

10-12-2007

U.S. DEPARTMENT OF COMMERCE
United States Patent and Trademark Office



103452519

To the Director of the U.S. Patent and Trademark Office

Documents or the new address(es) below.

1. Name of conveying party(ies)

James D. Bonner

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

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

Execution Date(s) 09/27/2007

- ☒ Assignment ☐ Merger
☐ Security Agreement ☐ Change of Name
☐ Joint Research Agreement
☐ Government Interest Assignment
☐ Executive Order 9424, Confirmatory License
☐ Other

2. Name and address of receiving party(ies)

Name: Magnum Global Sales, LLC

Internal Address: Ste. 209

Street Address: 43 Village Way

City: Hudson

State: OH

Country: USA Zip: 44236

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

4. Application or patent number(s):

☐ This document is being filed together with a new application.

A. Patent Application No.(s)

11/450176

B. Patent No.(s)

Additional numbers attached? ☐ Yes ☒ No

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

Name: John D. Gugliotta

Internal Address: Suite 200

Street Address: 6100 Oak Tree Boulevard

City: Independence

State: OH Zip: 44131

Phone Number: 330-659-0065

Fax Number: 330-253-6658

Email Address: johng@pctlawgroup.com

6. Total number of applications and patents involved: 10/073714

7. Total fee (37 CFR 1.21(h) & 3.41) \$40.

- ☐ 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 _____
Authorized User Name _____

9. Signature:

Signature

John D. Gugliotta

Name of Person Signing

Date

10/02/2007

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

14

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

10/11/2007 DBYRNE 00000086 11/450176
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PATENT
REEL: 019961 FRAME: 0412

ASSET PURCHASE AGREEMENT

THIS AGREEMENT, made and entered into effective as of the 27 day of SEP, 2007 by and among James D. Bonner ("Seller"), and Magnum Global Sales, LLC ("Buyer"), is to evidence the following agreements and understandings:

WITNESSETH:

WHEREAS, Seller has been engaged in developing and obtaining certain patents (the "Business"); and

WHEREAS, Buyer desires to purchase from Seller, and Seller desires to sell to Buyer, all of the assets used in the Business; and

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

SECTION 1 PURCHASE OF ASSETS

1.1 Sale of Assets.

(a) Subject to the terms and conditions of this Agreement, Seller does hereby sell, transfer, assign, grant, set-over, convey and deliver to Buyer, free and clear of all mortgages, security interests, liens, charges and other encumbrances of title, all of its business, properties, rights and assets of every kind, character or description, whether tangible, intangible, personal or mixed.

The properties, rights and assets being purchased hereunder are sometimes hereinafter referred to as the "Assets" which include, without limitation, the following:

- (i) All Patents (which are currently pending), Inventory, supplies, and equipment owned by Seller with respect to the Business, relating to the venture known as the "hanger" invention further identified in the attached Exhibit A;
- (ii) All of Seller's goodwill with respect to the Business;
- (iii) Originals or, to the extent originals are unavailable, true and complete copies of all books, accounts, and records relating to or associated with the Business, including, without limitation, all files, correspondence, credit and sales records, customer lists, supplier lists, employment records and any confidential information reduced to writing, and all other records.
- (iv) All of Seller's patents, governmental and regulatory permits,

licenses, franchises, certifications, authorizations, registrations, approvals and applications therefor, if any, applicable to the Business, each to the extent transferable; and

- (v) All other rights, properties and assets of Seller in connection with the Business of every kind whatsoever and wherever situated.

(b) The Assets shall be conveyed to Buyer by execution and delivery of a General Assignment and Bill of Sale mutually agreeable to Buyer and Seller.

1.2 Consideration.

Upon the terms and subject to the conditions set forth in this Agreement and in exchange for the Assets, Buyer shall pay to Seller \$10.00 and other consideration as stated herein. Additionally, Seller shall receive a royalty as follows per unit on all net factory sales of the products mentioned on Exhibit "A":

- (a) Twelve cents (12/100) per hanger sold to third party purchasers, less any returns.

The royalty shall be paid quarterly after the receipt of the subject revenue by the company. Each payment to Seller shall include a sales summary. The royalty payment herein is subject to Seller completing all terms herein and Seller fulfilling all obligations as stated in this Asset Purchase Agreement.

