than Twenty-Nine Million Two Hundred Twenty-Three Thousand Dollars (\$29,223,000), the Purchase Price will be reduced by the amount by which the Net Asset Amount is less than the Baseline Amount and such amount by which the Purchase Price is reduced will be paid by the Seller to the Purchaser; and

(ii) if the Net Asset Amount is greater than Thirty-Two Million Eight Hundred Eighty-Three Thousand Dollars (\$32,883,000), the Purchase Price will be increased by the amount by which the Net Asset Amount is greater than the

Baseline Amount and such amount by which the Purchase Price is increased will be paid by the Purchaser to the Seller.

The Purchase Price will not be adjusted pursuant to this Section 1.3 if the Net Asset Amount is between Twenty-Nine Million Two Hundred Twenty-Three Thousand Dollars (\$29,223,000) and Thirty-Two Million Eight Hundred Eighty-Three Thousand Dollars (\$32,883,000), inclusive.

(b) Any payment required under Section 1.3(a) will bear interest from the Closing Date to the date of payment (calculated based on actual days elapsed in a 365-day year) at a rate per annum equal to the six month LIBOR rate published in the Wall Street Journal, Eastern Edition, on the Closing Date. Any such payment will be made (together with such interest) within three business days after the date that the Closing Net Assets Statement is deemed to be the Final Closing Net Assets Statement in accordance with Section 1.2 by wire transfer of immediately available funds to a bank account designated by the Purchaser or the Seller, as the case may be.

1.4 Closing.

The closing of the sale and purchase of the Shares (the "Closing") will take place at the offices of Debevoise & Plimpton, 919 Third Avenue, New York, New York 10022 at 10:00 A.M., New York time, on the fifth business day following satisfaction or waiver of all conditions set forth in Article V, or at such other date and time as the parties may agree to in writing (the "Closing Date"). The Closing will be deemed to be effective as of the close of business on the Closing Date. At the Closing:

(a) the Parent and the Seller will deliver to the Purchaser, free and clear of any Liens, the certificates representing the Shares duly endorsed in blank or accompanied by stock or other appropriate transfer powers duly executed in blank necessary to transfer to the Purchaser good and marketable title to the Shares, free and clear of any Liens (other than any Liens created by the Purchaser), and accompanied by all requisite stock transfer stamps;

(b) subject to Section 4.19, the Parent and the Seller will deliver written resignations of all directors of Airshow and persons serving similar functions of Airshow France, and of such officers of Airshow and Airshow France as shall be specified by the Purchaser to the Seller on or before the fifth business day preceding the Closing Date;

(c) the Seller will deliver the minute books, stock ledgers and stock transfer books of Airshow and Airshow France;

(d) the Purchaser will pay the Closing Payment to the Seller by wire transfer of immediately available funds to such U.S. accounts of the Seller as shall be specified by written notice from the Seller to the Purchaser on or before the second business day preceding the Closing Date; and

(e) each of the Purchaser, the Parent, the Seller, the Seller's Subsidiaries and the members of the Company Group will deliver all other instruments, agreements, certificates and documents required to be delivered by such Person at or prior to the Closing Date pursuant to this Agreement.

ARTICLE II REPRESENTATIONS AND WARRANTIES OF THE PARENT AND THE SELLER

The Parent and the Seller, jointly and severally, represent and warrant to the Purchaser as follows:

2.1 Corporate Status, Authority and Due Execution.

(a) Each of the Parent, the Seller and the Seller's Subsidiaries is a limited liability company or corporation duly formed, validly existing and in good standing under the Laws of the jurisdiction of its formation or incorporation and has all requisite power and authority, whether limited liability company, corporate or otherwise, to own the Shares owned by it and to execute and deliver this Agreement and perform its obligations hereunder.

(b) The execution, delivery and performance of this Agreement have been duly authorized by the boards of directors of each of the Parent and the Seller, which approval constitutes all necessary limited liability company action on the part of the Seller for such authorization and all necessary corporate action on the part of the Parent for such authorization. The consummation by each of the Parent, the Seller, the Seller's Subsidiaries and the members of the Company Group of the transactions contemplated hereby have been duly authorized by all necessary and proper action on the part of such Person.

(c) This Agreement has been duly executed and delivered by each of the Parent and the Seller, and constitutes the legal, valid and binding obligation of each of the Parent and the Seller enforceable against each of the Parent and the Seller in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws relating to or affecting the enforcement of creditors' rights in general and by general principles of equity.

(d) The Parent is the direct beneficial owner of all of the equity interests of the Seller. The Seller is the indirect beneficial owner through one or more of its Subsidiaries of all of the issued and outstanding capital stock and other equity interests of the Seller's Subsidiaries.

2.2 No Conflicts, Consents and Approvals, etc.

(a) Except as set forth on Schedule 2.2(a), the execution, delivery and performance of this Agreement by each of the Parent and the Seller, and the consummation by the Parent, the Seller, the Seller's Subsidiaries and the members of the Company Group of the transactions contemplated by this Agreement, do not and will not (x) result in the creation of any Lien upon any of the properties or assets of any member of the Company Group (other than Permitted Liens) or any Lien upon the Shares or (y) conflict with, contravene, result in a violation or breach of or default under or give rise to a right of amendment, termination, cancellation or acceleration of any obligation or to a loss of a benefit (with or without the giving of notice or the lapse of time or both) or require any Consent under:

(i) any provision of the limited liability company agreement of the Seller or the charter, by-laws or other organization documents of any of the Parent, the Seller's Subsidiaries or the members of the Company Group;

(ii) any Law or Permit applicable to the Seller, any of the Seller Affiliates or any of their respective properties or assets;

(iii) any Commitment of the Seller or any of the Seller Affiliates (other than the Company Group); or

(iv) any Material Contract.

except, in the case of clauses (ii) and (iii) only, for conflicts, contraventions, violations, breaches, defaults, rights, obligations, losses and Consents that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect or to materially impair the ability of any of the Parent, the Seller, the Seller's Subsidiaries or the members of the Company Group to perform its obligations hereunder.

(b) Except as set forth on Schedule 2.2(b), no material Consent of, with or to any Governmental Authority is required on the part of the Seller or any Seller Affiliate in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated by this Agreement, except Consents required under the HSR Act.

2.3 Corporate Status of the Company Group.

(a) Each member of the Company Group is duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation and has all requisite power and authority, corporate or otherwise, to conduct its business and to own or lease and operate its assets and properties, as now conducted, owned or leased and operated and as will be conducted, owned or leased and operated through the Closing Date.

(b) Each member of the Company Group is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the nature of its business or the properties owned or leased by it makes such qualification or licensing necessary, except where the failure to be so qualified or licensed and in good standing would not reasonably be expected to have a Material Adverse Effect. Set forth on Schedule 2.3(b) is a list of the jurisdictions in which each member of the Company Group is qualified to transact business as of the date hereof. The Seller has delivered or made available to the Purchaser true and complete copies of (i) the corporate minute books of each member of the Company Group as in the possession or control of the Seller or any Seller Affiliate and (ii) charter documents and by-laws (or similar governance documents), stock certificate books and stock transfer books, in each case as amended through the date hereof, of each member of the Company Group.

2.4 Capitalization, etc.

(a) The authorized capital stock, and the number of issued and outstanding shares of the capital stock, of each member of the Company Group is set forth on Schedule 2.4(a). Except for the Shares, no shares of capital stock or other securities of any member of the Company Group are issued, reserved for issuance or outstanding.

(b) All of the issued and outstanding shares of capital stock of each member of the Company Group, consisting solely of the Shares, are duly authorized, validly issued, fully paid and nonassessable, were not issued in violation of any preemptive or similar rights and are owned beneficially and of record by the Seller's Subsidiaries, as indicated in Schedule 2.4(a), free and clear of all Liens, except as set forth on Schedule 2.4(b).

(c) The delivery at the Closing of the certificates representing the Shares in the manner provided in Section 1.4(a) against payment therefor in accordance with Section 1.4(d) will transfer to the Purchaser good and valid title to the Shares, free and clear of any Liens, other than any Liens created by the Purchaser.

(d) There are no preemptive or similar rights on the part of any holders of any class of securities of any member of the Company Group. There are no bonds, debentures, notes or other indebtedness of any type whatsoever of any member of the Company Group having the right to vote (or convertible into, or exchangeable for, securities having the right to vote) on any matters on which any shareholders of any member of the Company Group may vote. There are no voting agreements with respect to any of the Shares or any other securities of any member of the Company Group. Other than this Agreement:

(i) there are no outstanding securities, subscriptions, options, warrants, calls, demands, stock appreciation rights or conversion, exchange or other rights or Commitments of any kind obligating the Parent, the Seller, any of the Seller's Subsidiaries, any member of the Company Group or any other Person, now or in the future, contingently or otherwise, to purchase, obtain or acquire or to issue, deliver or sell, or cause to be purchased, obtained or acquired or issued, delivered or sold, or otherwise relating to, any shares of the capital stock of any member of the Company Group or any securities or obligations convertible into or exchangeable for any such shares, and no authorization therefor has been given; and

(ii) there are no outstanding contractual or other rights or obligations to or of the Parent, the Seller, any of the Seller's Subsidiaries, any member of the Company Group or any other Person to repurchase, redeem or otherwise acquire any outstanding shares or other equity interests of any member of the Company Group or to issue, deliver, sell, purchase or redeem any stock appreciation rights or other Commitments relating to any capital stock or other securities of any member of the Company Group to or from any Person.

2.5 Investments.

Except as set forth on Schedule 2.5, no member of the Company Group has any equity interest or investment in any corporation, partnership, joint venture, association or other entity or business organization.

2.6 Financial Statements.

(a) Set forth on Schedule 2.6(a) are the unaudited consolidated statements of income of the Company Group for the fiscal years ended March 31, 2001 and 2002 and unaudited consolidated balance sheets of the Company Group as at such dates (the "Financial Statements").

(b) The Financial Statements have been prepared from and in accordance with the books, accounts and financial records of the Company Group (which are maintained in accordance with GAAP) and present fairly in all material respects, in accordance with GAAP consistently applied throughout the periods indicated, the financial condition and results of operations of the Company Group at the respective dates and for the respective periods indicated, except in each case as noted in Schedule 2.6(b).

2.7 Absence of Undisclosed Liabilities.

From and after the Closing Date, no member of the Company Group will have any Liabilities based upon, arising out of or resulting from the conduct of the business of the Company Group or the operation of the Company Group on or prior to the Closing Date other than (i) as set forth on Schedule 2.7, (ii) contractual performance obligations under executory Commitments of the Company Group in effect on the Closing Date (other than obligations in respect of accounts or other amounts payable existing as of the Closing Date to the extent they are not set forth on the Final Closing Net Assets Statement), (iii) as set forth (but only to the extent set forth) on the Final Closing Net Assets Statement and (iv) other Liabilities not described in clauses (i) through (iii) above not exceeding Two Million Dollars (\$2,000,000) in the aggregate.

2.8 Absence of Changes.

Except as set forth on Schedule 2.8, no conditions, circumstances or state of facts exist, and since March 31, 2002 there has been no change, effect or development, that, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect. Except as set forth on Schedule 2.8, since March 31, 2002, the business of the Company Group taken as a whole has been conducted in the ordinary course consistent with past practice and none of the members of the Company Group has, nor has the Seller or any Seller Affiliate (with respect to or on behalf of any member of the Company Group):

(a) granted or issued any option, warrant, subscription, or other right to purchase shares of capital stock of any member of the Company Group, created, issued, delivered, pledged or otherwise encumbered, sold or disposed of any security convertible into or rights with respect to or options or warrants to purchase or rights to subscribe to the capital stock of any member of the Company Group, or caused the reclassification, combination, split, subdivision, purchase, redemption, retirement, issuance, delivery, pledge, encumbrance, sale or any other acquisition or disposition, directly or indirectly, of any shares of capital stock of any member of the Company Group;

(b) incurred, assumed or created any indebtedness for borrowed money or guaranteed any Liability of any other Person or issued or sold any debt securities or guarantee of any debt securities of others;

(c) mortgaged, pledged or subjected to any Lien any of the Company Group's properties or assets or permitted any of the Company Group's properties or assets to be mortgaged, pledged or subjected to any Lien, except for Permitted Liens;

(d) incurred capital expenditures in excess of \$50,000 in any one case or in excess of an aggregate of \$200,000 in any one calendar month;

(e) disposed or agreed to dispose of any properties or assets of the Company Group, except for inventories and immaterial amounts of obsolete equipment in the ordinary course of business;

(f) canceled, forgiven, waived or released any debts of the Company Group in excess of \$50,000 in any one case or \$250,000 in the aggregate or any material claims of the Company Group;

(g) except (i) for regularly scheduled increases in compensation to employees of the Company Group made in the ordinary course of business consistent with past practice, (ii) as required by the terms in effect on the date hereof of any Commitment of the Company Group set forth on Schedule 2.15(c) or (iii) to comply with Laws, made any change in the rate of compensation, commission, bonus or other direct or indirect remuneration payable or to become payable to any of the Company Group's respective directors, officers, employees or agents, or agreed or promised (orally or otherwise) to pay, conditionally or otherwise, any bonus, extra compensation or other employee benefit to any of such directors, officers, employees or agents;

(h) (A) entered into any employment or consulting agreement with or for the benefit of any Person referred to in subparagraph (g) above; (B) paid any pension, retirement allowance or other employee benefit not required by any Plan, agreement or arrangement to any Person referred to in subparagraph (g) above or (C) agreed to or promised (orally or otherwise) or otherwise committed itself to (conditionally or otherwise) any additional pension, profit sharing, bonus, incentive, deferred compensation, stock purchase, stock option, stock appreciation, group insurance, vacation pay, severance pay, retirement or other employee benefit plan, agreement or arrangement, or changed the terms of any such existing Plan or employee agreement or arrangement;

(i) suffered damages, destruction or casualty losses (whether or not covered by insurance) with respect to any properties or assets of the Company Group in excess of \$100,000 in the aggregate;

(j) made any loan to or made any capital contribution to or investment in any Person (other than (i) travel and entertainment advances to employees made in the ordinary course of business consistent with past practice not exceeding \$50,000 in the aggregate and (ii) loans or advances constituting Intercompany Accounts that will be cancelled pursuant to Section 4.23);

(k) made any change in the accounting methods, policies, practices or principles of or applicable to the Company Group except as required by GAAP;

(l) changed or modified in any material respect any of the credit, collection or payment policies, procedures or practices of the Company Group, including acceleration of collections of receivables, failure to make or delay in making collections of receivables (whether or not past due), acceleration of payment of payables or other Liabilities or failure to pay or delay in payment of payables or other Liabilities;

(m) engaged in any discount or other activity that is not in the ordinary course of business consistent with past practices that has accelerated or would reasonably be expected to accelerate to pre-Closing periods sales of the Company Group that would otherwise in the ordinary course of business consistent with past practices reasonably be expected to occur in post-Closing periods;

(n) acquired or agreed to acquire by merging or consolidating with, or by purchasing a substantial portion of the capital stock or assets of, or by any other manner, any business or any corporation, partnership, joint venture, association or other business organization or Person, or division, operating unit or product line thereof;

(o) revalued any of the assets of the Company Group;

(p) purchased any real property or, other than Leases set forth in Schedule 2.11(a), entered into any Lease;

(q) settled or compromised any Action involving amounts in excess of \$50,000 in any one case or \$250,000 in the aggregate or any nonmonetary relief;

(r) amended the certificate of incorporation or by-laws (or other similar governance documents) of any member of the Company Group;

(s) through the date hereof, made any tax election, changed any annual tax accounting period, amended any tax return, settled or compromised any income tax liability, entered into any closing agreement, settled any tax claim or assessment, surrendered any right to claim a tax refund or failed to make the payments or consent to any extension or waiver of the limitations period applicable to any tax claim or assessment;

(t) other than as provided in Section 4.23, declared, set aside, made or paid any dividend or other distribution with respect to capital stock of any member of the Company Group to, or redeemed or repurchased any capital stock of any member of the Company Group from, any Person other than another member of the Company Group, other than lawful cash dividends in an amount not exceeding, in the aggregate, the sum of the after-tax net income of the Company Group and all contributions to capital of the Company Group made by the Seller, the Seller's Subsidiaries and the Seller's other Affiliates other than members of the Company Group, in each case since March 31, 2002, provided that a Tax Sharing Payment shall not be treated for these purposes as a dividend or other distribution with respect to capital stock; or

(u) entered into any agreement to take any of the actions described in clauses (a) through (t).

2.9 Governmental Authorizations; Compliance with Law.

(a) Each member of the Company Group is in compliance in all material respects and has complied in all material respects with all Laws and applicable Permits. Except as set forth on Schedule 2.9(a), no judgment, ruling, order, writ, decree, stipulation, injunction or determination by or with any arbitrator, court or other Governmental Authority is in effect (i) to which the Seller or any Seller Affiliate (other than the Company Group) is party or by which the Seller or any Seller Affiliate (other than the Company Group) or any assets of the Seller or any Seller Affiliate (other than the Company Group) is bound, and which relates to or affects the transactions contemplated hereby, or which relates to or affects in any material respect any member of the Company Group or the business, assets, Liabilities or employees of any member of the Company Group or (ii) to which any member of the Company Group is a party or by which any member of the Company Group or any of their assets is bound. None of the Seller or any Seller Affiliate is in default in any material respect under or with respect to any such judgment, ruling, order, writ, decree, stipulation, injunction or determination.

(b) Except as set forth on Schedule 2.9(b), (i) no written notices from any Governmental Authorities or other Persons have been received by the Seller or any Seller Affiliate within the past three years, and, to the knowledge of the Seller, no claims



or complaints are threatened, alleging that the Seller or any Seller Affiliate is in violation in any material respect of any Laws or Permits applicable to any member of the Company Group or the business, assets, Liabilities or employees of any member of the Company Group, and (ii) to the knowledge of the Seller, no investigation, inquiry, or review by any Governmental Authority with respect to any member of the Company Group or the business, assets, Liabilities or employees of any member of the Company Group is pending or threatened.

(c) The Company Group holds all material Permits necessary to conduct the business of the Company Group as currently conducted and as it will be conducted through the Closing Date, and to own and use the assets, of the Company Group taken as a whole. Schedule 2.9(c) sets forth a list of the material Permits of the Company Group on the date hereof. All material Permits of the Company Group are validly held by a member of the Company Group and are in full force and effect.

2.10 Litigation.

(a) Except as set forth on Schedule 2.10, none of the Seller or any Seller Affiliate is party to or engaged in or, to the knowledge of the Seller, threatened with any Actions which relate to or affect (i) any member of the Company Group or the business, assets, Liabilities or employees of any member of the Company Group and which involve or would reasonably be expected to involve (A) amounts in excess of \$50,000 in any one case or \$250,000 in the aggregate or (B) any nonmonetary relief or (ii) the transactions contemplated hereby; and, to the knowledge of the Seller, no event has occurred and no condition exists which would reasonably be expected to result in any such Actions.

(b) No order has been made, petition presented or resolution passed for the winding-up of any member of the Company Group and no meeting has been convened for the purposes of winding-up of any member of the Company Group. No steps have been taken for the appointment of an administrator or receiver (including an administrative receiver) of all or any part of the assets of any member of the Company Group. No member of the Company Group has made or proposed any composition, assignment for the benefit of its creditors or any class of its creditors or debt restructuring affecting its capital structure generally. Upon the release of the guarantees listed in items 1 and 2 under the heading "Guarantees" on Schedule 2.12(a), which are required to be caused to be released by the Seller in accordance with Section 4.14(a), no member of the Company Group will be insolvent, or will be unable to pay its debts within the meaning of the insolvency legislation applicable to such member of the Company Group. No member of the Company Group has stopped paying its debts as they fall due.

2.11 Real Property.

(a) Schedule 2.11(a) lists all real property leased by any member of the Company Group (the "Leased Real Property"), and all real property leases relating to the Leased Real Property (including all subleases and other leases through which any member of the Company Group has granted any interest in any of the Leased Real Property, or any portion thereof, to any Person) (the "Leases"). No member of the Company Group owns, or has ever owned, any real property.

(b) The applicable member of the Company Group has valid leasehold estates in each item of Leased Real Property, in each case free and clear of all Liens, except Permitted Liens.

(c) The Seller has made available to the Purchaser correct and complete copies of the Leases. Except as set forth on Schedule 2.11(c):

(i) each Lease grants the tenant under the Lease the exclusive right to use and occupy the premises and rights demised and intended to be demised thereunder; and

(ii) each member of the Company Group enjoys peaceful and undisturbed possession under its respective Leases for the Leased Real Property.

(d) The use and operation of the Leased Real Property in the conduct of the business of the Company Group, as currently conducted and as it will be conducted through the Closing Date, do not violate in any material respect any instrument of record or agreement affecting such property. There is no material violation of any covenant, condition, restriction, easement or agreement or order of any Governmental Authority that affects the use or operation of the Leased Real Property in the conduct of the business of the Company Group, as currently conducted and as it will be conducted through the Closing Date.

2.12 Contracts.

(a) Schedule 2.12(a) lists as of the date hereof all Commitments (or groups of related Commitments) of the following types of any member of the Company Group (other than Leases, IP License Agreements, labor or employment-related agreements and Affiliate agreements which are provided for in Sections 2.11(a), 2.13(b), 2.15(c) and 2.17, respectively) (collectively with the Commitments required to be set forth on Schedules 2.11(a), 2.13(b), 2.15(c) and 2.17, the "Material Contracts"):

(i) all loan agreements, notes, indentures and other Commitments evidencing indebtedness for borrowed money;

(ii) all Commitments concerning any joint venture, partnership, joint development or similar arrangement, or which involve a sharing of profits or losses by any member of the Company Group with any other Person;

(iii) all Commitments (or groups of related Commitments) for the purchase by any member of the Company Group of materials, supplies, products or services, and all Commitments for the sale or provision by any member of the Company Group of materials, supplies, products or services, in each case under which the amount that would reasonably be expected to be paid or received by a member of the Company Group exceeds \$100,000;

(iv) all Commitments prohibiting or restricting or purporting on their face to prohibit or restrict the ability of any member of the Company Group to compete with any Person, engage in any business or operate in any geographical area or which limit or restrict or purport on their face to limit or restrict the ability of any member of the Company Group with respect to the development, manufacture, marketing, sale, integration or distribution of any products or services;

(v) all stock purchase agreements, asset purchase agreements and other acquisition or divestiture Commitments relating to the acquisition, lease or disposition by any member of the Company Group of material assets and properties (other than in the ordinary course of business) or any capital stock or other equity interest of any Person, in each case (A) which was entered into by any member of the Company Group after January 1, 1997, or (B) under which any member of the Company Group has any executory indemnification obligations;

(vi) all Commitments (or groups of related Commitments) entered into other than in the ordinary course of business involving aggregate payments in excess of \$100,000, to be made by or to any member of the Company Group after the date of this Agreement;

(vii) all Commitments with or for the benefit of the Seller or any Seller Affiliate (other than a member of the Company Group), other than those set forth on Schedule 2.17;

(viii) all Commitments (or groups of related Commitments) for the lease (whether as lessor or lessee) of personal property to or from any member of the Company Group which provide for lease payments in excess of \$50,000;

(ix) all Commitments under which (A) any Person (including any member of the Company Group) has directly or indirectly guaranteed any Liabilities of a member of the Company Group or (B) a member of the Company Group has directly or indirectly guaranteed any Liabilities of any Person;

(x) all Commitments under which a member of the Company Group has directly or indirectly made any loan or capital contribution to, or other investment in, any Person, including employees (other than Commitments solely relating to (i) travel and entertainment advances to employees made in the ordinary course of business consistent with past practice not exceeding \$50,000 in the aggregate and (ii) loans or advances constituting Intercompany Accounts that will be cancelled pursuant to Section 4.23);

(xi) all Commitments providing for or containing any mortgage, pledge, security agreement or deed of trust or other Commitments granting a Lien (other than Permitted Liens) upon any assets or properties of any member of the Company Group;

(xii) all Commitments with any broker, distributor, dealer, sales representative, manufacturer or other Person relating to the distribution, sale or manufacture of products (other than Commitments with customers or suppliers which are disclosed or which are not required to be disclosed pursuant to clause (iii) above);

(xiii) all foreign currency forward exchange Commitments;

(xiv) all material Commitments with any Governmental Authority;

(xv) all Commitments containing any restrictions with respect to payment of dividends or any other distributions in respect of the capital stock of any member of the Company Group; and

(xvi) all other Commitments that are or will be material to the business of the Company Group.

(b) Each Material Contract is in full force and effect and is legal, valid, binding and enforceable in all material respects in accordance with its terms.

(c) No nonperformance or other event has occurred or circumstance exists with respect to any member of the Company Group or, to the knowledge of the Seller, with respect to any other Person that (with or without lapse of time or the giving of notice or both) does or may contravene, conflict with or result in a violation or breach

in any material respect of or give any member of the Company Group or any other Person the right to declare a default or exercise any material remedy under, or to accelerate the maturity of, or to modify in any material respect, or to cancel or terminate, any Material Contract. The Seller has furnished or made available to the Purchaser complete and correct copies of all written Material Contracts and a true and complete written summary of all oral Material Contracts, in each case as in effect on the date hereof.

2.13 Intellectual Property.

(a) Schedule 2.13(a) sets forth, for the following Intellectual Property owned by any member of the Company Group as of the date hereof, a complete and accurate list (including the name, owner, country, serial number and status thereof) of all U.S. and foreign: (i) patents, patent applications and written invention disclosures; (ii) trademark and service mark registrations (including Internet domain name registrations) and trademark and service mark applications; and (iii) copyright registrations. The Intellectual Property required to be set forth on Schedule 2.13(a), together with the other Intellectual Property owned by any member of the Company Group is referred to herein as the "Owned Intellectual Property".

(b) Schedule 2.13(b) lists as of the date hereof all Commitments of any member of the Company Group granting or obtaining any right to use any material Business Intellectual Property, as licensee or licensor thereunder (collectively, the "IP License Agreements").

(c) Except as set forth in Schedule 2.13(c):

(i) (A) one or more members of the Company Group owns all right, title and interest in and to all of the Owned Intellectual Property and (B) one or more members of the Company Group has sufficient legal rights to use all of the Business Intellectual Property that is subject to IP License Agreements, in the case of each of clauses (A) and (B), free and clear of any Liens and free from any requirement of any past, present or future conditions or restrictions (other than payments, conditions, rights or restrictions set forth in the IP License Agreements and Permitted Liens);

(ii) no claims or Actions, or to the knowledge of the Seller, threats of claims or Actions, have been asserted in writing by any third party against any member of the Company Group or their Affiliates (A) related to the use in the conduct of the business of the Company Group of such third party's Intellectual Property rights or (B) challenging or questioning the validity, ownership, enforceability or effectiveness of any Owned Intellectual Property or other material Business Intellectual Property or challenging or questioning the validity,

enforceability or effectiveness of, or the Company Group's rights under, any IP License Agreement (including in each case any interference, reexamination or opposition proceeding);

(iii) no Owned Intellectual Property or any service rendered by any member of the Company Group, or any product, process or material developed, manufactured, produced or sold by any member of the Company Group and, to the knowledge of Seller, no (x) other Intellectual Property subject to IP License Agreements in favor of a member of the Company Group or (y) other product, process or material used by any member of the Company Group, infringes in any material respect upon, misappropriates or violates in any material respect any Intellectual Property or other rights owned or held by any other Person;

(iv) no claims or Actions have been asserted by the Seller or any Seller Affiliates or any other Person authorized to assert such claims or Actions charging any third party with infringement, misappropriation, dilution or violation of any Business Intellectual Property, and to the knowledge of the Seller, no third party is misappropriating, infringing, diluting or violating any material Business Intellectual Property;

(v) no settlement agreements, consents, judgments, orders, forbearance to sue or any writs, decrees, stipulations, injunctions or determinations by or with any Governmental Authority, or similar obligations limit or restrict any rights of the Company Group in and to any Owned Intellectual Property or, to the knowledge of the Seller, the Company Group's rights in and to other Business Intellectual Property;

(vi) the consummation of the transactions contemplated hereby will not result in the loss or impairment of any rights of the Company Group to own or use any of the Business Intellectual Property, nor will such consummation require the Consent of any third party in respect of any material Business Intellectual Property;

(vii) no member of the Company Group has intentionally withheld material information from, or knowingly provided false information to, any Governmental Authority in connection with obtaining statutory protection for its Owned Intellectual Property; and

(viii) all material Business Intellectual Property (other than Business Intellectual Property subject to IP License Agreements in favor of a member of the Company Group set forth on Schedule 2.13(b)) was developed entirely by employees of a member of the Company Group during the time they were

employees of a member of the Company Group or by consultants under a written obligation to assign such Business Intellectual Property to a member of the Company Group, or was properly assigned in writing to a member of the Company Group.

(d) Each member of the Company Group has taken commercially reasonable steps (including paying all maintenance and renewal fees, as applicable, and taking measures to protect secrecy and confidentiality) to protect the Company Group's right, title and/or interest, as the case may be, in and to all material Business Intellectual Property. All employees and consultants of the Company Group who have access to material confidential or proprietary information of the Company Group have a written obligation of confidentiality to a member of the Company Group with respect to such information. All employees of the Company Group have duly executed and delivered agreements with a member of the Company Group pertaining to the assignment, without additional consideration, to a member of the Company Group of all inventions, discoveries and ideas, whether or not patented or patentable, conceived or reduced to practice during the course of their employment by the Company Group to the extent set forth in the Employee Proprietary Information, Confidentiality and Assignment of Inventions Agreement attached to Schedule 2.13(d).

(e) The Business Intellectual Property owned by the Company Group or licensed to the Company Group under the IP License Agreements constitutes all the material Intellectual Property rights necessary to conduct fully the business of the Company Group as currently conducted and as it will be conducted through the Closing Date.

2.14 Taxes.

Except as set forth on Schedule 2.14:

(a) All Income Tax Returns and all other material Returns required to be filed by or with respect to each member of the Company Group or any predecessor corporation of either of them, or any consolidated, combined, affiliated or unitary group of which any member of the Company Group is or has since 1989 been a member on or prior to the Closing Date, have been timely filed (or will have been timely filed prior to the Closing Date) with the appropriate Taxing Authority. Each such Return was or will be complete and correct in all material respects. To the knowledge of the Seller, no claim has ever been made in writing by a Taxing Authority in a jurisdiction where any member of the Company Group does not file a Return that such member is or may be subject to taxation in that jurisdiction.



(b) All Taxes shown as due on such Returns with respect to taxable periods or portions thereof covered by such Returns and all other material Taxes (without regard to whether a Return was or is required) for which any member of the Company Group is liable that are due and payable prior to the Closing Date have (or by the Closing Date will have) been paid.

(c) All material Employment and Withholding Taxes required to be withheld or paid prior to the Closing Date have (or by the Closing Date will have) been paid to the proper Governmental Authority or properly set aside in accounts to be retained by the Company Group after the Closing for such purpose.

(d) Except for agreements, documents and powers of attorney that have expired, no written agreement or other document extending, or having the effect of extending, the period of assessment or collection of any Taxes of any member of the Company Group, and no power of attorney with respect to any such Taxes, has been executed or filed with the IRS or any other Taxing Authority.

(e) The Purchaser will not be required to deduct and withhold any amount pursuant to Section 1445(a) of the Code upon the transfer of the Shares to the Purchaser under this Agreement.

(f) There are no Tax Sharing Agreements in force to which any member of the Company Group is a party.

(g) All Taxes due with respect to any completed and settled audit, examination or deficiency action with any Taxing Authority for which any member of the Company Group is liable have been paid in full.

(h) There is no audit, examination, deficiency or refund action in progress with respect to any Taxes for which any member of the Company Group is liable and no Taxing Authority has given written notice of the commencement of any audit, examination or deficiency action with respect to any such Taxes which such audit, examination or deficiency action is not in progress or has not been completed.

(i) None of the assets of any member of the Company Group (i) is tax-exempt use property within the meaning of Section 168(h) of the Code, (ii) directly or indirectly secures any debt the interest on which is exempt under Section 103(a) of the Code or (iii) is property that is required to be treated as being owned by any Person (other than a member of the Company Group) pursuant to the provisions of Section 168(f)(8) of the Internal Revenue Code of 1954, as amended, and in effect immediately before the enactment of the Tax Reform Act of 1986.



(j) No member of the Company Group is a partner or a member of any partnership or joint venture, or any other entity classified as a partnership for federal income tax purposes.

(k) The amount of the Tax Accrual is \$103,506.

2.15 Employment and Benefits, etc.

(a) Schedule 2.15(a) sets forth a complete and correct list of each "employee benefit plan", as such term is defined in Section 3(3) of ERISA, each pension, retirement, cash-balance, money purchase, savings, profit sharing, annuity or deferred compensation plan, each cash, equity, bonus or incentive plan (including each stock option, stock bonus, stock appreciation, phantom stock, restricted stock and stock purchase plan), each medical, dental, vision, hospitalization, long-term care, prescription drug and other health, employee assistance, cafeteria, flexible benefits, life insurance, short and long term disability, vacation pay, severance pay, termination and other welfare and fringe benefit plan, each retiree benefit or compensation plan and all similar plans, programs, understandings, arrangements or agreements, maintained or sponsored by the Seller or any Seller Affiliate with respect to any employees of the Company Group, to which the Seller or any Seller Affiliate is a party or is required to contribute or has any Liability with respect to any employees of the Company Group or in which any employees of the Company Group participate, whether written or oral, direct or indirect or actual or contingent (each a "Plan", collectively, the "Plans"). With respect to each Plan (other than the sections of the Supplemental Severance Agreements relating to bonus payments in connection with the sale of the Company Group, the Liability for which bonus payments will be borne by the Parent or the Seller), the Seller has provided or made available to the Purchaser complete and correct copies of: (i) such Plan (or a description of such Plan if not written) and any all amendments to any such Plan; and (ii) to the extent applicable to such Plan: (A) all trust agreements, insurance contracts, investment management agreement or other funding agreements or arrangements; (B) the most recent actuarial and trust reports; (C) the most recent Form 5500s required to have been filed with the IRS and all schedules and exhibits thereto; (D) for each Plan qualified under Section 401(a) of the Code, the most recent IRS determination letter; (E) all current summary plan descriptions for each Plan subject to Title I of ERISA, and in the case of any other Plan, any similar summary (including any employee handbook description); (F) copies of any correspondence from the IRS, Department of Labor ("DOL") or other U.S. government agency or department relating to an audit or an asserted or assessed penalty with respect to a Plan or relating to requested relief from any liability or penalty (including any correspondence relating to the IRS's EPCRS, VCR or CAP programs and the DOL's amnesty programs for late filers and non-filers and for voluntary fiduciary corrections); and (G) copies of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), and the Health Insurance Portability and Accountability

Act of 1996 ("HIPAA") forms and notices used for each Plan that is a group health plan. No employee benefit handbook or similar employee communication relating to any Plan nor any written communication of benefits under such Plan described the Plan in a manner materially inconsistent with the documents and summary plan descriptions relating to such Plan that have been delivered pursuant to the foregoing sentence.

(b) No member of the Company Group is a party to any Commitment regarding collective bargaining or other Commitment with or to any labor union or association representing any employee of any member of the Company Group, nor does any labor union or collective bargaining agent represent any employee of any member of the Company Group. No Commitment regarding collective bargaining has been requested by, or is under discussion between management of, the Seller or any Seller Affiliate (or any management group or association of which the Seller or any Seller Affiliate is a member or otherwise a participant) and, any group of employees of the Company Group, nor are there any representation proceedings or petitions seeking a representation proceeding presently pending against the Company Group, nor are there any other current activities known to the Seller to organize any employees of the Company Group into a collective bargaining unit. There is no unfair labor practice charge or complaint pending or, to the knowledge of the Seller, threatened against any member of the Company Group. Except as set forth on Schedule 2.15(b), there has not been in the last five years any labor strike, slow-down or work stoppage involving any member of the Company Group, and no such strike, slow-down or work stoppage is now pending or, to the knowledge of the Seller, threatened against any member of the Company Group.

(c) True and complete information as to all current directors, officers and employees of the Company Group including, in each case, name, current job title and annual rate of compensation and bonus has been previously delivered or made available to the Purchaser. Schedule 2.15(c) accurately lists each employment, termination, severance and consulting Commitment with any of the employees of the Company Group. Except as set forth in Schedule 2.15(c), the Company Group is not a party to any employment, termination, severance or consulting Commitment with any employee, former employee or consultant of the Company Group. Each person who performs services to the Company Group has been treated or classified as a "common law employee" or an "independent contractor" in a good faith application of applicable Law. Each employee employed by any member of the Company Group in the United States is authorized for employment by the Company Group in accordance with all United States immigration laws (including the Immigration and Nationality Act, the Immigration Reform and Control Act and the Illegal Immigration Reform and Immigrant Responsibility Act, each as amended) and regulations promulgated thereunder. The Company Group has completed and retained in accordance with Immigration and



(d) No member of the Company Group has at any time in the last six years maintained, contributed to or incurred any Liability under any pension plan subject to Title IV of ERISA or any "multiemployer" plan within the meaning of Section 3(37) of ERISA. Neither the Seller nor any of its ERISA Affiliates has incurred, or would reasonably be expected to incur, any Liability (including pursuant to Section 4069 of ERISA) in connection with any pension plan subject to Title IV of ERISA or any "multiemployer" plan within the meaning of Section 3(37) of ERISA.

(e) Except as disclosed on Schedule 2.15(e), each Plan intended to be qualified under Section 401(a) of the Code, and the trust (if any) forming a part thereof, has received a favorable determination letter from the IRS (or is the subject of a pending request timely filed with the IRS within the remedial amendment period) as to its qualification under the Code for all provisions and amendments for which the remedial amendment period has expired and to the effect that each such trust is exempt from taxation under Section 501(a) of the Code, and nothing has occurred since the date of such determination letter (or request) that has adversely affected or could reasonably be expected to adversely affect such qualification or tax-exempt status.

(f) Each of the Plans has been operated and administered in all material respects in compliance with its terms and all applicable Laws. Except as disclosed on Schedule 2.15(f), there are no material pending or, to the knowledge of the Seller, threatened Actions (other than routine claims for benefits) by any current or former director, officer or employee of the Company Group (or beneficiary thereof) or otherwise involving any such Plan or the assets of any Plan (other than routine claims for benefits) that have resulted in, or would reasonably be expected to result in, any Liabilities of any member of the Company Group.

(g) Except as disclosed on Schedule 2.15(g), the consummation of the transactions contemplated by this Agreement will not result in an increase in the amount of compensation or benefits or the acceleration of the vesting or timing of payment of any compensation or benefits payable to or in respect of or accrued on behalf of any current or former director, officer, employee or consultant of a member of the Company Group or entitle any such director, officer, employee or consultant to any severance, termination or similar compensation or benefits. No "prohibited transaction" with the meaning of Section 406 of ERISA or Section 4975 of the Code has occurred with respect to any Plan which is not otherwise exempt by statute, regulation or administrative ruling or opinion that has resulted in, or would reasonably be expected to result in, Liability to any member of the Company Group. No civil or criminal action under Title I of ERISA is pending or threatened against any fiduciary with respect to any Plan. No Plan nor any fiduciary of a



Plan has been the subject of an audit, investigation or examination by any governmental or quasi-governmental agency.

(h) Except for continuation of health coverage to the extent required under COBRA or applicable state or foreign law, there are no obligations under any Plan providing welfare benefits after termination of employment.

(i) All contributions payable and due by Airshow France under retirement and benefit plans of Airshow France, whether legal or contractual (retraites complémentaires et sur-complémentaires) have been duly paid or provided for.

(j) Except as provided on Schedule 2.15(j), each Plan which is intended to satisfy the provisions of Section 401(a)(1) of ERISA has filed a statement with the DOL in accordance with the requirements of DOL Regulation Section 2520.104-23 and the Seller has delivered such statement(s) to the Purchaser.

(k) No member of the Company Group is a party to any contract or plan which, individually or collectively with respect to any Person, could give rise to the payment of any amount that would not be deductible by such member of the Company Group by reason of Section 280G of the Code.