1.3 Assumption of Liabilities.

Buyer and Seller agree that Buyer is not purchasing, assuming, or accepting any debts, liabilities or obligations whatsoever of Seller, contingent or non-contingent, liquidated or unliquidated, asserted or unasserted, all of which remain the debts, liabilities, and obligations of Seller.

1.4 Unassumed Liabilities.

Without limiting the generality of the provisions of Section 1.3 hereof, Buyer shall not assume or be liable to Seller or any other person or entity for or in respect of the following liabilities or obligations of Seller or any Affiliate of Seller (collectively, the "Unassumed Liabilities"):

- (a) Any debt, liability or obligation of Seller to taxing or other governmental authorities for any foreign or domestic, federal, state or local income taxes or similar taxes based upon the income of Seller for periods ending on or prior to the Closing Date.

- (b) Any taxes arising in connection with the sale of Assets or the consummation of the transactions contemplated by this Agreement;

- (c) Any debt, liability or obligation (including, but not limited to, debts, liabilities or obligations of Seller to any bank or institutional lender) with respect to any event which shall have occurred on or prior to the Closing Date whether or not such event and the liability relating thereto is insured against under any of the coverages under the insurance policies and/or self-insurance programs of Seller;

(d) Any debt, liability, or obligation of Seller under or in respect of any Plan, whether or not imposed prior to the Closing Date;

(e) Any debt, liability or obligation of Seller to any of his partners arising out of the transactions contemplated hereby.

(f) Except as expressly provided for in this Agreement, any sales orders, commitment, arrangement or contract between Seller (or any Affiliate) and customers which have been notified that further service would be performed in the future by Seller.

(g) Any insurance premiums or other costs of insurance;

(h) All claims of creditors except as specifically disclosed to Buyer in this Agreement or any Exhibit or Schedule hereto;

(i) Any debt, liability or obligation of Seller associated with or arising from any Assumed Liability prior to the Closing Date; and

(j) All of Seller's accounts payable.

1.5 No Third Party Beneficiary.

Nothing contained in this Agreement is intended to confer any rights, benefits or privileges on any party other than Seller and Buyer, and no party other than the parties hereto shall have the right to rely upon or enforce, either in its own name or on behalf of a party to this Agreement the obligations arising under this Agreement.

SECTION 2 **CLOSING DATE**

2.1 Closing.

The Closing of the transactions contemplated by this Agreement shall take place contemporaneously with the execution of this Agreement. The transactions contemplated by this Agreement shall be deemed to have occurred and to be effective as of the close of business on such date.

2.2 Deliveries at Closing.

Concurrently with the Closing, Buyer will deliver (or cause to be delivered) to Seller, and Seller will deliver (or cause to be delivered) to Buyer those agreements, certificates, documents and instruments deemed reasonable or necessary by Buyer.

SECTION 3 **REPRESENTATIONS AND WARRANTIES OF SELLER**

In order to induce Buyer to purchase the Assets and perform its other obligations herein, Seller hereby makes the following representations, warranties and covenants, each of which shall be true and correct on the execution hereof and shall be true and correct on the Closing Date as if specifically made thereon.

3.1 Organization, Qualification and Authority of Seller.

(a) No Defaults or Violations. The execution and delivery of this Agreement, and the performance of the obligations of Seller under this Agreement: (i) will not violate, contravene, be in conflict with, result in a breach of or constitute (with or without notice or lapse of time or both) a default under: (A) any provision of law; (B) any order, rule or regulation of any court, arbitrator or other government agency; or (C) any lease, indenture, agreement or other instrument to which Seller may be bound; and (ii) will not result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon the Assets.

(b) Power and Authority to Enter Into Agreements. Seller has the right, power, legal capacity, and authority to enter into and perform their respective obligations under this Agreement and the other agreements provided for herein.

(c) No Consent, Approval or Authorization Required. No consent, approval or authorization of, or registration, declaration, or filing with any court, governmental authority (federal, state or local), collective bargaining unit, lending institution or other third party is required in connection with the execution and deliver by Seller of this Agreement or their performance of, or compliance with, the terms, provisions, and conditions hereof.