2.16 Environmental Matters.

Except as provided on Schedule 2.16:

(a) The Company Group and all real property upon which the business of the Company Group is or has ever been conducted (such real property collectively the "Facilities") have at all relevant times been in compliance in all material respects with, and are complying in all material respects with, all applicable Environmental Laws. Such compliance includes the receipt by the Company Group of all material Permits required by Environmental Laws for the business of the Company Group to be conducted, and compliance in all material respects with the terms and conditions thereof.

(b) Neither the Seller nor any Seller Affiliate has received within the past three years any request for information, notice of claim, demand or notification that the Company Group or any Facility is not in compliance in any material respect with any Environmental Laws.

(c) None of the Seller or any Seller Affiliate is currently subject to any unsatisfied judgment, decree or order relating to material non-compliance with, or any material cleanup of Hazardous Substances under, any applicable Environmental Laws related to the business of the Company Group or the Facilities.



(d) There are no pending or, to the knowledge of the Seller, threatened Actions pursuant to an Environmental Law arising out of the presence of any Hazardous Substances at any Facility or, to the extent caused or alleged to have been caused, directly or indirectly, by the business of the Company Group, at any other location.

(e) No Release or threat of Release of any Hazardous Substances has occurred on, at or from any Facility or, to the knowledge of the Seller, as a result of the operation of the business of the Company Group at any other location, except for such Releases which were made in compliance in all material respects with all Environmental Laws, and for which no further material liability may be imposed on the Company Group under all applicable Environmental Laws.

(f) The Seller has delivered or otherwise made available for inspection to Buyer true, correct and complete copies of any reports, studies, analyses, tests or monitoring results possessed by the Seller or any Seller Affiliate pertaining to the spill, disposal or release of Hazardous Substances in, on, beneath or adjacent to any Facility or, to the extent relating to the business of the Company Group, any other location or regarding the compliance with or violation by the Company Group of applicable Environmental Laws.

(g) With respect to the business of the Company Group, neither the Seller nor any Seller Affiliate has entered into any agreement with any Governmental Authority pursuant to which the Seller or any Seller Affiliate has assumed responsibility for the remediation of any condition resulting from the Release or threatened Release of Hazardous Substances.

2.17 Affiliate Transactions.

Except as set forth on Schedule 2.17, no member of the Company Group has any Commitment with, or in the past three years has engaged in any transaction with (other than the payment of lawful cash dividends by members of the Company Group), any of its directors or officers, the Parent, the Seller or any Affiliate of the Parent or the Seller (other than a member of the Company Group) or any director or officer of any thereof.

2.18 Suppliers and Customers.

Schedule 2.18 sets forth the ten largest suppliers and ten largest customers of the Company Group based on aggregate value of products and services purchased or supplied, as the case may be, during the fiscal year ended March 31, 2002. To the Seller's knowledge, none of such suppliers and customers has ceased, or delivered a

written notice to any member of the Company Group of any intention to cease, to supply or purchase products and services from the Company Group.

2.19 Guarantees.

Except as set forth on Schedule 2.19, there are no guarantees, keep-well agreements or other similar obligations of the Seller or any Seller Affiliate for the benefit of any member of the Company Group.

2.20 Bank Accounts; Powers of Attorney.

Schedule 2.20 sets forth a list of (a) each bank or similar financial institution with which any member of the Company Group has an account, lock box or safe deposit box and the numbers of such accounts, lock boxes or safe deposit boxes maintained by that member, (b) the names of all Persons authorized to take action with respect to such account, lock box or safe deposit box or to have access to each such safe deposit box and (c) the names of all Persons holding general or special powers of attorney from any member of the Company Group, and a summary of the terms thereof.

2.21 Title to Assets.

Each member of the Company Group has (i) good and marketable title to all of its assets and properties (whether real, personal or mixed, or tangible or intangible) which it purports to own (including all assets and properties recorded on the Interim Balance Sheet (other than inventories and immaterial amounts of obsolete equipment disposed of in the ordinary course of business consistent with past practices since March 31, 2002) and all assets and properties to be recorded on the Final Closing Net Assets Statement) and (ii) valid leasehold interests in all of its assets and properties which it purports to lease, in each case (with respect to both clause (i) and (ii) above), free and clear of any Liens, other than Permitted Liens.

2.22 Sufficiency of Assets; Conduct of Business.

(a) The assets and properties of the Company Group constitute and will constitute on the Closing Date (i) all of the material assets and properties that are used by the Company Group in the operation of their business as it is being conducted as of the date hereof and as it will be conducted through the Closing Date and (ii) all the property, real and personal, tangible and intangible, necessary for the Company Group to conduct its business after the Closing as it is being conducted as of the date hereof and as it will be conducted through the Closing Date.

(b) No member of the Company Group (or any predecessors thereof) has at any time within the past five years engaged in any activities, or conducted any business, other than the conduct of the current business of the Company Group and activities directly related thereto. None of the Seller or any Seller Affiliate (other than the Company Group) has engaged in the current business of the Company Group. None of the Seller or any Seller Affiliate (other than the Company Group) owns or uses or has any right, title or interest (including rights as a licensee) in or to any Business Intellectual Property.

2.23 Product Warranty.

No product manufactured, sold, leased or delivered or service rendered by any member of the Company Group is subject to any express guarantee, warranty or other indemnity beyond those set forth in the terms and conditions of sale contained in the Material Contracts set forth on Schedule 2.12(a).

2.24 Insurance.

(a) Schedule 2.24(a) sets forth a complete and accurate list of all insurance policies and surety bonds which are maintained by or on behalf of the Company Group as of the date hereof with respect to their business, assets, Liabilities, employees, officers or directors ("Insurance Policies"). The Seller has previously delivered or made available to the Purchaser true and complete copies of all Insurance Policies.

(b) The Insurance Policies: (i) are in full force and effect, (ii) insure the Company Group in reasonably sufficient amounts against all risks usually insured against by Persons operating similar businesses or properties of comparable size and scope and (iii) are sufficient for compliance in all material respects with all requirements of Law and Commitments of the Company Group. No Insurance Policy provides for any retrospective premium adjustment or other experienced-based liability on the part of any member of the Company Group.

2.25 Brokers.

Except for Salomon Smith Barney Inc. (the fees and expenses of which will be paid by the Parent and/or the Seller), there is no investment banker, broker, finder or other intermediary which has been retained by or is authorized to act on behalf of the Seller or any Seller Affiliate who is or might be entitled to any fee, commission or payment in connection with the negotiation, preparation, execution or delivery of this Agreement or the consummation of the transactions contemplated hereby, nor is there

any basis for any such fee, commission or payment to be claimed by any Person against the Seller or any Seller Affiliate.

ARTICLE III REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

The Purchaser represents and warrants to the Parent and the Seller as follows:

3.1 Corporate Status and Authority.

(a) The Purchaser is a corporation duly incorporated, validly existing and in good standing under the laws of Delaware. The Purchaser has all requisite power and authority, whether corporate or otherwise, to execute and deliver this Agreement and to perform its obligations under this Agreement.

(b) The execution, delivery and performance of this Agreement have been duly authorized by the Purchaser's Board of Directors, which approval constitutes all necessary corporate action on the part of the Purchaser for such authorization.

(c) This Agreement has been duly executed and delivered by the Purchaser and constitutes the legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors' rights in general and by general principles of equity.

3.2 No Conflicts.

(a) The execution, delivery and performance of this Agreement by the Purchaser, and the consummation of the transactions contemplated by this Agreement, do not and will not conflict with, contravene, result in a violation or breach of or default under or give rise to a right of amendment, termination, cancellation or acceleration of any obligation in or to a loss of benefit (with or without the giving of notice or the lapse of time or both) or require any Consent under:

(i) any provision of any of the charter, by-laws or other organization document of the Purchaser;

(ii) any Law or Permit applicable to the Purchaser or any of its properties or assets; or

(iii) any Commitment of the Purchaser,

except, in the case of clauses (ii) and (iii), for conflicts, violations, breaches, defaults, rights, obligations, losses and Consents that, individually and in the aggregate, would not reasonably be expected to materially impair the ability of the Purchaser to perform its obligations under this Agreement.

(b) Except as set forth on Schedule 3.2(b), no material Consent of, with or to any Governmental Authority is required on the part of the Purchaser in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated by this Agreement, except Consents required under the HSR Act.

3.3 Financial Ability to Perform.

The Purchaser has, and will have at the Closing, access to available cash or existing borrowing facilities that together are sufficient to enable it to consummate the transactions contemplated by this Agreement.

3.4 Litigation.

The Purchaser is not a party to or engaged in, or to the knowledge of the Purchaser threatened with, any Action which relates to or affects the transactions contemplated hereby.

3.5 Purchase for Investment.

The Purchaser is acquiring the Shares for investment and not with a view toward any resale or distribution of the Shares. The Purchaser acknowledges that the Shares have not been registered pursuant to the Securities Act of 1933, as amended, and may not be transferred in the absence of such registration or an exemption therefrom under such Act.

3.6 Insurance.

The Purchaser acknowledges that, as of the Closing Date the members of the Company Group will cease to be entitled to the benefit of insurance arrangements that, prior to the Closing Date, were extended to them as Subsidiaries of the Parent or the Seller, except as and to the extent provided in Section 4.20.

3.7 Brokers.

Except for UBS Warburg LLC (the fees and expenses of which will be paid by the Purchaser), there is no investment banker, broker, finder or other intermediary which has been retained by or is authorized to act on behalf of the Purchaser who is or might be entitled to any fee, commission or payment in connection with the negotiation, preparation, execution or delivery of this Agreement or the consummation of the transactions contemplated hereby, nor is there any basis for any such fee, commission or payment to be claimed by any Person against the Purchaser.

ARTICLE IV
CERTAIN COVENANTS

4.1 Conduct of Business.

(a) From the date of this Agreement through the Closing Date, except as expressly contemplated by this Agreement, as described in Schedule 4.1 or as consented to in writing by the Purchaser (which consent shall not be unreasonably withheld or delayed), the Seller shall cause each member of the Company Group to carry on its respective business in the ordinary course consistent with past practices, and use commercially reasonable efforts to preserve intact its business organizations, to keep available the services of its current officers and key employees, to preserve its relationships with customers, suppliers and others having material business dealings with any of them and to maintain all existing material Permits.

(b) From the date hereof through the Closing Date, the Seller will not, and will cause each Seller Affiliate (including the members of the Company Group) not to, without the Purchaser's prior written consent (which consent shall not be unreasonably withheld or delayed), engage in any transaction or take any action which, if engaged in or taken since March 31, 2002 but on or before the date hereof, would constitute a breach of the representations and warranties of the Parent and the Seller contained in Section 2.8 (other than Section 2.8(i) and 2.8(s), in which case the Seller will provide prompt written notice to the Purchaser of the occurrence of such transaction or action).

(c) From the date hereof through the Closing Date, the Seller will cause each member of the Company Group not to, without the Purchaser's prior written consent, (i) amend in any material respect or terminate (other than by completion thereof) any existing Material Contract or (ii) enter into any Commitment which would be a Material Contract if it were in existence on the date hereof (for purposes of clause (ii) of this Section 4.1(c) only, references to \$100,000 in Section 2.12(a)(iii) shall be deemed to be references to \$250,000).

(d) From the date of this Agreement through the Closing Date, the Seller will not permit the termination of, and will cause the Company Group not to terminate, without the Purchaser's prior written consent, any of the Company Group's international commission sales representatives other than in accordance with the terms of written Commitments between members of the Company Group and such sales representatives.

4.2 No Solicitation.

(a) From the date of this Agreement through the earlier of the Closing Date or the termination of this Agreement, neither the Seller nor any Seller Affiliate or any Person acting on their behalf shall (i) solicit, initiate or encourage any inquiries or proposals for, or enter into any discussions, negotiations or agreements with respect to, the sale of any shares of capital stock of any member of the Company Group or a substantial portion of their assets or businesses or a merger of any member of the Company Group or a similar transaction or (ii) furnish or cause to be furnished any non-public information concerning any member of the Company Group to any Person (other than the Purchaser and its representatives, the Seller's representatives or a member of the Company Group) in connection with any such inquiries or proposals. The Seller will promptly notify the Purchaser if, at any time prior to the Closing Date, any proposal, offer, inquiry or contact with respect to any of the foregoing is made.

(b) The Seller will promptly request all Persons who have heretofore executed a confidentiality agreement in connection with such Persons' consideration of acquiring the Company Group (or any portion thereof) or the business or assets of the Company Group to return or destroy all confidential information heretofore furnished to such Persons by or on behalf of the Seller or any Seller Affiliate and will enforce all obligations under such confidentiality agreements. Effective as of the Closing, the Parent and the Seller hereby assign, on behalf of themselves and their Affiliates, to the Purchaser all of its and their rights under all confidentiality agreements (other than those that expressly prohibit such assignment) relating to the sale of or other transactions involving the Company Group or the business or assets of the Company Group (or any portion thereof).

4.3 Access and Information.

(a) From the date of this Agreement through the Closing Date:

(i) the Parent and the Seller shall give, and shall cause each Seller's Subsidiary and each member of the Company Group to give, to the Purchaser and its representatives reasonable access during normal business hours to such of the offices, properties, books, Commitments, reports and records relating to the

Company Group, and shall furnish them or provide them with access to all such documents, financial data, records and information with respect to the assets, properties and business of the Company Group, as the Purchaser shall from time to time reasonably request; and

(ii) the Seller shall permit the Purchaser and its representatives reasonable access to such personnel of the Company Group during normal business hours as may be reasonably requested by the Purchaser for its review of the assets and properties of the Company Group, the business affairs of the Company Group, and the above-mentioned documents and records.

(b) All information and documents obtained by the Purchaser pursuant to this Agreement will be subject to the terms of the Confidentiality Agreement, dated February 26, 2002 (the "Confidentiality Agreement"), between the Purchaser and the Parent. Upon Closing, the Confidentiality Agreement will be terminated.

4.4 Financial Information.

From the date of this Agreement through the Closing Date, the Seller shall make available to the Purchaser, promptly after the same become available, copies of such monthly financial reports relating to the Company Group in the form previously provided by the Seller or the Parent to the Purchaser.

4.5 Public Announcements.

From the date of this Agreement through the Closing Date, each party shall not, and shall not permit any of their respective Affiliates or representatives to, make any public announcement in respect of this Agreement or the transactions contemplated by this Agreement without the prior written consent of the other party, except as required by applicable Law or stock listing requirements (in which case, the Person required to make the announcement will allow the Person whose consent would otherwise be required reasonable time to comment on such announcement in advance of making such announcement).

4.6 Further Actions.

(a) Each of the parties shall use commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to consummate and make effective as promptly as practicable the transactions contemplated by this Agreement (including executing and delivering such short-form agreement with respect to Airshow France (in French) as may be required by

Law to effectuate the purchase and sale of the Airshow France Shares as contemplated hereby).

(b) Promptly after the date of this Agreement, the Seller will, and will cause each Seller Affiliate, to: (i) make all filings required by Law to be made by them in connection with this Agreement or the consummation of the transactions contemplated hereby, (ii) cooperate with the Purchaser with respect to all filings that the Purchaser reasonably elects to make or is required by Law to make in connection with this Agreement or the consummation of the transactions contemplated hereby and (iii) use commercially reasonable efforts (at the sole expense of the Seller) to obtain all Consents (including those required under financing arrangements of the Seller and the Seller Affiliates and those set forth on Schedule 5.3(j)) and orders of all Persons required to be obtained in connection with the execution, delivery and performance by the Parent and the Seller of this Agreement and the consummation by the Seller and the Seller Affiliates of the transactions contemplated hereby (it being understood that, for 90 days following the Closing, the Seller will have a continuing obligation to use, and to cause each Seller Affiliate to use, such commercially reasonable efforts to obtain, on the reasonable request of the Purchaser, all such Consents not obtained prior to Closing, and the Purchaser will reimburse the Seller for all reasonable out-of-pocket expenses incurred after the Closing Date in connection therewith).

(c) Following the Closing, the Seller will, and will cause the Seller Affiliates to, reasonably cooperate with the Purchaser to effect the recordation of the removal of all Liens on the Shares and Liens on the properties and assets of the Company Group that were in place prior to the Closing and that are contemplated hereunder to be removed prior to the Closing (including any such filings as may be required to record the removal of Liens related to Business Intellectual Property).

(d) Prior to the Closing, the Seller will pay or cause to be paid all amounts owing (whether or not due) under the Business Loan Agreement set forth as Item 4 on Schedule 2.2(a), and cause all Liens thereunder to be released.

(e) Anything contained in this Agreement to the contrary notwithstanding, none of the parties to this Agreement or their Affiliates will be required to commence litigation or divest or hold separate any business or assets or restrict its right or ability to engage in any business (other than pursuant to Section 4.17) in connection with the consummation of the transactions contemplated hereby.

4.7 Tax Obligations.

(a) Payments to Taxing Authorities.

(i) Seller's Responsibility. As between the Seller and the Non-Company Group Affiliates on the one hand, and the Purchaser and the members of the Company Group on the other hand, the Seller shall timely pay or cause to be paid to the applicable Taxing Authority (A) all Income Taxes, and all Taxes shown as due other than Income Taxes, with respect to (I) Returns which the Parent or the Seller is obligated to prepare and file or cause to be prepared and filed pursuant to Section 4.7(b) and (II) Seller Post-Closing Separate Income Tax Returns; and (B) all Taxes other than Income Taxes of the Company Group due on or before the Closing Date for which no Return is required to be filed.

(ii) Purchaser's Responsibility. As between the Seller and the Non-Company Group Affiliates on the one hand, and the Purchaser and the members of the Company Group on the other hand, the Purchaser shall timely pay or cause to be paid to the applicable Taxing Authority all Taxes payable with respect to each member of the Company Group, which Taxes are not described as being the responsibility of the Seller in Section 4.7(a)(i).

(iii) Payments Between Seller and Purchaser. With respect to each Tax liability due for a Straddle Period, the Seller shall, upon receipt of a reasonably documented written request from the Purchaser showing payment thereof to the applicable Taxing Authority, promptly reimburse the Purchaser for the amount of any such Tax liability attributable to any member of the Company Group with respect to the Pre-Closing Tax Period (calculated in accordance with Section 4.9(d)) to the extent, if any, such Tax liability with respect to such Pre-Closing Tax Period exceeds the sum of (A) the amount of the Tax Accrual to the extent not previously applied by the Seller with respect to (x) any Tax liability due for a Straddle Period pursuant to this Section 4.7(a)(iii) or (y) any liability due with respect to Section 4.9(b)(i)(B), and (B) any estimated payments, deposits or credits attributable to the Company Group made or applied prior to the Closing Date with respect to such Tax for the Straddle Period. The Purchaser shall promptly pay to the Seller the amount, if any, by which the sum of any estimated payments, deposits or credits attributable to the Company Group made or applied prior to the Closing Date with respect to such Tax for the Straddle Period exceeds the amount of such Tax liability attributable to the Company Group with respect to the Pre-Closing Tax Period (calculated in accordance with Section 4.9(d)).

(b) Return Filing.