(d) Due Execution and Enforceability. The execution, delivery and performance of this Agreement and the other agreements provided for herein by and on behalf of Seller. This Agreement and the other agreements provided for herein constitute the valid and legally binding obligations of Seller, enforceable against them in accordance with their respective terms and conditions.

3.2 Mortgages, Security Interests, Liens and Other Encumbrances of Title.

Seller has good and marketable title to all of the Assets to be transferred to Buyer hereunder, free and clear of all mortgages, security interests, liens, claims, leasehold interests or other encumbrances of title.

3.3 Contracts and Commitments.

Set forth on Schedule 3.3 hereto is a true and complete list and description of each individual outstanding contract, lease or other agreement with respect to the Business. All such contracts, leases and agreements are presently in force and are valid and enforceable in accordance with their respective terms. There does not exist under any of the contracts being assessed by Buyer any existing material default or any condition, event or act which, with notice or lapse of time or both, would constitute a material default by either party to such contracts.

3.4 Pending Claims, Litigation and Governmental Proceedings.

Seller is not subject to any complaint, claim, suit, action, arbitration or regulatory, administrative, zoning or governmental proceeding or investigation, product liability claim, product recall, workers' compensation claim, and there exists no other proceeding or

investigation pending or threatened against or commenced by Seller with respect to the Business.

3.5 Judgments, Orders and Consent Decrees.

Seller is not subject to any judgment, ruling, injunction, order, writ or decree of, or agreement with, any court, arbitrator or regulatory authority limiting, restricting or adversely affecting the conduct of the Business or Seller's ownership of the Assets.

3.6 Labor Matters.

Seller acknowledges that Buyer is not assuming any of Seller's obligations or liabilities in respect of the Business relating to or arising from any agreement, benefit plan or program covering any of the employees of the Business, and that Seller shall bear all liability, if any, caused by or arising from an employee's termination and/or permanent layoff by Seller at or prior to the Closing Date, including but not limited to, severance pay regardless of when such claims may be asserted.

3.7 Compliance with Laws/Governmental Authorizations.

(a) Seller has at all times conducted the Business in compliance and conformity in all material respects with all applicable federal, state and local laws, statutes and ordinances and the rules and regulations promulgated thereunder.

(b) All governmental authorizations issued by any governmental authority and necessary to the operation of the Business or the ownership of the Assets have been obtained by Seller, are in full force and effect.

3.8 Broker's or Finder's Fees.

Seller has not retained the services of any broker in connection with the transaction provided for herein. Should any fee or commission be claimed Seller shall be solely responsible for the payment of any fees due regarding this transaction.

3.9 Survival.

The representations and warranties made by Seller in this Agreement, including but not limited to those contained in Section 3 hereof, shall survive the Closing (irrespective of any investigation of the Business made by Buyer).

SECTION 4 **REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer, in order to induce Seller to sell the Assets and perform its other obligations hereunder, hereby makes the following representations and warranties to Seller and Shareholder, each of which shall be true and correct as of the execution hereof and shall be true and correct on the Closing Date.

4.1 Authority, Enforceability, Etc..

(a) Due Organization. Buyer is a Limited Liability Company duly organized, validly existing and in good standing under the laws of the State of Ohio.

(b) Power and Authority to Enter Into Agreements. Buyer has the power and authority to enter into and perform its obligations under this Agreement and the other agreements provided for herein.

(c) Due Execution and Enforceability. The execution, delivery and performance of this Agreement and the other agreements provided for herein by and on behalf of Buyer have been duly and validly authorized and approved by the members of Buyer, and Buyer has taken all such other action as is necessary or required to enter into, execute and deliver this Agreement and the other agreements provided for herein and to perform Buyer's obligations hereunder and thereunder. This Agreement and the other agreements provided for herein constitute the valid and legally binding obligations of Buyer, enforceable in accordance with their respective terms and conditions (except to the extent the same may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditor's rights generally or by general equitable principles.