(i) Seller's Responsibility. The Parent and the Seller shall permit each member of the Company Group, to the extent permitted by law, to join, for all Tax periods ending on or before the Closing Date and all Straddle Periods, in the filing of (A) the Consolidated Federal Income Tax Returns of Seller's Consolidated Group and (B) the Consolidated State Income Tax Returns of Seller's Consolidated State Group, in each case with respect to which such member of the Company Group (1) joined in the filing of such a Return for the most recent taxable period for which a Return has been filed prior to the date hereof and may join in the filing of such a Return for subsequent taxable periods or (2) is required by the applicable Taxing Authority to join in the filing of such a Return. With respect to such Returns filed on or before the Closing Date, the Seller shall cause, and with respect to such Returns filed after the Closing Date, the Purchaser shall cause, each such member of the Company Group to join in the filing of such Returns. The Parent and the Seller shall prepare or cause to be prepared and timely file or cause to be timely filed all Returns set forth in the first sentence of this Section 4.7(b)(i). To the extent permitted by law, the income, gains, deductions, losses, credits and recapture of credits, and each item thereof, of each member of the Company Group for Tax periods ending on or before the Closing Date and the portion of the Straddle Period that ends on the Closing Date shall be included in the Consolidated Federal Income Tax Returns of Seller's Consolidated Group and in the Consolidated State Income Tax Returns of Seller's Consolidated State Group, where applicable, provided that no extraordinary item within the meaning of Section 1.1502-76(b)(2)(ii)(C) of the Treasury Regulations prescribed under the Code that occurs or results from a transaction that takes place after the Closing shall be included in such Returns to the extent attributable to a Purchaser Tax Act. The Parent and the Seller shall prepare or cause to be prepared and timely file, or shall cause the appropriate member of the Company Group to timely file, all other Returns relating to the business, assets or capital stock of each member of the Company Group required to be filed on or prior to the Closing Date and all Returns with respect to Income Taxes that are required to be filed by any member of the Company Group on a separate Return basis for any Tax period ending on or before the Closing Date; provided that the Purchaser shall, within ten business days after receipt thereof, file or cause to be filed on Seller's behalf all such Returns with respect to Income Taxes that are required to be filed by any member of the Company Group on a separate company basis which are prepared by the Seller that are required to be filed after the Closing Date ("Seller Post-Closing Separate Income Tax Returns") if Seller (x) has no legal authority to file such Seller Post-Closing Separate Income Tax Returns and (y) has provided the Purchaser with copies of the relevant tax workpapers and

access to the preparers of such Seller Post-Closing Separate Income Tax Returns to enable the Purchaser to reasonably verify the accuracy of such Returns. If the Purchaser shall have any disputes with the accuracy of such Seller Post-Closing Separate Income Tax Returns, the Seller and the Purchaser shall reasonably cooperate in resolving any such dispute. Any such Returns that include periods ending on or before the Closing Date or that include the activities of any member of the Company Group prior to the Closing Date will, insofar as they relate to a member of the Company Group, be prepared on a basis consistent with the last previous such Returns filed in respect of the Company Group, unless the Seller or the Purchaser, as the case may be, concludes that there is no reasonable basis for such position.

(ii) Purchaser's Responsibility. The Purchaser shall prepare or cause to be prepared and timely file or cause to be timely filed all Returns with respect to the members of the Company Group, other than those for which the Parent or the Seller is responsible pursuant to Section 4.7(b)(i). The income, gains, deductions, losses, credits and recapture of credits, and each item thereof, of each member of the Company Group, other than those required to be included in the Returns described in Section 4.7(b)(i), shall be included in the Returns described in the immediately preceding sentence, including but not limited to all items for periods after the Closing Date and all extraordinary items described in Section 4.7(b)(i). Any such Returns that include periods ending on or before the Closing Date or that include the activities of any member of the Company Group prior to the Closing Date will, insofar as they relate to a member of the Company Group, be prepared on a basis consistent with the last previous such Returns filed in respect of the Company Group, unless the Seller or the Purchaser, as the case may be, concludes that there is no reasonable basis for such position.

(c) Audits.

(i) If any member of the Purchaser Group or the Seller Group receives notice of any Tax claim, audit, assessment or investigation by any Taxing Authority which, if successful, might result in an indemnity payment to any member of the Purchaser Group or Seller Group pursuant to Section 4.9(b) (a "Tax Claim"), the party receiving such notice shall promptly notify the Purchaser Group or the Seller Group, as the case may be, of such Tax Claim; provided, however, that the failure to give such notice will not affect the indemnification provided hereunder except to the extent the Indemnifying Party has actually been prejudiced as a result of such failure.

(ii) With respect to any Tax Claim relating to Income Taxes and relating to a taxable period ending on or before the Closing Date or to any other

taxable period in which any member of the Company Group joined in filing any Consolidated Federal Income Tax Return or Consolidated State Income Tax Return, the Seller will control all proceedings and may make all decisions taken in connection with such Tax Claim (including selection of counsel) and, without limiting the foregoing, may in its sole discretion pursue or forego any and all administrative appeals, proceedings, hearings and conferences with any Taxing Authority with respect thereto, and may, in its sole discretion, either pay the Tax claimed and sue for a refund where applicable Law permits such refund suits or contest the Tax Claim in any permissible manner. The Seller will keep the Purchaser informed in respect of all material aspects of such Tax Claims and shall consider in good faith all requests made by the Purchaser with regard to any such proceedings. The Purchaser will control all proceedings and may make all decisions in connection with any Tax Claim other than a Tax Claim described in the first sentence of this Section 4.7(c)(ii), Section 4.7(c)(iii) or Section 4.7(c)(iv) (including selection of counsel).

(iii) Except as otherwise provided in the first sentence of Section 4.7(c)(ii), the Seller and the Purchaser will jointly control and participate in all proceedings taken in connection with any Tax Claim relating to Income Taxes of any member of the Company Group for any Straddle Period. Neither the Seller nor the Purchaser will (unless required by Law) admit any liability with respect to, settle, compromise or discharge any such Tax Claim without the prior written consent of the other (which consent shall not be unreasonably withheld).

(iv) With respect to any Tax Claim relating to Taxes other than Income Taxes and relating to a taxable period ending on or before the Closing Date or to any Straddle Period, the Purchaser will control all proceedings and may make all decisions taken in connection with such Tax Claim (including selection of counsel) and, without limiting the foregoing, may in its sole discretion pursue or forego any and all administrative appeals, proceedings, hearings and conferences with any Taxing Authority with respect thereto, and may, in its sole discretion, either pay the Tax claimed and sue for a refund where applicable Law permits such refund suits or contest the Tax Claim in any permissible manner, provided, however, that the Purchaser will not (unless required by Law) admit any liability with respect to, settle, compromise or discharge any such Tax Claim without the Seller's prior written consent (which consent will not be unreasonably withheld). The Purchaser will keep the Seller informed in respect of all material aspects of such Tax Claims and shall consider in good faith all requests made by the Seller with regard to any such proceedings.

(v) Each of the Purchaser, the members of the Company Group and their respective Affiliates, on the one hand, and the Seller and its respective

Affiliates, on the other, will cooperate in contesting any Tax Claim, which cooperation will include the retention and (upon request) the provision to the requesting party of records and information which are reasonably relevant to such Tax Claim, and making employees available on a mutually convenient basis to provide additional information or explanation of any material provided hereunder or to testify at proceedings relating to such Tax Claim.

(d) Refunds.

(i) The Seller and the Non-Company Group Affiliates, as applicable, shall be entitled to retain, or the Seller shall be entitled to receive immediate payment from the Purchaser or the applicable member of the Company Group of, any refund or credit with respect to Taxes (including but not limited to refunds and credits arising by reason of amended Returns filed after the Closing Date), plus any interest received with respect thereto from the applicable Taxing Authorities, relating to any member of the Company Group, with respect to any Tax period ending on or before the Closing Date or any Pre-Closing Tax Period.

(ii) The Purchaser and the members of the Company Group, as applicable, shall be entitled to retain, or the Purchaser shall be entitled to receive immediate payment from the Seller of, any refund or credit with respect to Taxes, plus any interest received with respect thereto from the applicable Taxing Authorities, in each case received after the Closing Date, relating to any member of the Company Group with respect to Taxes with respect to any portion of any Straddle Period beginning after the Closing Date or any taxable period beginning after the Closing Date.

4.8 Section 338 Elections; Purchase Price Allocation.

(a) Section 338(h)(10) Election. The Purchaser will make, and, where necessary, the Parent and the Seller will join the Purchaser in making, an election under Section 338(h)(10) of the Code with respect to Airshow and any election under State or local Tax Law comparable to the election under Section 338(g) of the Code or Section 338(h)(10) of the Code and the Parent and the Seller will cooperate with the Purchaser in the completion and timely filing of such elections in accordance with the provisions of Treas. Reg. § 1.338(h)(10)-1 (or any comparable provisions of State or local Tax Law) or any successor provision. The Purchaser, the Parent and the Seller agree to report the transfers under this Agreement consistent with such elections and shall take no position contrary thereto unless required to do so by applicable Tax Laws pursuant to a final determination by a Taxing Authority.

(b) Allocation Between U.S. Purchase Price and Foreign Purchase Price. On or before the Closing Date, the Purchaser and the Seller shall agree upon the allocation of the Purchase Price between the Airshow Shares and the Airshow France Shares.

(c) U.S. Purchase Price Allocation. The Purchaser will, not later than 120 days after the Closing Date, prepare and deliver to the Seller a schedule (the "Allocation Schedule") allocating the total consideration for the Airshow Shares in accordance with Treas. Reg. §§ 1.338-6 and 1.1060-1 (or any comparable provisions of State or local Tax Law) or any successor provision. The Seller will have the right to raise reasonable objections to the Allocation Schedule within 45 days after its receipt thereof, in which event the parties will negotiate in good faith to resolve such objections. If the parties have not resolved such objections within 30 days after the initiation of such attempts, such objections will be resolved by an arbitration to be conducted by a nationally recognized independent accounting firm acceptable to the parties, whose fees and expenses will be borne equally by the Purchaser and the Seller. The parties will be bound by the determination of the arbitrator rendered in such arbitration. Except to the extent otherwise required by applicable Law, each of the Seller and the Purchaser and their respective Affiliates will make all Returns in a manner consistent with the Allocation Schedule (or, to the extent any objection shall have been made to the Allocation Schedule, in a manner consistent with the resolution of such objection by the parties or, if applicable, the arbitrator acting with respect to such resolution) and will not make any inconsistent statement or adjustment on any Returns or during the course of any IRS or other Tax audit. Each party will promptly notify the other if the IRS or any other taxing authority proposes to reallocate the consideration in a manner inconsistent with the Allocation Schedule. In the event of a determination (as defined in Section 1313 of the Code) relating to a reallocation of consideration, the parties will be free to file amended Returns or claims for refund based on such reallocation.

4.9 Cooperation and Indemnification for Tax Matters; Exclusivity.

(a) Cooperation on Tax Matters. The Parent, the Seller, each member of the Company Group and the Purchaser shall reasonably cooperate, and shall cause their respective Affiliates, officers, employees, agents, auditors and representatives reasonably to cooperate, in preparing and filing all Returns (including amended Returns), handling any Tax audits and making any claims for Tax refunds, in each case relating to the business, assets or capital stock of any member of the Company Group for all Pre-Closing Tax Periods and Straddle Periods, including maintaining and making available to each other all records and such of its representatives as may be reasonably requested by such other party and are necessary in connection with such Taxes and in resolving all disputes with respect to all such taxable periods, provided that the foregoing shall be done in a manner so as not to interfere unreasonably with the conduct of the

business of the parties. The Purchaser, the Parent and the Seller recognize that the Purchaser and its Affiliates and the Parent, the Seller and the Seller Affiliates will need access, from time to time after the Closing Date, to certain accounting and tax records and information relating to the Company Group to the extent such records and information pertain to events occurring prior to the Closing Date. Accordingly, the Purchaser, the Parent and the Seller agree that (i) from and after the Closing Date, the Purchaser shall and shall cause its Affiliates and successors to and the Parent and the Seller shall and shall cause their successors and the Seller Affiliates to, and the Purchaser shall cause each member of the Company Group and its Affiliates and successors to, retain and maintain such records for the longer of (A) the seven-year period beginning on the Closing Date or (B) the full period of the applicable statute of limitations with respect to such Taxes, including any extension thereof, and to abide by all record retention agreements entered into with any Taxing Authority and to give the other party reasonable notice prior to transferring, discarding or destroying any such records and information, and, if the other party so requests, to allow the other party to take possession of such materials, and (ii) allow the Purchaser and the Seller and their respective agents and representatives (and agents or representatives of any of their respective Affiliates), to inspect, review and make copies of such records as such party may deem necessary or appropriate from time to time.

(b) Tax Indemnification.

(i) Indemnification by the Parent and the Seller. The Parent and the Seller covenant and agree, from and after the Closing Date, to jointly and severally defend, indemnify and hold harmless the Purchaser Group from and against, and pay or reimburse the Purchaser Group for, any and all actual claims, demands, assessments, judgments, settlements, compromises, liabilities, obligations, losses, fines, costs, payments, expenses, deficiencies or damages, whether or not resulting from Third Party Claims, including interest, additions and penalties with respect thereto and out-of-pocket expenses and reasonable attorneys' accountants' and other experts' fees and expenses incurred in investigating, preparing for or defending against any of the same or in asserting, preserving or enforcing any of their respective rights under this Agreement (collectively, "Tax Losses"), in each case resulting from or arising out of (A) all liability for Consolidated Federal Income Taxes and Consolidated State Income Taxes; (B) all liability for Taxes (other than Consolidated Federal Income Taxes or Consolidated State Income Taxes) of the Company Group for any taxable period that ends on or before the Closing Date and the portion of any Straddle Period ending on the Closing Date to the extent such liability is in excess of the amount of the Tax Accrual not previously applied by the Seller with respect to (x) any Tax liability due for a Straddle Period pursuant to Section 4.7(a)(iii) or (y) any liability due with respect to this Section 4.9(b)(i)(B); (C) all liability (as a

result of Treasury Regulation Section 1.1502-6(a) or otherwise) for Income Taxes of the Parent, the Seller or any other Person (other than any member of the Company Group) which is or has ever been affiliated with any member of the Company Group, or with whom any member of the Company Group otherwise joins or has ever joined (or is or has ever been required to join) in filing any consolidated, combined or unitary Return, prior to the Closing; (D) all liability for any breach of the Parent's or the Seller's covenants contained in Sections 4.7, 4.8, 4.9 or 4.10; and (E) all liability for Taxes attributable to a Seller Tax Act. Notwithstanding the foregoing, neither the Parent nor the Seller shall have any liability under any provision of this Agreement for any such Tax Losses to the extent that any such Tax Losses arise from actions taken by the Purchaser, any of its Affiliates, or any member of the Company Group after the Closing Date (other than any such action expressly required or otherwise expressly contemplated by this Agreement), or from the failure of any thereof to take any required action (a "Purchaser Tax Act"). The Purchaser shall take and cause its Affiliates, and each member of the Company Group to take reasonable steps to mitigate any Tax Losses with respect to which the Parent or the Seller could have an indemnification obligation under this Section 4.9(b)(i) upon any of the Purchaser or any of its Affiliates becoming aware of any event which could reasonably be expected to give rise thereto.

(ii) Indemnification by Purchaser. The Purchaser covenants and agrees, from and after the Closing Date, to defend, indemnify and hold harmless the Seller Group from and against, and pay or reimburse the Seller Group for, any and all Tax Losses, in each case resulting from or arising out of (A) except to the extent the Parent or the Seller is otherwise required to indemnify the Purchaser for such Tax pursuant to Section 4.9(b)(i), all liability for Taxes of each member of the Company Group for any taxable period ending after the Closing Date; (B) all liability for Taxes attributable to a Purchaser Tax Act; (C) all liability for Taxes attributable to an election by the Purchaser under Section 338 of the Code with respect to the purchase of the Company Group if no election is made by the Purchaser under Section 338(h)(10) of the Code; and (D) all liability for breaches of the Purchaser's covenants contained in Sections 4.7, 4.8, 4.9 or 4.10. The Purchaser shall not have any liability under any provision of this Agreement for any such Tax Losses to the extent that any such Tax Losses arise from actions taken by the Seller or any of the Non-Company Group Affiliates after the Closing Date (other than any such action expressly required or otherwise expressly contemplated by this Agreement), or from the failure of any thereof to take any required action (a "Seller Tax Act"). The Parent and the Seller shall take and cause the Non-Company Group Affiliates to take reasonable steps to mitigate any Tax Losses with respect to which the Purchaser could have an indemnification

obligation under this Section 4.9(b)(ii) upon any of the Seller or any of the Non-Company Group Affiliates becoming aware of any event which could reasonably be expected to give rise thereto.

(c) Term of Indemnification Obligations. The obligations of each party to indemnify, defend and hold harmless the other party and other Persons, pursuant to Section 4.9(b), will terminate upon the expiration of all applicable statutes of limitations (giving effect to any extensions thereof); provided, however, that such obligations to indemnify, defend and hold harmless will not terminate with respect to any individual item as to which an Indemnitee shall have, before the expiration of the applicable period, previously made a claim by delivering a notice (stating in reasonable detail the basis of such claim) to the applicable Indemnifying Party.

(d) Straddle Period Calculations. In the case of any Straddle Period:

(i) The periodic Taxes of each member of the Company Group that are not based on income or receipts (e.g., property Taxes) for the portion of any Straddle Period ending on the Closing Date (the "Pre-Closing Tax Period") shall be computed based on the ratio of the number of days in the Pre-Closing Tax Period and the number of days in the entire Tax period;

(ii) Taxes of each member of the Company Group for the Pre-Closing Tax Period (other than Taxes described in Section 4.9(d)(i) above) will be computed as if such taxable period ended as of the close of business on the Closing Date, and if such Taxes are Income Taxes, such Income Taxes shall be computed by determining the items of income, expense, deduction, loss or credit on a "closing of the books" basis as of the end of the Closing Date; and

(iii) Income Taxes of each member of the Company Group for which a Consolidated Federal Income Tax Return or Consolidated State Income Tax Return is filed will be computed in accordance with the principles of Treasury Regulation Section 1.1502-76 as if separate returns had been filed for each member of the Company Group for such Pre-Closing Tax Period and all prior taxable periods.

(e) Indemnity Payments. Any indemnity payment required to be made pursuant to this Section 4.9 will be paid within 30 days after the Indemnitee makes written demand upon the Indemnifying Party, but in no case earlier than five business days prior to the date on which the relevant Taxes are required to be paid (or would be required to be paid if no such Taxes are due) to the relevant Taxing Authority (including estimated Tax payments).

(f) No Duplicate Application of Tax Accrual. The parties agree that the total amount of the Tax Accrual available for application by the Seller and the Parent against their liability pursuant to Section 4.7(a)(iii) and Section 4.9(b)(i)(B) is \$103,506 and that there shall be no duplicative application of the Tax Accrual amount pursuant to such Sections.

(g) Exclusivity. It is the intention of the parties that the provisions of Sections 4.7, 4.8, 4.9 and 4.10 shall exclusively govern all matters relating to Taxes with respect to the members of the Company Group as between the Purchaser and its Affiliates (including the Company Group following the Closing) and the Seller and the Non-Company Group Affiliates, and that the provisions of this Section 4.9 shall exclusively govern the determination and administration of all claims between them relating to such Tax matters.

(h) No Duplicate Payments for Taxes. The parties agree that there shall be no duplicative payments under the provisions of Sections 4.7, 4.8, 4.9 and 4.10 and the indemnification provisions of Article VIII as they relate to breaches of representations and warranties contained in Articles II and III and to breaches of the covenants contained in Sections 4.7, 4.8, 4.9 and 4.10.

4.10 Transaction Taxes; Tax Sharing Agreements.

(a) Transaction Taxes. Notwithstanding any other provision of this Agreement to the contrary, the Seller and the Purchaser shall each pay, or cause to be paid, one half of all sales, use, transfer, stamp, duties, gains, recording and similar taxes, if any, required to be paid in connection with the transactions contemplated by this Agreement, the Parent and the Seller shall bear all Income Taxes resulting from the sale of the Shares and the making of any Section 338(h)(10) Elections, and the Purchaser shall bear all Taxes resulting from the making of any Section 338 Elections.

(b) Tax Sharing Agreements.

(i) Any and all existing agreements or arrangements, whether written or oral or established pursuant to a course of conduct or dealing, relating to the allocation or sharing of Taxes (the "Tax Sharing Agreements") between any member of the Company Group, on the one hand, and any member of Seller's Consolidated Group or Seller's Consolidated State Group, on the other hand, shall be terminated as of the Closing Date. After the Closing Date, neither any member of the Company Group nor any member of Seller's Consolidated Group or Seller's Consolidated State Group shall have any further rights or obligations under any such Tax Sharing Agreement.

(ii) On and prior to the Closing Date, Tax-Sharing Payments shall be made in accordance with the provisions of the Tax Sharing Agreements disclosed on Schedule 2.14, and the parties thereto shall make additional payments as necessary to reflect the fact that, for purposes of Consolidated Federal Income Taxes and Consolidated State Income Taxes, the taxable year of the members of the Company Group shall close on the Closing Date.