4.2 No Breach of Statute or Contract.

Neither the execution and delivery of this Agreement and the other agreements provided for herein, nor compliance with the terms and provisions hereof and thereof on the part of Buyer will breach or violate in any material manner, or constitute a material default under (i) any statute, law, ordinance, rule or regulation of any governmental authority, domestic or foreign, (ii) any of the terms, conditions or provisions of the Articles of Buyer, or (iii) any judgment, order, injunction, decree or material contract, agreement or other instrument to which Buyer is a party or by which any of its properties, rights or assets are bound.

4.3 Broker's or Finder's Fees.

Buyer is represented by Douglas K. Paul of Christley, Herington & Pierce.

4.4 Survival.

The representations and warranties made by Buyer in this Agreement shall survive the Closing and shall be true and correct on and as of the Closing Date as if specifically made thereon.

SECTION 5 COVENANTS OF SELLER

5.1 Taxes.

Seller covenants and agrees that it will prepare and file any tax returns required to be filed by it in respect of the Business for periods ending on or prior to the Closing Date including, without limitation payroll, workers compensation, state and federal unemployment tax returns

and pay all amounts due thereunder.

SECTION 6
CONDITIONS PRECEDENT TO BUYER'S OBLIGATION TO CLOSE

Each and every obligation of Buyer to be performed on the Closing Date shall be subject to the satisfaction on or prior thereto of each of the following conditions:

6.1 No Litigation.

No investigation, suit, action or other proceeding shall be pending or threatened before or by any court of governmental agency against Seller which in the opinion of Buyer, may adversely affect this Agreement or the consummation of the transactions provided for herein.

6.2 Proceedings and Instruments Satisfactory.

All proceedings to be taken by Seller in connection with the transactions contemplated herein, and all documents incident thereto, shall be reasonably satisfactory in form and substance to Buyer; and Seller shall have made available to Buyer for examination the originals or true and correct copies of all documents which Buyer may reasonably request in connection with the transactions contemplated herein.

6.3 Consents and Approvals.

Seller and Buyer shall have obtained all necessary authorizations, consents and approvals required for the valid consummation of the transactions contemplated in this Agreement, and each of them shall be in full force and effect.

SECTION 7
CONDITIONS PRECEDENT TO SELLER'S
OBLIGATION TO CLOSE

Each and every obligation of Seller to be performed on the Closing Date shall be subject to the satisfaction on or prior thereto of each of the following conditions:

7.1 No Litigation.

No investigation, suit, action or other proceeding shall be pending or threatened before or by any court or governmental agency against Buyer which in the opinion of Seller may adversely affect this Agreement or the consummation of the transactions provided for herein.

SECTION 8
FURTHER REQUIREMENTS

8.1 Nondisclosure.

Seller and Buyer shall not disclose, directly or indirectly, the terms of this Agreement, its Schedules or Exhibits, or reveal the existence of this Agreement, its Schedules or Exhibits, to any person, firm, or entity other than their respective attorneys, accountants, lenders, and

representatives who are required to be informed thereof in connection with their representation of the parties in connection with the transactions contemplated herein. No press release or governmental notification, report, or other filing by Seller shall be made without Buyer's approval of the content thereof. Buyer may issue a press release upon the consummation of the transactions contemplated by this Agreement.

8.2 Further Assurances.

Buyer, on the one hand, and Seller, on the other hand, each agree that they will, at any time and from time to time, do, execute, acknowledge and deliver all such further acts, deeds, assignments, transfers, conveyances, powers of attorney and assurances as may be required for the better assigning, transferring, granting, conveying or assuring to Buyer, or its successors or assigns, any or all of the Assets. This is to include, but not limited to, the recording and assignment of any patent(s) regarding the assets herein.

8.3 Initial Tooling/Molding Costs due by Seller.

Seller must pay Fifty Thousand & 00/100 (\$50,000.00) to Buyer to be used for initial tooling/molding of the hanger as determined by the tooling company of Buyer's choice. This payment of Fifty Thousand & 00/100 (\$50,000.00) will be due to Buyer from Seller when the tooling invoice is presented. If the initial/molding cost exceeds Fifty Thousand & 00/100 (\$50,000.00), Buyer will be responsible for this excess cost. Buyer shall be responsible for all tooling after initial tooling/molding.