4.11 Employees.

(a) Immediately following the Closing Date, the Purchaser shall, or shall cause the Company Group to, provide to Continued Employees employee benefits (other than defined benefit pension plans, retiree medical and life insurance, equity-based plans and programs and supplemental severance and bonus arrangements) that are substantially comparable in the aggregate to the employee benefits provided to similarly situated employees of the Purchaser; provided, however, that after the close of business on the Closing Date, the Purchaser expressly reserves the right to, and to cause the Company Group to, amend, modify or terminate any employee benefit plan or program for or for the benefit of Continued Employees in accordance with the terms thereof and applicable Law. Nothing contained in this Agreement is intended to confer upon any Continued Employee any right to continued employment after evaluation by the Purchaser and its Affiliates of their employment needs after the Closing Date.

(b) Effective as of the close of business on the Closing Date, the Parent and the Seller shall cause each Continued Employee to have a fully nonforfeitable right to such Continued Employee's account balances, if any, under the Acterna 401(k) Savings Plan (the "Seller Savings Plan"). Effective as of the close of business on the Closing Date, the Purchaser will extend to each Continued Employee who participated in the Seller Savings Plan immediately prior to the close of business on the Closing Date coverage under an applicable existing savings plan of the Purchaser or an Affiliate thereof (a "Purchaser Savings Plan") to the extent such Continued Employee is eligible for coverage under the terms of such savings plan of the Purchaser or its Affiliate. After the Closing Date, each Continued Employee shall be entitled to maintain such Continued Employee's account balances under the Seller Savings Plan or will be permitted to rollover his or her account balances from the Seller Savings Plan to a Purchaser Savings Plan in accordance with the terms of the Seller Savings Plan, such Purchaser Savings Plan and applicable Law.

(c) Effective as of the close of business on the Closing Date, the Purchaser will establish or maintain "employee welfare benefit plans", as defined in Section 3(1) of ERISA, and other employee benefit welfare or fringe benefit arrangements (collectively, "New Welfare Benefit Plans") for the benefit of Continued Employees; provided, however, that after the Closing Date, the Purchaser and the

Company Group expressly reserve the right to amend, modify or terminate any employee benefit, benefit plan or program for or for the benefit of Continued Employees in accordance with the terms thereof and applicable Law. The New Welfare Benefit Plans, to the extent applicable: (i) will recognize all amounts applied to deductibles, co-payments and out-of-pocket maximums with respect to Continued Employees under the corresponding Seller Welfare Benefit Plans for the plan year that includes the Closing Date; (ii) will recognize all service credited to waiting periods with respect to Continued Employees under the corresponding Seller Welfare Benefit Plans; and (iii) will not impose any limitations on coverage of pre-existing conditions of Continued Employees except to the extent such limitations applied to such Continued Employees under the corresponding Seller Welfare Benefit Plans.

(d) The Seller or the Seller Welfare Benefit Plans will remain liable for, and will pay, perform and discharge when due, all Liabilities relating to Continued Employees or former employees of any member of the Company Group in respect of claims with respect to medical (including vision care and prescription drugs), hospitalization and dental services rendered or expenses incurred on or prior to the Closing Date (whether such claims are submitted prior to, on or after the Closing Date). The Purchaser or the New Welfare Benefit Plans will be liable for, and will pay, perform and discharge when due, all Liabilities relating to Continued Employees in respect of claims covered by the New Welfare Benefit Plans with respect to medical (including vision care and prescription drugs), hospitalization and dental services rendered or expenses incurred after the Closing Date. The Seller or the Seller Welfare Benefit Plans will remain liable for, and will pay, perform and discharge when due, all Liabilities relating to Continued Employees or former employees of any member of the Company Group in respect of claims with respect to all other employee welfare benefits (including travel, accident, workers' compensation and short- and long-term disability) arising out of illnesses, injuries, accidents, events, actions, occurrences or conditions occurring or existing at or prior to the Closing Date (whether such claims are submitted prior to, on or after the Closing Date).

(e) The Parent and the Seller will be solely responsible for, and will pay, perform and discharge when due, all Liabilities relating to employees of the Seller or any Seller Affiliate (including members of the Company Group) in respect of any payments arising under the Supplemental Severance Agreements, other than Post-Closing Severance Payments. The Purchaser will cause the Company Group to pay all Post-Closing Severance Payments.

(f) With respect to any Plan set forth on Schedule 2.15(j), the Seller will, or will cause a Seller Affiliate to, apply prior to the Closing Date for the applicable DOL amnesty program. The Seller shall pay all expenses and other Liabilities in connection therewith, including any fines or penalties payable in connection therewith

(whether such expenses or other Liabilities are asserted prior to, on or after the Closing Date).

(g) From the date of this Agreement through the Closing Date, the Seller will cause the Company Group not to, without the prior written consent of the Purchaser (which consent will not be unreasonably withheld or delayed), hire any employee, other than employees earning less than \$30,000 annualized in replacement of departed employees of the Company Group.

4.12 HSR Act Compliance; Foreign Governmental Approvals.

Each of the Seller and the Purchaser will, and the Seller will cause each Seller Affiliate to, promptly, and in any event within ten business days after execution of this Agreement, make all filings or submissions as are required under the HSR Act in connection with the consummation of the transactions contemplated hereby and to obtain all Foreign Governmental Approvals. For the purposes of this Agreement, the term "Foreign Governmental Approval" means any Consent or order of, with or to any foreign Governmental Authority set forth on Schedule 2.2(b) or Schedule 3.2(b). Each of the Seller and the Purchaser will promptly furnish to the other such necessary information and reasonable assistance as the other may request in connection with its preparation of any such filing or submission which is necessary under the HSR Act or to obtain any Foreign Governmental Approval. Each of the Seller and the Purchaser will promptly provide the other with copies of all written communications (and memoranda setting forth the substance of all oral communications) between each of them, any of their Affiliates or any of its or their representatives, on the one hand, and any Governmental Authority, on the other hand, with respect to this Agreement or the transactions contemplated hereby. Without limiting the generality of the foregoing, each of the Seller and the Purchaser will promptly notify the other of the receipt and content of any inquiries or requests for additional information made by any Governmental Authority in connection therewith and will promptly (i) comply with any such inquiry or request and (ii) provide the other with a description of the information provided to any Governmental Authority with respect to any such inquiry or request. In addition, each of the Seller and the Purchaser will keep the other apprised of the status of any such inquiry or request.

4.13 Books and Records.

On the Closing Date, the Seller will cause (i) all books and records belonging to or relating primarily to any member of the Company Group and (ii) copies of all other books and records relating to any member of the Company Group, to be in the possession of the Company Group.

4.14 Certain Guarantees.

(a) The Seller will cause the Company Group to be fully and irrevocably released, at or prior to the Closing Date, from all guarantees of indebtedness or other Liabilities of or relating to the Parent, the Seller or any Affiliate of the Parent or the Seller (other than a member of the Company Group) or any director or officer of any thereof.

(b) The Purchaser will use commercially reasonable efforts to cause the Parent to be fully and irrevocably released, at or prior to the Closing Date, from the Lease Guaranty between Dynatech Corporation and 3 Oakmont Associates dated March 2, 1998, provided, that if such release is not obtained at or prior to the Closing Date, the Purchaser will indemnify, defend and hold harmless the Parent from and against, and pay or reimburse, as the case may be, the Parent for, any and all amounts payable by the Parent after the Closing Date under the express provisions of such guaranty.

4.15 Software and Other Licenses.

In the event that after the Closing, any member of the Company Group would not be licensed under any software or other license used in the business of the Company Group under which any such member of the Company Group prior to the Closing had licensee rights due to its status as an Affiliate of the Seller or any Seller Affiliate, the Seller will, at its expense, prior to the Closing enter into arrangements with all licensors thereunder to allow the Company Group to continue to have substantially the same rights under such arrangements that the Company Group had under such licenses prior to the Closing. The Purchaser will reasonably cooperate with the Seller in connection with the foregoing (including executing reasonable documentation requested by licensors in connection with such arrangements, provided that, subject to the last sentence of this Section 4.15, such documents shall not require the Purchaser to pay any amounts in connection therewith). Following the Closing, the Purchaser will reimburse the Seller (by wire transfer of immediately available funds to an account designated by the Seller), within three business days after the Seller's written request therefor, for the following amounts paid by the Seller prior to the Closing (but only up to a maximum amount of \$100,000 in the aggregate): documented out-of-pocket license fees and other amounts paid by the Seller to licensors in connection with such arrangements and reasonable out-of-pocket expenses incurred by the Parent or the Seller in connection therewith.

4.16 Non-Solicitation of Employees.

For a period of three years from and after the Closing Date, without the prior written consent of the Purchaser, none of the Parent or the Seller will, and the Seller will cause each Seller Affiliate not to, solicit, hire or retain as an employee, independent contractor or consultant any person employed by any member of the Company Group on the date hereof or on the Closing Date and will not, and will cause each Seller Affiliate not to, during such period, induce or attempt to induce any such employee to terminate his or her employment with any member of the Company Group, the Purchaser or any Affiliate of the Purchaser by resignation, retirement or otherwise; provided, however, that nothing in this Section 4.16 shall (i) preclude the Seller or any Seller Affiliate from soliciting for employment or hiring any such employee after six months after such employee's employment with the Purchaser or any Affiliate of the Purchaser terminates (provided such employee ceased to be employed by the Purchaser or an Affiliate of the Purchaser without inducement by the Seller or any Seller Affiliate) or (ii) prohibit publications by the Seller or any Seller Affiliate of general advertisements or job postings offering employment. This Section 4.16 will not apply to Clayton, Dubilier & Rice, Inc. ("CD&R"), any investment funds managed by CD&R, any general partners or limited partners of such funds (in their capacities as such), or any portfolio companies of such funds (other than the Parent and its Subsidiaries).

4.17 Non-Compete.

(a) The Parent and the Seller covenant and agree that, for a period of three years from and after the Closing Date, none of the Seller, any Seller Affiliate or any company now or hereafter controlled by the Seller or any Seller Affiliate will, directly or indirectly (on its own behalf or in the service or on behalf of others), without the written consent of the Purchaser, in any area of the world, enter into, engage in, provide managerial, supervisory, administrative or consulting services or assistance to, represent, or own any beneficial interest in (excluding any such interest in any investment of not more than 2% in the equity of a competing business whose securities are registered under the Securities Exchange Act of 1934, as amended), any business with operations engaged directly or indirectly in development, design, manufacture, sale, provision or integration of products or services competitive with products or services developed, manufactured, sold, provided or integrated by the Company Group or the business of the Company Group as conducted as of the Closing Date or any derivatives of or improvements to such products and services. This Section 4.17(a) will not apply to CD&R, any investment funds managed by CD&R, any general partners or limited partners of such funds (in their capacities as such), or any portfolio companies of such funds (other than the Parent and its Subsidiaries).

(b) The parties agree that, if any provision of this Section 4.17 should be adjudicated to be invalid or unenforceable, such provision shall be deemed deleted herefrom with respect, and only with respect, to the operation of such provision in the particular jurisdiction in which such adjudication was made; provided, however, that to the extent any such provision may be made valid and enforceable in such jurisdiction by limitations on the scope of the activities, geographical area or time period covered, the parties agree that such provision instead shall be deemed limited to the extent, and only to the extent, necessary to make such provision enforceable to the fullest extent permissible under the laws and public policies applied in such jurisdiction.

(c) No portion of the consideration payable pursuant to Article I will be allocated to the covenant not to compete granted pursuant to this Section 4.17.

(d) The covenants contained in this Section 4.17 shall be construed and enforced independently of any other provision of this Agreement or any other understanding or agreement between the parties, and the existence of any claim or cause of action of the Parent or the Seller against the Purchaser, of whatever nature, shall not constitute a defense to the enforcement against the Parent or the Seller of the covenants contained in this Section 4.17.

4.18 Confidential Information.

(a) From and after the Closing, the Parent and the Seller will, and will cause each of the Seller Affiliates and its and their representatives to maintain in strict confidence any and all confidential information concerning the Company Group and the business of the Company Group. It is understood that the Seller, the Seller Affiliates and their representatives shall not have any liability hereunder with respect to information that (i) is in or, through no fault of the Seller or any of its representatives, comes into the public domain, (ii) the Seller is legally required to disclose or (iii) is independently developed after the Closing Date by the Seller or any of the Seller Affiliates (other than the Company Group).

(b) In the event that the Seller or any of the Seller Affiliates or its or their representatives are required by Law to disclose any such information referred to in clause (a) above, the Seller will promptly notify the Purchaser in writing so that the Purchaser may seek a protective order and/or other motion to prevent or limit the production or disclosure of such information. If such motion has been denied, then the Person required to disclose such information may disclose only such portion of such information which (i) on the advice of the Seller's legal counsel is required by Law to be disclosed (provided, that the Person required to disclose such information will use all reasonable efforts to preserve the confidentiality of the remainder of such information) or (ii) the Purchaser consents in writing to having disclosed. The Parent and the Seller will

not, and will not permit any of the Seller Affiliates or its or their representatives to, oppose any motion for confidentiality brought by the Purchaser or any member of the Company Group. The Parent and the Seller will continue to be bound by their obligations pursuant to this Section 4.18 for any information that is not required to be disclosed, or that has been afforded protective treatment, pursuant to such motion.

(c) From and after the Closing, the Purchaser will cause each member of the Company Group and their representatives to maintain in strict confidence any and all confidential information concerning the Seller and the Seller Affiliates (other than the Company Group) and the business of the Seller and the Seller Affiliates (other than the Company Group). It is understood that the Purchaser, the Company Group and their representatives shall not have any liability hereunder with respect to information that (i) is in or, through no fault of the Company Group or its Affiliates or any of its or their representatives, comes into the public domain, (ii) the Company Group or its Affiliates is legally required to disclose or (iii) is independently developed after the Closing Date by the Company Group or its Affiliates.

(d) In the event that any member of the Company Group or their representatives are required by Law to disclose any such information referred to in clause (c) above, the Purchaser will promptly notify the Seller in writing so that the Seller may seek a protective order and/or other motion to prevent or limit the production or disclosure of such information. If such motion has been denied, then the Person required to disclose such information may disclose only such portion of such information which (i) on the advice of the Purchaser's legal counsel is required by Law to be disclosed (provided, that the Person required to disclose such information will use all reasonable efforts to preserve the confidentiality of the remainder of such information) or (ii) the Seller consents in writing to having disclosed. The Purchaser will not permit any member of the Company Group or their representatives to oppose any motion for confidentiality brought by the Seller. The Company Group will continue to be bound by its obligations pursuant to this Section 4.18 for any information that is not required to be disclosed, or that has been afforded protective treatment, pursuant to such motion.

(e) The provisions of this Section 4.18 shall not apply to the use by the parties of any information referred to in clause (a) or (c) above in exercising or enforcing their rights under the terms of this Agreement to the extent reasonably required therefor.

4.19 Resignations.

On the Closing Date, the Seller will cause to be delivered to the Purchaser duly signed resignations, effective immediately after the Closing, of all directors of Airshow and persons serving similar functions of Airshow France and such officers of Airshow and Airshow France as shall be specified by the Purchaser to the Seller on or

before the fifth business day preceding the Closing Date. Notwithstanding the foregoing, nothing in this Section 4.19 shall require any employee to resign as an employee of Airshow or Airshow France on the Closing Date.

4.20 Insurance.

(a) Following the Closing, the Purchaser and the Company Group will have the right to (i) assert claims (and the Seller will, and will cause each Seller Affiliate to, use commercially reasonable efforts to assist the Purchaser and the Company Group in asserting claims, it being understood that the Seller and the Seller Affiliates will not be obligated to incur any out-of-pocket expenses in connection therewith that are not reimbursed as provided below) with respect to the business of the Company Group under insurance policies of the Seller and the Seller Affiliates with third-party insurers which are "occurrence basis" policies ("Occurrence Basis Policies") arising out of insured incidents occurring from the date coverage thereunder first commenced through the Closing Date and (ii) continue to prosecute claims with respect to the business of the Company Group properly asserted with the insurance carrier on or prior to the Closing Date (and the Seller will, and will cause each Seller Affiliate to, use commercially reasonable efforts to assist the Purchaser and the Company Group in connection therewith at the reasonable request of the Purchaser or the Company Group) under insurance policies of the Seller and the Seller Affiliates with third-party insurers which are on a "claims made" basis ("Claims Made Policies") arising out of insured incidents occurring from the date coverage thereunder first commenced through the Closing Date; provided, that, in the case of each of clauses (i) and (ii), such claims will be subject to (and, in the case of clause (A), recovery thereon will not include) (A) any applicable deductibles, self-insured retention amounts or any reimbursement obligations of the Seller or any Seller Affiliate (other than the Company Group) in favor of the applicable insurer under contractual agreements with such insurer in effect on the date hereof and (B) exhaustion of existing aggregate limits. The Purchaser shall reimburse the Seller for all of its reasonable out-of-pocket expenses in connection with the foregoing. All recoveries in respect of such claims shall be for the account of the Purchaser and the Company Group. The Seller and the Seller Affiliates (other than the Company Group) will bear no liability for the failure of an insurer to pay any such claims (it being understood that nothing in this sentence shall affect the Parent's and the Seller's indemnification obligations under this Agreement).

(b) The Parent and the Seller will not, and will cause each Seller Affiliates not to, amend, commute, terminate, buy-out, extinguish liability under or otherwise modify any Occurrence Basis Policies or Claims Made Policies under which the Purchaser and the Company Group have rights to assert claims pursuant to Section 4.20(a) in a manner that would adversely affect any such rights of the Purchaser and the Company Group. In the event the Purchaser consents to any such action, the

Parent and the Seller will pay to the Purchaser and the Company Group its equitable share (based on the amount of premiums paid by or allocated to the business of the Company Group in respect of the applicable policy) of any proceeds received by the Seller or any Seller Affiliate as a result of such action.

(c) For a period of six years after the Closing Date, the Parent and the Seller shall cause to be maintained in effect the current policies of directors' and officers' liability insurance maintained by the Seller or any Seller Affiliate covering directors and officers of the Company Group (provided that the Seller or any Seller Affiliate may substitute therefor policies of at least the same coverage and amounts containing terms and conditions which are no less advantageous) with respect to claims arising from facts or events which occurred on or before the Closing Date.

4.21 Cash Management.

(a) (i) From and after the Closing Date, the Seller and its Affiliates (other than the Company Group) will fund (at their sole expense and without any right to reimbursement) all amounts in respect of checks and electronic fund transfers that are outstanding at the close of business on the Closing Date related to the Company Group or the business of the Company Group and presented for payment at or after the close of business on the Closing Date in bank, investment or similar accounts of the Seller or any of the Seller Affiliates (other than those of the Company Group).

(ii) From and after the Closing Date, the Purchaser will cause the Company Group to fund, or cause to be funded, all amounts in respect of checks and electronic fund transfers that are outstanding at the close of business on the Closing Date and presented for payment at or after the close of business on the Closing Date in bank, investment or similar accounts of the Company Group. Within three business days after the Purchaser's request, the Seller will reimburse the Purchaser (by wire transfer to the Purchaser's bank account notified by the Purchaser to the Seller), for the account of the applicable member of the Company Group, for all such amounts funded, or caused to be funded, by the Company Group in respect of checks and electronic fund transfers that are outstanding at the close of business on the Closing Date and presented for payment at or after the close of business on the Closing Date in bank, investment or similar accounts of the Company Group.

(iii) The Parent and the Seller will fund, or will (at the expense of the Parent and the Seller) cause the Company Group to fund, all amounts in respect of checks and electronic fund transfers related to the Company Group or the business of the Company Group that are presented for payment prior to the close of business on the Closing Date in bank, investment or similar accounts of the Company Group or of the Seller or any of the Seller Affiliates.

(b) The Seller will, and will cause each Seller Affiliate to, forward promptly to the Purchaser (by wire transfer to the Purchaser's bank account notified by the Purchaser to the Seller) any payments in respect of accounts receivable or other assets of the Company Group received by the Seller or any Seller Affiliate after the close of business on the Closing Date, whether received in lock boxes, via wire transfer or otherwise.

4.22 Access to Records.

(a) From and after the Closing, the Purchaser will make or cause to be made available to the Seller and its representatives all business records and files of the Company Group as of the Closing Date in its possession (other than information which is legally privileged, subject to confidentiality obligations to third parties or the provision of which is prohibited by law) during regular business hours as may be reasonably necessary for such purposes for which access to such documents is reasonably necessary; provided, however, that access to such business records and files will not unnecessarily interfere with or adversely affect the normal operations of the Company Group and their Affiliates and the reasonable out-of-pocket expenses of the Company Group and their Affiliates incurred in connection therewith will be paid by the Seller.

(b) From and after the Closing, the Seller will, and will cause each Seller Affiliate to, make or cause to be made available to the Purchaser and its representatives all their business records and files related to the Company Group which do not constitute assets of the Company Group (other than information which is legally privileged, subject to confidentiality obligations to third parties or the provision of which is prohibited by law) during regular business hours for such purposes for which access to such documents is reasonably necessary; provided, however, that access to such business records and files will not unnecessarily interfere with or adversely affect the normal operations of the Seller and the Seller Affiliates and the reasonable out-of-pocket expenses of the Seller and the Seller Affiliates incurred in connection therewith will be paid by the Purchaser.

4.23 Intercompany Accounts and Arrangements.

Effective immediately prior to the close of business on the Closing Date, Seller will cause all (i) Intercompany Accounts and (ii) Commitments between any member of the Company Group, on the one hand, and the Parent, the Seller or any Affiliate of the Parent or the Seller (other than any member of the Company Group), on the other hand, to be canceled without any payment or further liability to any party thereunder, which cancellation of Intercompany Accounts shall be treated as a dividend, in the case of an account receivable by a member of the Company Group, or as a contribution to capital, in the case of an account payable by a member of the Company

Group; provided, however, that the provisions of this Section 4.23 will not apply to any receivables, payables, balances and other amounts arising under this Agreement, including those arising under Section 4.21.

4.24 Intellectual Property Matters.

The Parent and the Seller will not, and will cause the Seller Affiliates not to, challenge or cause to be challenged the validity and/or enforceability of any of the Owned Intellectual Property or any of the Company Group's right, title and/or interest in or to the Business Intellectual Property.

4.25 License of Certain Intellectual Property.

Notwithstanding the provisions of Section 2.22(b), effective on the Closing Date, the Parent and the Seller on behalf of themselves and the Seller Affiliates, hereby grant to the Purchaser and its Affiliates (including the Company Group) a fully paid-up, royalty-free, perpetual, world-wide, irrevocable, nonexclusive, assignable license, with the right to sublicense (to the extent the Seller or such Seller Affiliates have the right as of the date hereof to grant such right), under all Intellectual Property used in the business of the Company Group as currently conducted or as currently contemplated to be conducted and which following the Closing Date is either owned by the Seller or any of the Seller Affiliates (other than the Company Group) or which the Seller or any of the Seller Affiliates (other than the Company Group) has a right to license solely to make, have made, use, import or sell products or render services (and to practice any process in connection therewith) and copy, distribute, prepare derivative works of, perform and display such Intellectual Property in the conduct of the business of the Company Group and only to the extent of, and subject to all conditions and restrictions in place as of the date hereof on, the rights of Seller or the Seller Affiliates, as applicable, in such Intellectual Property. To the extent not prohibited by any contractual confidentiality obligations, the Seller will, and will cause the Seller Affiliates to, for a period of ninety (90) days after the Closing Date, supply to the Purchaser and its Affiliates (including the Company Group), copies of all information or materials relating to such Intellectual Property licensed hereunder.

ARTICLE V
CONDITIONS PRECEDENT

5.1 Conditions to Obligations of Each Party.

The obligations of the Parent, the Seller and the Purchaser to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment on or prior to the Closing Date of the following conditions:

(a) HSR Act. Any waiting period applicable to the consummation of the transactions contemplated by this agreement under the HSR Act shall have expired or been earlier terminated.

(b) No Injunction, etc. Consummation of the transactions contemplated by this Agreement shall not have been restrained, enjoined or otherwise prohibited by any Law, including any order, injunction, decree or judgment of any court or other Governmental Authority, and there shall not have been promulgated, entered, issued or determined by any court or other Governmental Authority to be applicable to this Agreement any Law making illegal the consummation of the transactions contemplated by this Agreement.

(c) Foreign Governmental Approval. All filings required to be made prior to the Closing Date with, and all Consents required to be obtained prior to the Closing Date from, Governmental Authorities for the purpose of making or obtaining all Foreign Governmental Approvals in connection with the execution, delivery and performance of this Agreement shall have been made or obtained.

5.2 Conditions to Obligations of the Parent and the Seller.

The obligations of the Parent and the Seller to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or waiver in writing by the Seller, on or prior to the Closing Date, of the following additional conditions:

(a) Representations and Warranties and Obligations of the Purchaser. The representations and warranties of the Purchaser in Article III of this Agreement shall be true and correct in all respects, in each case when made and at and as of the Closing with the same effect as though made at and as of such time, except where the failure of such representations and warranties to be true and correct, individually or in the aggregate, has not materially impaired and would not reasonably be expected to materially impair the ability of the Purchaser to perform its obligations under this Agreement. The Purchaser shall have duly performed and complied in all material

respects with all agreements contained in this Agreement required to be performed or complied with by it at or before the Closing.

(b) Officer's Certificate. The Purchaser shall have delivered to the Seller a certificate, dated the Closing Date and signed by a duly authorized officer, as to the fulfillment of the conditions set forth in Section 5.2(a).

(c) Corporate Proceedings. All corporate proceedings of the Purchaser in connection with the transactions contemplated by this Agreement, and all documents and instruments incident thereto, shall be reasonably satisfactory in form and substance to the Seller and its counsel, and the Seller and its counsel shall have received all such documents and instruments, or copies thereof, certified if requested, as may be reasonably requested.

(d) Consents. All Consents required under financing arrangements of the Seller and the Seller Affiliates in connection with the execution, delivery and performance of this Agreement or the consummation of the transactions contemplated hereby shall have been obtained on terms reasonably satisfactory to the Seller and shall be in full force and effect, and all Liens on the Shares and the assets and properties of the Company Group thereunder shall have been unconditionally and irrevocably released.

(e) Litigation. No Action shall have been instituted or pending which is reasonably likely to make illegal or otherwise restrain or prohibit the consummation of the transactions contemplated hereby.

5.3 Conditions to Obligations of the Purchaser.

The obligations of the Purchaser to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or waiver in writing by the Purchaser on or prior to the Closing Date of the following additional conditions:

(a) Representations and Warranties and Obligations of the Parent and the Seller. The representations and warranties of the Parent and the Seller contained in Article II of this Agreement shall be true and correct in all respects, in each case when made and at and as of the Closing with the same effect as though made at and as of such time, except where the failure of such representations and warranties to be true and correct, individually or in the aggregate, has not had and would not reasonably be expected to have a Material Adverse Effect and has not materially impaired and would not reasonably be expected to materially impair the ability of the Seller or any Seller Affiliate to perform its obligations under this Agreement. The Seller and each Seller Affiliate shall have duly performed and complied in all material respects with all

agreements contained in this Agreement required to be performed or complied with by it at or before the Closing.

(b) Officer's Certificate. The Parent and the Seller shall have each delivered to the Purchaser a certificate, dated the Closing Date and signed by a duly authorized officer thereof, as to the fulfillment of the conditions set forth in Section 5.3(a).

(c) Resignations. Subject to Section 4.19, all directors of Airshow and persons serving similar functions of Airshow France and such officers of Airshow and Airshow France as shall be specified by the Purchaser to the Seller on or before five business days prior to the Closing must have submitted their written resignations as a director (or person serving similar functions) and/or officer of the members of the Company Group, effective as of the Closing Date.

(d) Intercompany Accounts and Arrangements. The Seller shall have complied in all respects with the covenants contained in Section 4.23 and the Purchaser shall have received a certificate from an officer of the Seller certifying as to the foregoing.

(e) FIRPTA Certificate. The Seller shall have duly executed and delivered to the Purchaser a certificate of non-foreign status as to the sale of the Airshow Shares as provided in Treasury Regulation Section 1.1445-2(b).

(f) Guarantees. The Seller shall have obtained releases in form and substance reasonably satisfactory to the Purchaser of all the obligations of the Company Group under any guarantees, keepwell agreements, comfort letters or other similar agreements under which any member of the Company Group has an obligation to pay amounts due, or take any other action, for the benefit of the Parent, the Seller or any Affiliate of the Parent or the Seller (other than a member of the Company Group) or any director or officer of any thereof. The Purchaser shall have received reasonably satisfactory evidence of the foregoing.

(g) Corporate Proceedings. All corporate and other proceedings of the Seller and the Seller Affiliates in connection with this Agreement and the transactions contemplated by this Agreement, and all documents and instruments incident thereto, shall be reasonably satisfactory in form and substance to the Purchaser and its counsel, and the Purchaser and its counsel shall have received all such documents and instruments, or copies thereof, certified if requested, as may be reasonably requested.

(h) Litigation. No Action shall have been instituted or pending which (A) is reasonably likely to make illegal or otherwise restrain or prohibit, the

consummation of the transactions contemplated hereby or to result in material Losses to the Purchaser or any of its Affiliates in connection with the transactions contemplated hereby, or (B) seeks to prohibit ownership of any Shares by the Purchaser or any of its Affiliates or operation by the Purchaser or any of its Affiliates (including the Company Group) of all or a substantial portion of the business of the Company Group or assets of any member of the Company Group or all or a portion of the businesses or assets of the Purchaser or any of its Affiliates or to compel the Purchaser or any member of the Company Group to dispose of or hold separately any shares of capital stock of any member of the Company Group or all or any substantial portion of the business of the Company Group or assets of any member of the Company Group or all or a portion of the business or assets of the Purchaser or any of its Affiliates as a result of the transactions contemplated hereby.

(i) No Material Adverse Change. There shall not exist any condition, circumstance or state of facts, and there shall not have been (or reasonably be expected to occur) any event, occurrence, change, development or circumstance, which, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect.

(j) Consents. All (i) Consents required under financing arrangements of the Seller and the Seller Affiliates in connection with the execution, delivery and performance of this Agreement or the consummation of the transactions contemplated hereby shall have been obtained and shall be in full force and effect, and all Liens on the Shares and the assets and properties of the Company Group thereunder shall have been unconditionally and irrevocably released and (ii) Consents set forth on Schedule 5.3(j) in connection with the execution, delivery and performance of this Agreement or the consummation of the transactions contemplated hereby shall have been obtained and shall be in full force and effect. The Purchaser shall have received reasonably satisfactory evidence of the foregoing.

ARTICLE VI DEFINITIONS AND INTERPRETATION

6.1 Definitions.

As used in this Agreement, the following terms have the following meanings:

Action: means any legal, administrative, governmental or regulatory proceeding or other action, suit, proceeding, arbitration, mediation, alternative dispute



resolution procedure, inquiry or investigation, in each case, by or before any arbitrator, mediator, court or other Governmental Authority.

Affiliate: of a Person means any other Person that directly or indirectly controls, is controlled by, or is under common control with, the first Person. "Control" (including the terms "controlling", "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of a Person, whether through the ownership of voting securities, by contract or credit arrangement, as trustee or executor, or otherwise.

Agreement: this Agreement, including the Schedules to this Agreement.

Airshow: as defined in the recitals hereto.

Airshow France: as defined in the recitals hereto.

Airshow France Shares: all of the issued and outstanding shares of capital stock of Airshow France, consisting of 500 shares of the common stock, no par value, of Airshow France.

Airshow Shares: all of the issued and outstanding shares of capital stock of Airshow, consisting of 1,000 shares of common stock, par value \$0.01 per share, of Airshow.

Allocation Schedule: as defined in Section 4.8(b).

Baseline Amount: Thirty-One Million Fifty-Three Thousand Dollars (\$31,053,000).

Business Intellectual Property: all Intellectual Property owned or used by or on behalf of any member of the Company Group.

CD&R: as defined in Section 4.16.

CERCLA: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended.

Claims Made Policies: as defined in Section 4.20(a).

Closing: as defined in Section 1.4.

Closing Date: as defined in Section 1.4.

Closing Net Assets Statement: as defined in Section 1.2(a).

Closing Payment: One Hundred Sixty Million Dollars (\$160,000,000), representing the Purchase Price (before being adjusted as provided in Section 1.3).

Code: the Internal Revenue Code of 1986, as amended.

Commitments: with respect to any Person, all agreements, contracts, obligations and commitments (whether written or oral) (a) to which such Person is a party, (b) under which such Person has any rights, (c) under which such Person is subject to any Liability or (d) by which such Person, or any of the assets or properties owned or used by such Person, is bound, including, in each case, all amendments, modifications and supplements thereto.

Company Group: Airshow and Airshow France.

Confidentiality Agreement: as defined in Section 4.3(b).

Consents: all consents, waivers, approvals, novations, authorizations, declarations, filings, registrations and notifications.

Consolidated Federal Income Taxes: all liabilities for federal Income Taxes with respect to which any member of the Company Group has joined or is required to join in the filing of a consolidated federal Income Tax Return with a member of Seller's Consolidated Group.

Consolidated State Income Taxes: all liabilities for U.S. state and local Income Taxes with respect to which any member of the Company Group has joined or is required to join in the filing of a state or local Income Tax Return with a member of Seller's Consolidated State Group on a consolidated, combined or unitary basis.

Continued Employees: each individual who (i) is employed by the Company Group on the date hereof and at the close of business on the Closing Date (including those who are actively employed or on leave, disability or other permitted absence from employment) or (ii) becomes an employee of the Company Group between the date hereof and the Closing Date in accordance with the terms hereof and who is employed by the Company Group at the close of business on the Closing Date.

D&T: as defined in Section 1.2(a).

Delivery Date: as defined in Section 1.2(a).

DOL: as defined in Section 2.15(a).

Employment and Withholding Taxes: any federal, state, provincial, local, foreign or other employment, unemployment insurance, social security, disability, workers' compensation, payroll, health care or other similar tax, duty or other governmental charge or assessment or deficiencies thereof and all Taxes required to be withheld by or on behalf of each member of the Company Group in connection with amounts paid or owing to any employee, independent contractor, creditor or other party, in each case, on or in respect of the business or assets thereof.

Environmental Law: any Law relating to (a) the manufacture, transport, use, treatment, storage, disposal, release or threatened release of Hazardous Substances, or (b) the protection of human health or the environment (including, without limitation, natural resources, air, and surface or subsurface land or waters).

ERISA: the U.S. Employee Retirement Income Security Act of 1974, as amended.

ERISA Affiliate: any individual, person or entity which, together with the Seller and the Company Group, is or was treated as a single employer within the meaning of Section 414(b), (c), (m) or (o) of the Code or Section 4001(b) of ERISA.

Facilities: as defined in Section 2.16(a).

Final Closing Net Assets Statement: as defined in Section 1.2(b).

Financial Statements: as defined in Section 2.6(a).

Foreign Governmental Approval: as defined in Section 4.12.

Foreign Pension Plan: any plan, fund (including any superannuation fund) or other similar program established or maintained outside the United States of America by the Seller or any Seller Affiliate primarily for the benefit of employees of the Company Group residing outside the United States of America, which plan, fund or other similar program provides, or results in, retirement income, a deferral of income in contemplation of retirement or payments to be made upon termination of employment, and which plan is not subject to ERISA or the Code.

GAAP: United States generally accepted accounting principles.

Governmental Authority: any foreign, international or national government, any state, local or other political subdivision thereof, any court or arbitral or other tribunal and any entity exercising or entitled to exercise any executive, legislative, judicial, regulatory, police, taxing or administrative functions of or pertaining to government.



Hazardous Substance: those materials, substances or wastes that are regulated by, or form the basis of liability under, any Environmental Law, including polychlorinated biphenyls, pollutants, solid wastes, radioactive materials or substances, hazardous or toxic materials, substances, wastes or chemicals, petroleum (including crude oil or any fraction thereof) or petroleum distillates, asbestos or asbestos containing materials, materials listed in 49 C.F.R. Section 172.101 and materials defined as hazardous substances pursuant to Section 101(14) of CERCLA.

HSR Act: the U.S. Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated under such statute.

Income Tax: any federal, state, provincial, local, foreign or other income, alternative, minimum, accumulated earnings, personal holding company, franchise, capital stock, net worth, capital, profits or windfall profits tax or other similar tax, estimated tax, duty or other governmental charge or assessment or deficiencies thereof (together with all interest and penalties thereon and additions thereto).

Indemnifying Party: as defined in Section 8.3(a).

Indemnitee: any member of the Purchaser Group or the Seller Group who or which may seek indemnification under this Agreement.

Insurance Policies: as defined in Section 2.24(a).

Intellectual Property: (a) all inventions (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all patents (including utility and design patents, industrial designs and utility models), patent applications and patent and invention disclosures, and all other rights of inventorship, worldwide, together with all reissuances, continuations, continuations-in-part, divisions, revisions, supplementary protection certificates, extensions and re-examinations thereof; (b) all registered and unregistered trademarks, service marks, trade names, domain names, trade dress, logos and business, corporate and product names and slogans, worldwide, and registrations and applications for registration thereof; (c) all copyrights in copyrightable works, and all other rights of authorship, worldwide, and all applications, registrations and renewals in connection therewith; (d) all mask works and semiconductor chip rights, worldwide, and all applications, registrations and renewals in connection therewith; (e) all trade secrets and confidential business and technical information (including ideas, research and development, know-how, formulas, technology, compositions, manufacturing and production processes and techniques, technical data, engineering, production and other designs, plans, drawings, engineering notebooks, industrial models, software, specifications, financial, marketing and business data, pricing and cost information, business and marketing plans and customer and supplier lists and

information); (f) all computer and electronic data, data processing programs, documentation and software (including flow charts, diagrams, descriptive texts and programs, computer print-outs, underlying tapes, computer databases and similar items), computer applications and operating programs; (g) all rights to sue for and remedies against past, present and future infringements of any or all of the foregoing and rights of priority and protection of interests therein under the Laws of any jurisdiction worldwide; (h) all copies and tangible embodiments of any or all of the foregoing (in whatever form or medium, including electronic media); and (i) all other proprietary, intellectual property and other rights relating to any or all of the foregoing, including licenses of any of the foregoing.

Intercompany Accounts: all receivables, payables, balances and other amounts that the members of the Company Group owe to the Parent, the Seller and/or any direct or indirect Subsidiary of the Parent or the Seller (other than a member of the Company Group) or any controlling stockholder of the Parent immediately prior to the close of business on the Closing Date, and all amounts that the Parent, the Seller and/or any direct or indirect Subsidiary of the Parent or the Seller (other than a member of the Company Group) or any controlling stockholder of the Parent owes to the members of the Company Group immediately prior to the close of business on the Closing Date (other than, in each case, receivables, payables, balances and other amounts arising under this Agreement).

Interim Balance Sheet: the balance sheet of the Company Group at March 31, 2002 included in the Financial Statements.

IP License Agreements: as defined in Section 2.13(b).

IRS: the U.S. Internal Revenue Service.

Laws: all applicable laws, statutes, constitutions, treaties, rules, regulations, ordinances, codes, judgments, rulings, orders, writs, decrees, binding stipulations, injunctions and binding determinations of all Governmental Authorities.

Leased Real Property: as defined in Section 2.11(a).

Leases: as defined in Section 2.11(a).

Liability: any and all claims, debts, liabilities, obligations and commitments of whatever nature, whether known or unknown, asserted or unasserted, fixed, absolute or contingent, matured or unmatured, accrued or unaccrued, liquidated or unliquidated or due or to become due, and whenever or however arising (including those arising out of any Commitment or tort, whether based on negligence, strict liability or

otherwise) and whether or not the same would be required by GAAP to be reflected as a liability in financial statements or disclosed in the notes thereto.

Lien: any mortgage, pledge, deed of trust, hypothecation, claim, security interest, equitable interest, lien, proxy, title defect, encumbrance, burden, charge or other similar restriction, lease, sublease, claim, title retention agreement, option, right of first refusal, right of first offer, easement, covenant, encroachment or other adverse claim, defect of title or restriction on use, voting, transfer, receipt of income or exercise of any other attribute of ownership.

Losses: any and all losses, liabilities, claims, damages, deficiencies, fines, payments, costs and expenses, fixed, absolute or contingent, matured or unmatured, accrued or unaccrued, liquidated or unliquidated or due or to become due, and whenever or however arising and whether or not resulting from Third Party Claims (including the costs and expenses of any and all Actions; all amounts paid in connection with any demands, assessments, judgments, settlements and compromises relating thereto not in violation of this Agreement; interest and penalties with respect thereto; and reasonable costs and expenses, including attorneys', accountants' and other experts' fees and expenses, incurred in investigating, preparing for or defending against any such Actions or in asserting, preserving or enforcing an Indemnitee's rights hereunder).