SECTION 9 **INDEMNIFICATION AND REIMBURSEMENT**

9.1 Indemnification by Seller.

(a) In order to induce Buyer to enter into this Agreement and to consummate transactions contemplated hereby, Seller covenants and agrees to indemnify Buyer (or its nominee) and its members, officers, employees and agents, and their heirs, executors, administrators, personal representatives, successors and assigns (collectively, the "Buyer Indemnified Parties") and shall hold the Buyer Indemnified Parties harmless against and with respect to any and all damage, loss, deficiency, cost and expense (including without limitation, interest, penalties, reasonable attorneys' and accountants' fees and expenses) [collectively, "Loss"] incurred in connection with or arising out of or resulting from or incident to:

- (i) any misrepresentation, omission, breach of warranty, representation or covenant, or non-fulfillment of any obligation on the part of Seller under this Agreement, any certificate, Schedule or Exhibit, or other instrument furnished to Buyer in connection with this Agreement;
- (ii) the activities, operations, debts, liabilities, chooses in action or claims of any nature, absolute or contingent (including, but not

limited to, obligations for taxes and interest and penalties thereon) of Seller prior to the Closing Date;

- (iii) any claims, violations or alleged violations by Seller of any laws, statutes, codes, ordinances, rules or regulations whether foreign or domestic, state, federal or local;
- (iv) the filing (or failure to file) or payment (or non-payment) of any taxes by Seller, pursuant to any federal, state, local or foreign income tax, excise or franchise tax, ad valorem, sales and use tax, payroll tax, and/or F.I.C.A. tax or any deficiencies in any taxes payable by or on behalf of Seller;
- (v) the infringement or alleged infringement by Seller of any patent, trade secret, trademark, trade name, service mark, copy right, or proprietary interest of others;
- (vi) any and all actions, suits, proceedings, demands, assessments, penalties, fines, judgments, costs and legal and other expenses incident to any of the foregoing.

(b) The indemnification obligations of Seller contained in this Section shall survive the Closing.

9.2 Indemnification by Buyer.

(a) In order to induce Seller to enter into this Agreement and to consummate the transactions contemplated hereby, Buyer covenants and agrees to indemnify Seller, his employees, agents, successors and assigns (collectively, the "Seller Indemnified Parties") and shall hold the Seller Indemnified Parties harmless against and with respect to any and all damage, loss, deficiency, cost and expenses including, without limitation, interest, penalties, reasonable attorneys' and accountants' fees) [collectively, "Loss"] incurred in connection with or arising out of or resulting from or incident to:

- (i) a breach of any representation, warranty, covenant or agreement on the part of Buyer under this Agreement or under any document executed and delivered by Buyer in connection herewith;
- (ii) the conduct or operation of the Business by Buyer after the Closing Date (except to the extent such loss results from a breach of any representation, warranty, covenant or agreement on the part of Seller);
- (iii) the failure of Buyer to pay or perform any obligations relating to the Assumed Liabilities arising after the Closing Date; and
- (iv) any and all actions, suits, proceedings, demands, assessments, penalties, fines, judgments, costs and legal and other expenses incident to any of the foregoing.

(b) The indemnification obligations of Buyer contained in this Section shall survive the Closing.

9.3 Claims for Reimbursement.

In the event that the Buyer Indemnified Parties or the Seller Indemnified Parties have suffered any Loss (as hereinabove defined) with respect to any liability or claim to which the foregoing indemnities relate, the Buyer Indemnified Parties or the Seller Indemnified Parties, as the case may be (each an "Indemnified Party"), shall give Seller or Buyer, as the case may be (the "Indemnifying Party"), prompt written notice of such Loss and the Indemnified Party's claim for reimbursement therefor. The Indemnifying Party shall have thirty (30) days from the date of said notice to investigate and dispute the nature, validity or amount of any such claim. During said 30-day period, the Indemnifying Party shall have reasonable access, during normal business hours, to the books and records of the Indemnified Party for the purpose of such investigation. In the event that the Indemnifying Party shall dispute the nature, validity or amount of said claim, the Indemnifying Party shall give the Indemnified Party written notice of such dispute within said 30-day period, and the parties shall attempt in good faith to resolve such dispute.