Material Adverse Effect: a material adverse effect on the condition (financial or otherwise), operations, results of operations, business, assets or Liabilities of the Company Group taken as a whole, but excluding effects to the extent attributable to (a) changes in general economic or market conditions or prevailing interest rates affecting the industries in which the members of the Company Group operate and not having a disproportionate effect on the Company Group or (b) changes in laws, regulations or GAAP applicable to the Company Group.

Material Contracts: as defined in Section 2.12(a).

Net Asset Amount: as defined in Section 1.3(a)(i).

Net Assets: as defined in Section 1.2(a).

New Welfare Benefit Plans: as defined in Section 4.11(c).

Non-Company Group Affiliate: any Seller Affiliate other than a member of the Company Group.

Notice of Disagreement: as defined in Section 1.2(b).

Occurrence Basis Policies: as defined in Section 4.20(a).

Owned Intellectual Property: as defined in Section 2.13(a).

Parent: as defined in the preamble hereto.

Permits: all Consents, licenses, permits, waivers, certificates, variances, exemptions, franchises and other approvals and authorizations issued, granted, given or required by any Governmental Authority.

Permitted Liens: (a) prior to the Closing only, Liens set forth on Schedule 6.1(a) (which will be released prior to Closing), (b) Liens for Taxes (i) not due and payable or (ii) which are being contested in good faith by appropriate proceedings and for which adequate reserves in accordance with GAAP have been set forth on the Interim Balance Sheet and will be set forth on the Final Closing Net Assets Statement, (c) Liens of warehousemen, mechanics and materialmen and other similar statutory Liens incurred in the ordinary course of business and (d) any Liens (other than Liens securing indebtedness for borrowed money) that do not interfere in any material respect with the ownership or use of the assets affected thereby or the operation of the business of the Company Group as a whole.

Person: any natural person, firm, limited liability entity, general partnership, limited partnership, joint venture, association, corporation, trust, Governmental Authority or other entity.

Plans: as defined in Section 2.15(a).

Position Statement: as defined in Section 1.2(c).

Post-Closing Severance Payments: any severance payments and benefits required to be paid following the Closing Date to any Airshow employee under the express terms of such employee's Supplemental Severance Agreement as in effect on the date hereof solely as a result of termination by such employee of such employee's employment with the Purchaser or Airshow following the Closing Date if such employee's terms and conditions of employment with the Purchaser or Airshow following the Closing Date are not "Substantially Equivalent" (as defined below) to the terms and conditions of such employee's employment with Airshow immediately prior to the Closing Date. For purposes hereof, terms and conditions of employment being "Substantially Equivalent" is defined as compensation equal to or greater than 90% of the employee's compensation immediately prior to the Closing Date and the employee not being required to relocate. The parties acknowledge and agree that Post-Closing Severance Payments shall not include any amounts or benefits payable (including any bonus payments) under the Supplemental Severance Agreements except as specifically stated in the first sentence of this definition.



Pre-Closing Tax Period: as defined in Section 4.9(d)(i).

Purchase Price: as defined in Section 1.1.

Purchaser: as defined in the preamble hereto.

Purchaser Expense Amount: all documented out-of-pocket fees and expenses reasonably incurred by the Purchaser and its Affiliates and paid to third parties in connection with this Agreement and the transactions contemplated hereby (including the investigation of the Company Group, the negotiation and preparation of this Agreement and the integration of the Company Group with the Purchaser and its Affiliates), including reasonable fees and disbursements of attorneys, accountants, financial advisors, consultants and other professionals and experts retained by the Purchaser or its Affiliates in connection therewith; **provided, however,** that the Purchaser Expense Amount shall in no event exceed One Million Dollars (\$1,000,000).

Purchaser Group: as defined in Section 8.1.

Purchaser Savings Plan: as defined in Section 4.11(b).

Purchaser Tax Act: as defined in Section 4.9(b)(i).

Release: as defined in Section 101(22) of CERCLA.

Resolution Period: as defined in Section 1.2(c).

Return: any return, report, declaration, form, claim for refund or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

Section 338 Election: an election pursuant to Section 338 of the Code and any comparable or corresponding election with respect to U.S. state or local Income Taxes (other than a Section 338(h)(10) Election), as applicable to any member of the Company Group.

Section 338(h)(10) Election: (a) an election pursuant to Section 338(h)(10) of the Code and any comparable or corresponding election with respect to Consolidated State Income Taxes and (b) any election comparable or corresponding to an election pursuant to Section 338 of the Code (other than Section 338(h)(10) of the Code), with respect to U.S. state or local Income Taxes required to be made or resulting from an election described in clause (a), in each case as applicable to any member of the Company Group.

Seller: as set forth in the preamble hereto.

Seller Affiliates: the Parent, each direct and indirect Subsidiary of the Parent, including each of the Seller's Subsidiaries and, prior to the Closing, each member of the Company Group (it being understood that for purposes of Article II, the term Seller Affiliates shall in all cases include each member of the Company Group), and each Affiliate of any thereof, provided that Seller Affiliates shall not include CD&R, any investment funds managed by CD&R, any general partners or limited partners of such funds (in their capacities as such), or any portfolio companies of such funds (other than the Parent and its Subsidiaries).

Seller Group: as defined in Section 8.2.

Seller Post-Closing Separate Income Tax Return: as defined in Section 4.7(b)(i).

Seller Savings Plan: as defined in Section 4.11(b).

Seller Tax Act: as defined in Section 4.9(b)(ii).

Seller Welfare Benefit Plans: those employee welfare benefit plans (as defined in Section 3(1) of ERISA) and other employee benefit welfare or fringe benefit arrangements maintained by the Seller and/or the Seller Affiliates immediately prior to the Closing for the benefit of Continued Employees.

Seller's Consolidated Group: with respect to Consolidated Federal Income Taxes, any affiliated group of corporations of which the Seller or any Non-Company Group Affiliate (or any predecessor thereof or successor thereto) is a member.

Seller's Consolidated State Group: with respect to Consolidated State Income Taxes, any consolidated, combined, or unitary group of Persons of which the Seller or any Non-Company Group Affiliate (or any predecessor thereof or successor thereto) is a member.

Seller's Subsidiaries: Applied Digital Access, Inc., a Delaware corporation, and TTC Télécommunications Techniques France SAS.

Shares: the Airshow Shares and the Airshow France Shares.

Straddle Period: any taxable period ending after the Closing Date that includes the Closing Date.

Subsidiary: with respect to any Person (for the purposes of this definition, the "parent"), any other Person (other than a natural person), whether incorporated or unincorporated, of which at least a majority of the securities or ownership interests having by their terms ordinary voting power to elect a majority of the board of directors or other persons performing similar functions is directly or indirectly owned or controlled by the parent or by one or more of its respective Subsidiaries or by the parent and any one or more of its respective Subsidiaries.

Supplemental Severance Agreements: those supplemental severance agreements between the Parent and each of those employees of Airshow set forth on Schedule 2.15(g).

Tax: any federal, state, provincial, local, foreign or other income, alternative, minimum, accumulated earnings, personal holding company, franchise, capital stock, net worth, capital, profits, windfall profits, gross receipts, sales, use, value added, transfer, registration, stamp, premium, excise, customs duties, severance, real property, personal property, ad valorem, occupancy, license, occupation, business and occupation, employment, payroll, social security, disability, unemployment, workers' compensation, health care, withholding, estimated or other similar tax, duty or other governmental charge or assessment or deficiencies thereof (together with all interest and penalties thereon and additions thereto).

Tax Accrual: \$103,506, the amount set forth on the Interim Balance Sheet for accrued and unpaid Taxes (other than Consolidated Federal Income Taxes and Consolidated State Income Taxes) of the Company Group.

Tax Claim: as defined in Section 4.7(c)(i).

Tax Losses: as defined in Section 4.9(b)(i).

Tax Sharing Agreements: as defined in Section 4.10(b)(i).

Tax-Sharing Payment: a payment made with respect to Consolidated Federal Income Taxes or Consolidated State Income Taxes in accordance with any Tax Sharing Agreement disclosed on Schedule 2.14 (including any additional payments made thereunder pursuant to the provisions of Section 4.10(b)).

Taxing Authority: any federal, state, provincial, local, foreign or other Governmental Authority responsible for any Tax.

Third Party Claim: as defined in Section 8.3(a).

Unaffiliated Firm: as defined in Section 1.2(c).

6.2 Interpretation.

In this Agreement, the following rules of interpretation apply:

- (a) references to Sections, Schedules and parties are references to sections or sub-sections of, and schedules and parties to, this Agreement;
- (b) references to any law, regulation or statutory provision include references to such law, regulation or provision as modified, codified or re-enacted;
- (c) references to the Seller's knowledge mean the knowledge of the persons listed on Schedule 6.2(c), if (i) any such person is actually aware of such fact or other matter or (ii) any such person would reasonably be expected to discover or otherwise become aware of such fact or other matter after due inquiry concerning the existence of such fact or other matter (including after review of applicable filings relating to such fact or other matter);
- (d) words importing the singular include the plural and vice versa;
- (e) words importing one gender include the other genders;
- (f) references to the word "including" do not imply any limitation;
- (g) the terms "hereof", "herein", and "herewith" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole and not to any particular provision of this Agreement; and
- (h) references to months are to calendar months.

6.3 Schedules.

The parties acknowledge and agree that any exception to a representation and warranty contained in any of the Schedules to this Agreement shall be deemed to also be included on each other Schedule to this Agreement to the extent that it is reasonably apparent from such disclosure and without reference to any other documents that such exception is applicable to such other Schedule. Certain information set forth in the Schedules is included solely for informational purposes and may not be required to be disclosed pursuant to this Agreement, and the disclosure of any information shall not be deemed to constitute an acknowledgment that such information is required to be disclosed in connection with the representations and warranties made by the Parent and the Seller or the Purchaser, as the case may be, in this Agreement or that it is material, nor shall such information be deemed to establish a standard of materiality.

ARTICLE VII
SURVIVAL

The Parent's and the Seller's representations and warranties with respect to Taxes contained in Section 2.14 will survive the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the Closing Date and will continue in full force and effect until the Closing and then expire with respect to any theretofore unasserted claims arising out of or otherwise in respect of any falsity, breach or inaccuracy of such representations and warranties. The respective representations and warranties of the Parent and the Seller and of the Purchaser contained in this Agreement (other than the Parent's and the Seller's representations and warranties with respect to capitalization contained in Section 2.4, title contained in Section 2.4 and Section 2.21, infringement, misappropriation or violation of Intellectual Property contained in Section 2.13(c)(iii), Taxes contained in Section 2.14 and environmental matters contained in Section 2.16) will survive the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the Closing Date and will continue in full force and effect until the date which is the later of (i) one year after the Closing Date or (ii) November 30, 2003, and then terminate and expire with respect to any theretofore unasserted claims arising out of or otherwise in respect of any falsity, breach or inaccuracy of such representations and warranties. The Parent's and the Seller's representations and warranties with respect to infringement, misappropriation or violation of Intellectual Property contained in Section 2.13(c)(iii) will survive the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the Closing Date and will continue in full force and effect until thirty months after the Closing Date and then terminate and expire with respect to any theretofore unasserted claims arising out of or otherwise in respect of any falsity, breach or inaccuracy of such representations and warranties. The Parent's and the Seller's representations and warranties with respect to environmental matters contained in Section 2.16 will survive the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the Closing Date and will continue in full force and effect until three years after the Closing Date and then terminate and expire with respect to any theretofore unasserted claims arising out of or otherwise in respect of any falsity, breach or inaccuracy of such representations and warranties. The Parent's and the Seller's representations and warranties with respect to capitalization contained in Section 2.4 and title contained in Section 2.4 and Section 2.21 will survive the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby and the Closing Date and will continue in full force and effect without time limitation.



ARTICLE VIII
INDEMNIFICATION

8.1 Indemnification by the Parent and the Seller.

The Parent and the Seller shall, jointly and severally, indemnify, defend and hold harmless the Purchaser and its Affiliates (including the Company Group) and their respective employees, directors, officers and representatives (collectively, the "Purchaser Group") from and against, and pay or reimburse, as the case may be, the Purchaser Group for, any and all Losses, as incurred, suffered by the Purchaser or any other member of the Purchaser Group based upon, arising out of or resulting from:

(a) any falsity, breach or inaccuracy on the date of this Agreement or on the Closing Date of any representation or warranty made by the Parent or the Seller in this Agreement (including those contained in Article II, but excluding Section 2.14) or in any certificate delivered pursuant to Section 5.3;

(b) any breach or violation of any covenant or agreement of the Parent or the Seller contained in this Agreement (including Section 4.20, but excluding Sections 4.7, 4.8, 4.9 and 4.10);

(c) any and all Liabilities based upon, arising out of or resulting from incentive arrangements with employees or other Persons relating to the sale or other disposition of the Company Group or the business or assets of the Company Group, including Liabilities of the Parent or its Affiliates under Supplemental Severance Agreements (other than Liabilities for Post-Closing Severance Payments);

(d) any and all Liabilities for and relating to any indebtedness for borrowed money of the Company Group (including principal, interest, fees, penalties and other amounts payable with respect thereto) outstanding at any time prior to or on the Closing Date (whether such Liabilities are asserted prior to, on or after the Closing Date); or

(e) any and all Liabilities, whether arising before, on or after the Closing Date, relating to any "employee pension benefit plan" under Section 3(2) of ERISA subject to Title IV of ERISA which is sponsored, maintained or contributed to by the Company Group or its ERISA Affiliates.

8.2 Indemnification by the Purchaser.

The Purchaser shall indemnify, defend and hold harmless the Seller and its Affiliates and their respective employees, directors, officers and representatives (collectively, the "Seller Group") from and against, and pay or reimburse, as the case may be, the Seller Group for, any and all Losses, as incurred, suffered by the Seller or any other member of the Seller Group based upon, arising out of or resulting from:

- (a) any falsity, breach or inaccuracy on the date of this Agreement or on the Closing Date of any representation or warranty made by the Purchaser in this Agreement or in any certificate delivered pursuant to Section 5.2;
- (b) any breach or violation of any covenant or agreement of the Purchaser contained in this Agreement; or
- (c) Post-Closing Severance Payments.

8.3 Procedures for Indemnification.

(a) If a claim or demand is made against an Indemnitee by any Person (other than a Governmental Authority) who is not a party to this Agreement (and who is not an Affiliate of a party to this Agreement) (a "Third Party Claim") as to which a party (the "Indemnifying Party") may be obligated to provide indemnification pursuant to this Agreement other than with respect to matters covered by Section 4.9, such Indemnitee will notify the Indemnifying Party in writing, and in reasonable detail, of the Third Party Claim reasonably promptly after becoming aware of such Third Party Claim; provided, however, that failure to give any such notification will not affect the indemnification provided hereunder except to the extent such failure results in a lack of actual notice to the Indemnifying Person and the Indemnifying Party shall have demonstrated that it has been actually prejudiced as a result of such failure.

(b) If a Third Party Claim is made against an Indemnitee and the Indemnifying Party unconditionally and irrevocably acknowledges in writing its obligation to indemnify the Indemnitee therefore, the Indemnifying Party will be entitled to assume the defense thereof (at the expense of the Indemnifying Party) with counsel selected by the Indemnifying Party that is reasonably satisfactory to the Indemnitee. Should the Indemnifying Party so elect to assume the defense of a Third Party Claim, the Indemnifying Party will not be liable to the Indemnitee for any legal or other expenses subsequently incurred by the Indemnitee in connection with the defense thereof as long as the Indemnifying Party diligently conducts such defense; provided, that if in any Indemnitee's reasonable judgment a conflict of interest exists in respect of such claim, such Indemnitee will have the right to employ separate counsel to represent such

Indemnitee and in that event the reasonable fees and expenses of such separate counsel will be paid by such Indemnifying Party. If the Indemnifying Party assumes the defense of any such Third Party Claim, each Indemnitee will have the right to participate in the defense thereof and to employ counsel, at its own expense, separate from the counsel employed by the Indemnifying Party. If the Indemnifying Party assumes the defense of any such Third Party Claim, the Indemnifying Party will promptly supply to the Indemnitee copies of all material correspondence and pleadings relating to or in connection with such Third Party Claim and keep the Indemnitee fully informed of all material developments relating to or in connection with such Third Party Claim (including providing to the Indemnitee on request updates and summaries as to the status thereof). If the Indemnifying Party chooses to defend a Third Party Claim, all the Indemnitees will reasonably cooperate with the Indemnifying Party in the defense thereof (reasonable out-of-pocket expenses of such cooperation to be at the expense of the Indemnifying Party).

(c) No Indemnifying Party will consent to any settlement, compromise or discharge (including the consent to entry of any judgment) of any Third Party Claim without the Indemnitee's prior written consent (which consent will not be unreasonably withheld or delayed); provided, that if the Indemnifying Party unconditionally and irrevocably acknowledges in writing its obligation to indemnify the Indemnitee for a Third Party Claim, the Indemnitee will agree to any settlement, compromise or discharge of such Third Party Claim which the Indemnifying Party may recommend and which by its terms obligates the Indemnifying Party to pay the full amount of Losses in connection with such Third Party Claim and unconditionally and irrevocably releases the Indemnitee and its Affiliates (pursuant to a release which is reasonably satisfactory to the Indemnitee) completely from all Liability in connection with such Third Party Claim, provided, however, that the Indemnitee may refuse to agree to any such settlement, compromise or discharge (x) that provides for injunctive or other nonmonetary relief affecting the Indemnitee or any of its Affiliates or (y) that, in the reasonable opinion of the Indemnitee, would otherwise adversely affect in any material respect the Indemnitee or any of its Affiliates. If the Indemnifying Party unconditionally and irrevocably acknowledges in writing its obligation to indemnify the Indemnitee for a Third Party Claim or a claim made against an Indemnitee by a Governmental Authority as to which the Indemnifying Party may be obligated to provide indemnification pursuant to this Agreement (other than with respect to matters covered by Section 4.9), the Indemnitee will not (unless required by Law) admit any liability with respect to, or settle, compromise or discharge, such Third Party Claim or other claim without the Indemnifying Party's prior written consent (which consent will not be unreasonably withheld).

(d) Any claim on account of Losses which does not involve a Third Party Claim shall be asserted by written notice given by the Indemnitee to the

Indemnifying Party from whom such indemnification is sought within the applicable time period set forth in Section 8.5.

8.4 Certain Rights and Limitations.

(a) No monetary amount shall be payable by the Parent or the Seller to any member of the Purchaser Group with respect to the indemnification of any claims pursuant to Section 8.1(a) (other than with respect to the Parent's and the Seller's representations and warranties with respect to capitalization contained in Section 2.4, title contained in Sections 2.4 and 2.21 and absence of undisclosed liabilities contained in Section 2.7) until the aggregate amount of Losses actually incurred by the Purchaser Group with respect to such claims exceeds One Million Dollars (\$1,000,000) in the aggregate, in which event the Parent and the Seller shall be responsible for the full amount of such Losses that exceed Five Hundred Thousand Dollars (\$500,000) in the aggregate. No monetary amount shall be payable by the Parent or the Seller to any member of the Purchaser Group with respect to any individual claims pursuant to Section 8.1(a) unless the aggregate Losses relating thereto and to all other claims arising from the same or related facts, events or circumstances exceed Ten Thousand Dollars (\$10,000) (and such individual claims which do not exceed \$10,000 shall not be aggregated for purposes of the immediately preceding sentence of this Section 8.4(a)).

(b) No monetary amount shall be payable by the Purchaser to any member of the Seller Group with respect to the indemnification of any claims pursuant to Section 8.2(a) until the aggregate amount of Losses actually incurred by the Seller Group with respect to such claims exceeds One Million Dollars (\$1,000,000) in the aggregate, in which event the Purchaser shall be responsible for the full amount of such Losses that exceed Five Hundred Thousand Dollars (\$500,000) in the aggregate. No monetary amount shall be payable by the Purchaser to any member of the Seller Group with respect to any individual claims pursuant to Section 8.2(a) unless the aggregate Losses relating thereto and to all other claims arising from the same or related facts, events or circumstances exceed Ten Thousand Dollars (\$10,000) (and such individual claims which do not exceed \$10,000 shall not be aggregated for purposes of the immediately preceding sentence of this Section 8.4(b)).

(c) No monetary amount shall be payable by the Parent or the Seller to any member of the Purchaser Group with respect to the indemnification of any claims pursuant to Section 8.1(a) (other than with respect to the Parent's and the Seller's representations and warranties with respect to capitalization contained in Section 2.4 and title contained in Sections 2.4 and 2.21) if the aggregate amount of Losses already paid by the Parent or the Seller to members of the Purchaser Group with respect to such claims equals or exceeds Twenty-Four Million Dollars (\$24,000,000).

(d) No loss, liability, damage or deficiency shall constitute Losses to any party to the extent of any insurance proceeds actually received by such party with respect to such loss, liability, damage or deficiency (after deducting (i) increased insurance premiums and charges related directly and solely thereto and (ii) reasonable costs and expenses (including legal fees and expenses) incurred in connection with recovery of such proceeds).

(e) The amount of Losses for which indemnification is provided under this Agreement will be (i) increased to take account of any Tax cost incurred (grossed up for such increase) by the Indemnified Party arising from the receipt of indemnity payments hereunder (unless such indemnity payment is treated as an adjustment to the purchase price for tax purposes) and (ii) reduced to take account of any Tax benefit realized by the Indemnified Party arising from the incurrence or payment of any such Losses. In computing the amount of any such Tax cost or Tax benefit, the Indemnified Party will be deemed to be subject (A) to the applicable Federal income taxes at the maximum statutory rate then in effect and (B) to State and local Taxes (if applicable) at a combined State and local Tax rate of three percent, which will be tax effected at such maximum Federal rate. Any indemnity payment made pursuant to this Agreement will be treated as an adjustment to the purchase price for Tax purposes unless a determination (as defined in Section 1313 of the Code) or a similar event under foreign Tax Law with respect to the Indemnified Party causes any such payment not to constitute an adjustment to the purchase price for United States Federal income tax purposes or foreign Tax purposes, as the case may be.

(f) None of the Parent, the Seller or the Purchaser shall have any obligation to indemnify any Indemnitee pursuant to Section 8.1(a) or Section 8.2(a) against such Indemnitee's own punitive, exemplary, lost profits, consequential or similar damages arising out of a breach by the Parent, the Seller or the Purchaser of its representations and warranties under this Agreement. Nothing in this Section 8.4(f) shall prevent any Indemnitee from being indemnified for all components of claims and awards against such Indemnitee by third parties, including punitive, exemplary, lost profits, consequential or similar damage components.

(g) The indemnity provided for in this Article VIII shall be the sole and exclusive remedy of the Purchaser Group, on the one hand, and the Seller Group, on the other hand, as the case may be, after the Closing for any falsity, breach or inaccuracy of any representation or warranty of the Parent and the Seller or the Purchaser, respectively, herein that is referred to in clause (a) of Section 8.1 or clause (a) of Section 8.2, respectively; provided that nothing herein shall limit in any way any such Person's remedies for or in respect of (i) fraud or intentional misrepresentation or omission by or on behalf of any party in connection herewith or with the transactions



contemplated hereby or (ii) rights or remedies which, as a matter of applicable Law or public policy, cannot be limited or waived.

8.5 Termination of Indemnification Obligations.

The obligations of each party to indemnify, defend and hold harmless Indemnitees (a) pursuant to Sections 8.1(a) and 8.2(a), shall terminate when the applicable representation or warranty expires pursuant to Article VII and (b) pursuant to Sections 8.1(b), 8.2(b), 8.2(c), 8.1(c), 8.1(d) and 8.1(e), shall terminate upon the expiration of all applicable statutes of limitation (giving effect to any extensions thereof); provided, however, that as to each of clauses (a) and (b) above, such obligations to indemnify, defend and hold harmless shall not terminate with respect to any individual item as to which the Indemnitee shall have, before the expiration of the applicable period, made a claim by delivering a notice (stating in reasonable detail the basis of such claim) to the Indemnifying Party.

8.6 Waiver.

The satisfaction or waiver of any condition based on the accuracy of any representation or warranty pursuant to this Agreement, or on the performance of or compliance with any covenant, agreement or obligation pursuant to this Agreement, will not affect any right to indemnification, payment of Losses or other remedy based on such representations, warranties, covenants, agreements or obligations.

ARTICLE IX GENERAL PROVISIONS

9.1 Captions; Currency.

The article, section and paragraph captions herein and the table of contents hereto are for convenience of reference only, do not constitute part of this Agreement and will not be deemed to limit or otherwise affect any of the provisions hereof. Unless otherwise specified, all references contained in this Agreement, in any schedule referred to herein or in any instrument or document delivered pursuant hereto to dollars or "\$" shall mean United States Dollars.

9.2 Modification; Waiver.

This Agreement may be modified only by a written instrument executed by the parties. Any of the terms and conditions of this Agreement may be waived in writing at any time by the party entitled to the benefits of the terms and conditions being waived.

9.3 Entire Agreement.

This Agreement, including the Schedules (which are hereby incorporated by reference and made a part of this Agreement), and the Confidentiality Agreement contain the entire agreement of the parties with respect to the subject matter of this Agreement and the Confidentiality Agreement, and supersede all other prior agreements, understandings, statements, representations and warranties, oral or written, express or implied, between the parties and their respective Affiliates, representatives and agents in respect of the subject matter of this Agreement and the Confidentiality Agreement.

9.4 Exclusivity of Representations and Warranties; Relationship Between the Parties.

It is the explicit intent and understanding of each of the parties that no party or any of their Affiliates, representatives or agents is making any representation or warranty whatsoever, oral or written, express or implied, other than those set forth in this Agreement or in any certificate delivered pursuant to Section 5.2 or Section 5.3 and no party is relying on any representation or warranty, oral or written, express or implied, made by the other parties or such other party's Affiliates, representatives or agents, except for the representations and warranties set forth herein or in any certificate delivered pursuant to Section 5.2 or Section 5.3. EXCEPT AS OTHERWISE SPECIFICALLY SET FORTH IN THIS AGREEMENT OR ANY CERTIFICATE DELIVERED PURSUANT TO SECTION 5.3, THE PARTIES EXPRESSLY DISCLAIM ANY IMPLIED WARRANTY OR REPRESENTATION AS TO CONDITION, MERCHANTABILITY OR SUITABILITY AS TO ANY OF THE ASSETS OF THE BUSINESS OF THE COMPANY GROUP TAKEN AS A WHOLE. The parties agree that this is an arm's length transaction in which the parties' undertakings and obligations are limited to the performance of their obligations under this Agreement. All representations, warranties, covenants and agreements made by the Seller or any Seller Affiliates in this Agreement or any certificate delivered pursuant to Section 5.3 shall be unaffected by any investigation made by or on behalf of the Purchaser or any of its Affiliates (whether before, on or after the date hereof or before, on or after the Closing Date) or knowledge obtained (or capable of being obtained) as a result thereof or otherwise.

9.5 Termination.

(a) This Agreement may be terminated and the transactions contemplated hereby abandoned at any time prior to the Closing Date:

(i) by the mutual written agreement of the Purchaser and the Seller;

(ii) by written notice by the Purchaser to the Seller or by the Seller to the Purchaser, if the Closing Date shall not have occurred on or before September 30, 2002, except that neither the Purchaser, on the one hand, nor the Seller, on the other hand, may so terminate this Agreement if the absence of such occurrence is due to the breach by the Purchaser, on the one hand, or the Parent or the Seller, on the other hand, of any of its representations, warranties, covenants or agreements under this Agreement;

(iii) by written notice by the Purchaser to the Seller or by the Seller to the Purchaser, if there shall be any Law that makes consummation of the transactions contemplated hereby illegal or otherwise prohibited or if any court of competent jurisdiction or other Governmental Authority shall have issued an order, decree or ruling or taken any other action permanently restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby, and such order, decree, ruling or other action shall not be subject to appeal or shall have become final and unappealable;

(iv) by written notice by the Purchaser to the Seller, if there shall have been a breach of any representation, warranty, covenant or agreement on the part of the Parent or the Seller set forth in this Agreement, or if any representation or warranty of the Parent or the Seller set forth in this Agreement shall have become untrue, in any such case such that the conditions set forth in Section 5.3(a) would not be satisfied as of such time, provided that if such breach is curable by the Parent or the Seller, as applicable, prior to September 30, 2002 through the exercise of its reasonable best efforts, then for so long as the Parent or the Seller, as applicable, continues to exercise such reasonable best efforts to cure the same, the Purchaser may not terminate this Agreement pursuant to this Section 9.5(a)(iv); or

(v) by written notice by the Seller to the Purchaser, if there shall have been a breach of any representation, warranty, covenant or agreement on the part of the Purchaser set forth in this Agreement, or if any representation or warranty of the Purchaser set forth in this Agreement shall have become untrue, in any such case such that the conditions set forth in Section 5.2(a) would not be satisfied as of such time, provided that if such breach is curable by the Purchaser prior to September 30, 2002 through the exercise of its reasonable best efforts, then for so long as the Purchaser continues to exercise such reasonable best efforts to cure the same, the Seller may not terminate this Agreement pursuant to this Section 9.5(a)(v).

(b) In the event of the termination of this Agreement pursuant to Section 9.5(a), this Agreement (other than with respect to Section 4.3(b), Section 4.5, this

Section 9.5 and Section 9.6, which shall continue in effect) shall thereafter become void and have no effect, without any liability on the part of any party or its Affiliates or representatives in respect thereof, except that nothing herein will relieve any party or any of its Affiliates from liability for any breach of this Agreement.

(c) If the transactions contemplated by this Agreement are terminated as provided in this Section 9.5:

(i) the Purchaser will return to the Seller all documents and other materials received from the Seller, its Affiliates or its agents (including all copies of or materials developed from any such documents or other materials) relating to the transactions contemplated by this Agreement, whether obtained before or after the execution of this Agreement; and

(ii) all confidential information received by the Purchaser with respect to the Seller and its Affiliates will be treated in accordance with the Confidentiality Agreement, which will remain in full force and effect notwithstanding the termination of this Agreement.

(d) If either the Purchaser or the Seller shall terminate this Agreement pursuant to Section 9.5(a)(ii) without the Seller obtaining all Consents required under financing arrangements of the Seller and the Seller Affiliates in connection with the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby and the unconditional and irrevocable release of all Liens on the Shares and the assets and properties of the Company Group thereunder, then, unless the condition set forth in Section 5.2(a) has not been fulfilled or waived as of September 30, 2002 (assuming that the Closing were to occur on such date), the Parent and the Seller shall, within three days after the Purchaser's written request therefor, pay to the Purchaser an amount equal to the Purchaser Expense Amount by wire transfer of immediately available funds. The parties agree that any remedy or amount payable pursuant to this Section 9.5(d) shall not preclude any other remedy or amount payable hereunder, and shall not be an exclusive remedy, for any breach of any provision of this Agreement.

9.6 Expenses.

Except as expressly provided in this Agreement, whether or not the transactions contemplated in this Agreement are consummated, each party hereto will be responsible for its own fees and expenses incident to the preparation and performance of this Agreement and the transactions contemplated hereby; provided, that this Section 9.6 shall not limit any Person's right to recover Losses for any breach of this Agreement.



9.7 Severability.

If any provision of this Agreement or the application thereof to any Person or circumstance is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to Persons or circumstances other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

9.8 Notices.

All notices, requests, demands and other communications under this Agreement must be in writing and will be deemed to have been duly given or made as follows: (a) if sent by registered or certified mail in the United States return receipt requested, upon receipt; (b) if sent by reputable overnight air courier, two business days after mailing; (c) if sent by facsimile transmission, with a copy mailed on the same day in the manner provided in (a) or (b) above, when transmitted and receipt is confirmed by telephone; (d) if e-mailed, with a copy mailed on the same day in the manner provided in (a) or (b) above, when e-mail confirmation is received; or (e) if otherwise actually personally delivered, when delivered, and shall be delivered as follows:

if to the Parent or the Seller:

Acterna LLC
20410 Observation Drive
Germantown, Maryland 20876

Telecopy: (301) 353-1536
Attention: General Counsel
E-Mail: rick.goshorn@acterna.com

with a copy to:

Debevoise & Plimpton
919 Third Avenue
New York, New York 10022

Telecopy: 212-909-6836
Attention: Paul S. Bird, Esq.
E-Mail: psbird@debevoise.com

if to the Purchaser:

Rockwell Collins, Inc.
400 Collins Road N.E.
Cedar Rapids, Iowa 52498

Telecopy: (319) 295-3599
Attention: Gary R. Chadick, Esq.
Senior Vice President,
General Counsel and Secretary
E-mail: grchadic@rockwellcollins.com

with a copy to:

Chadbourne & Parke LLP
30 Rockefeller Plaza
New York, New York 10112

Telecopy: (212) 541-5369
Attention: Peter R. Kolyer, Esq.
E-mail: pkolyer@chadbourne.com

or to such other address or to such other Person as any party may have last designated by notice to the other parties.

9.9 Assignment.

This Agreement will be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. No party to this Agreement will convey, assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Seller (in the case of an assignment by the Purchaser) or of the Purchaser (in the case of an assignment by the Parent or the Seller), except that the Purchaser may (without obtaining any consent) assign its rights, interests or obligations under this Agreement, in whole or in part, to any successor to all or any portion of its business or to any Affiliate of the Purchaser upon written notice to the Seller. Any conveyance, assignment or transfer requiring the prior written consent of the Seller or the Purchaser which is made without such consent will be void ab initio. No assignment of this Agreement will relieve the assigning party of its obligations hereunder.

9.10 No Third-Party Beneficiaries.

Except as otherwise provided in this Agreement, nothing in this Agreement will confer any rights upon any Person which is not a party or a successor or permitted assignee of a party to this Agreement, except that members of the Purchaser Group and the Seller Group will be entitled to the rights to indemnification provided to the Purchaser Group and the Seller Group, respectively, hereunder.

9.11 Counterparts.

This Agreement may be executed in counterparts, each of which will constitute one and the same instrument.

9.12 Governing Law.

This Agreement will be construed, performed and enforced in accordance with the laws of the State of New York without giving effect to its principles or rules of conflict of laws thereof to the extent such principles or rules would require or permit the application of the laws of another jurisdiction.

9.13 Consent to Jurisdiction, etc.

(a) Subject to Section 1.2, each of the parties (on behalf of itself and its Affiliates) hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of any New York State court or Federal court of the United States of America sitting in New York City, and any appellate court from any thereof, in any suit, action or proceeding arising out of or relating to this Agreement or any agreement or document executed pursuant hereto, the transactions contemplated by this Agreement or by any agreement or document executed pursuant hereto or any provision hereof or thereof, or the breach, performance, validity or invalidity hereof or thereof, or for recognition or enforcement of any judgment relating thereto (and agrees not to commence any suit, action or proceeding relating thereto except in such courts), and each of the parties (on behalf of itself and its Affiliates) hereby irrevocably and unconditionally agrees that all claims in respect of any such suit, action or proceeding may be heard and determined in such New York State court or, to the extent permitted by law, in such Federal court. Each of the parties (on behalf of itself and its Affiliates) agrees that a final judgment in any such suit, action or proceeding will be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(b) Each of the parties (on behalf of itself and its Affiliates) hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively

do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or any agreement or document executed pursuant hereto, the transactions contemplated by this Agreement or by any agreement or document executed pursuant hereto or any provision hereof or thereof, or the breach, performance validity or invalidity hereof or thereof in any New York State or Federal court sitting in New York City. Each of the parties (on behalf of itself and its Affiliates) hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such suit, action or proceeding in any such court.

(c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 9.8. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

9.14 Waiver of Jury Trial.

EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY AGREEMENT OR DOCUMENT EXECUTED PURSUANT HERETO, THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR BY ANY AGREEMENT OR DOCUMENT EXECUTED PURSUANT HERETO, ANY PROVISION HEREOF OR THEREOF, OR THE BREACH, PERFORMANCE, VALIDITY OR INVALIDITY HEREOF OR THEREOF.

9.15 Waiver; Remedies.

No failure or delay on the part of any party hereto in exercising any right, power or privilege under this Agreement will operate as a waiver thereof, nor will any waiver on the part of any party hereto of any right, power or privilege under this Agreement operate as a waiver of any other right, power or privilege under this Agreement, nor will any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege under this Agreement. The rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies which the parties may otherwise have at law or in equity.

9.16 Specific Performance.

In the event of any actual or threatened default in, or breach of, any of the terms or provisions of this Agreement, the party who is or is to be thereby aggrieved will have the right of specific performance and injunctive relief giving effect to its rights under this Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies will be cumulative. The parties agree that any such default or breach or threatened default or breach would cause irreparable injury, that the remedies at law for any such default or breach or threatened default or breach, including monetary damages, are inadequate compensation for any loss and that any defense in any action for specific performance that a remedy at law would be adequate is waived.

9.17 Performance by Affiliates.

The Seller will cause to be performed and hereby guarantees the performance of all actions, agreements and obligations set forth herein to be performed by the Seller Affiliates (including, prior to the Closing, the Company Group). The Parent will cause to be performed and hereby guarantees the performance of all actions, agreements and obligations set forth herein to be performed by the Seller and the Seller Affiliates (including, prior to the Closing, the Company Group).

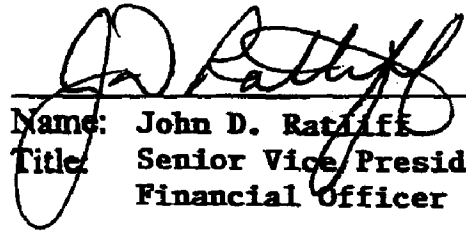
*(the remainder of this page intentionally left blank -
signature page follows)*



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

ACTERNA CORPORATION

By: _____


Name: John D. Ratliff
Title: Senior Vice President and Chief
Financial Officer

ACTERNA LLC

By: _____


Name: John D. Ratliff
Title: Senior Vice President and Chief
Financial Officer

ROCKWELL COLLINS, INC.

By: _____

Name:
Title:

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

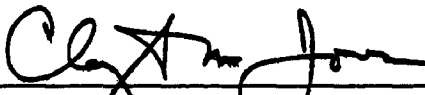
ACTERNA CORPORATION

By: _____
Name:
Title:

ACTERNA LLC

By: _____
Name:
Title:

ROCKWELL COLLINS, INC.

By:  _____
Name: Clayton Jones
Title: Chairman, President and Chief Executive Officer

§ 2.13(a) Specified Intellectual Property

Patent Status Report – U.S. Cases.

<u>Docket No.</u>	<u>File Date</u>	<u>App. No.</u>	<u>Patent Date</u>	<u>Patent No.</u>	<u>Description</u>	<u>Status</u>
ASII-JO9	03/23/87	07/028,902	12/04/90	4,975,696	Real Time Flight and Destination Display for Aircraft Passengers	Maintenance Fee Payment Pending
ASII-AC83	09/20/91	07/763,370	05/04/93	5,208,590	Flight Phase Information Display System For Aircraft Passengers	Maintenance Fee due 11/04/04
AIR1-BK85	09/21/00	09/666,209			Remote Configuration Mechanism for Avionics	Pending
AIR1-BK86	09/21/00	09/666,986			E-mail Attachment Handling Mechanism	Pending
AIR1-BK87	09/21/00	09/666,428			Airborne e-mail Data Transfer Protocol	Pending
AIR1-BL10	06/19/00	09/597,903			Direct Drive LCD Retractor	Claims allowed. Response to Final Office Action/Not. of Appeal due 6/26/02
AIR1-BM79	02/22/01	09/791,100			A system and method for automatically triggering events shown on aircraft displays	Amendment Pending
AIR1-BN51	03/02/01	09/79,491			A method and system for providing audio, video and data to devices on an aircraft	Pending

Patent Status Report – European Case.

<u>Docket No.</u>	<u>File Date</u>	<u>App. No.</u>	<u>Patent Date</u>	<u>Patent No.</u>	<u>Description</u>	<u>Status</u>
ASII-AC83-EPC	03/24/92	92302517.5	01/24/96	0533310	EPC patent for Flight Phase Information Display System for Aircraft Passengers	12 th Annuity due 3/24/03