In the absence of a dispute, the Indemnifying Party shall promptly, and in any event not later than the expiration of said 30-day period, reimburse the Indemnified Party in full for any such Loss, as set forth in the Indemnified Party's notice. In the event that the Indemnifying Party shall dispute only the amount of the claim, the Indemnifying Party shall, concurrently with the delivery of its notice of dispute, pay to the Indemnified Party the undisputed portion of the claim.

In the event that Seller is the Indemnifying Party and fails to reimburse Buyer as contemplated by the immediately preceding paragraph, Buyer shall have the right to offset any amounts due it for claims of indemnification against any and all future payments due Seller.

9.4 Defense of Third-Party Claims.

If any lawsuit or enforcement action is filed against an Indemnified Party by a third party and the Indemnified Party is entitled to indemnification pursuant to this Agreement, written notice thereof shall be given to the Indemnifying Party as promptly as practicable (and in any event within thirty (30) days after the service of the citation or summons); provided, however, that the failure of any Indemnified Party to give timely notice shall not affect rights to indemnification hereunder except to the extent that the Indemnifying Party demonstrates actual damages caused by such failure, if (i) such failure to give timely notice does not materially affect the ability or right of the Indemnifying Party to participate in the defense of such lawsuit or enforcement action, (ii) actual notice is given to the Indemnifying Party within a reasonable time, and (iii) to the extent that such failure to give timely notice causes the Indemnifying Party to incur additional expense with respect to such lawsuit or enforcement action, the Indemnified Party promptly reimburses the Indemnifying Party for such additional expense.

After such notice, if the Indemnifying Party shall acknowledge in writing to the Indemnified Party that the Indemnifying Party may be obligated under the terms of its indemnity hereunder in connection with such lawsuit or action, then the Indemnifying Party shall be entitled, if it so elects, to take control of the defense and investigation of such lawsuit or action,

and to employ and engage attorneys of its own choice to handle and defend the same, at the Indemnifying Party's cost, risk and expense; and the Indemnified Party shall cooperate in all reasonable respects, at its cost, risk and expense, with the Indemnifying Party and such attorneys in the investigation, trial and defense of such lawsuit or action any appeal arising therefrom.

9.5 Subsequent Sale.

Should Magnum Global Sales, LLC sell the hanger patent referenced herein, James Bonner shall receive five percent (5%) of the net profit of such sale, in which case royalty payments referenced herein will terminate.

SECTION 10
MISCELLANEOUS PROVISIONS

10.1 Costs and Expenses.

Except as otherwise provided in this Agreement, each party covenants and agrees that it shall be responsible for and bear its respective costs and expenses in connection with, or arising out of, the negotiation and execution of this Agreement and the consummation of the transactions provided for herein; provided, however, that Seller shall bear and be responsible for any and all sales or transfer taxes applicable to the transfer of Assets provided for herein.

10.2 Amendment and Modification.

This Agreement may be amended, modified or supplemented only in a writing executed by each of the parties hereto.

10.3 Notices.

All notices, requests, demands or other communications hereunder must be in writing executed by an authorized representative of the party responsible therefor, and must be given either by hand delivery or telex, telecopy, telefax or other telecommunications device capable of creating a written record (confirmed by registered or certified mail or by overnight courier):

If to Buyer:

Magnum Global Sales, LLC
43 Village Way, Suite 209
Hudson, Ohio 44236
With copy to:
Douglas K. Paul
Christley, Herington & Pierce
215 West Garfield Road, Suite 230
Aurora, Ohio 44202

If to Seller or Shareholder:

James D. Bonner

Any notice, request, demand or other communication hereunder shall be deemed duly given (a) two business days after it is sent by registered or certified mail, return receipt requested, (b) at the time receipt is acknowledged by telecopy equipment, or (c) upon receipt by the party to whom the notice is addressed, if sent by any other means (including by hand, telex, expedited courier, messenger service, ordinary mail or electronic mail).

10.4 Counterparts.

This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

10.5 Headings.

Section and paragraph headings in this Agreement are provided for convenience only and shall not be deemed to constitute a part hereof.

10.6 Recitals, Exhibits and Schedules.

The recitals contained at the beginning of this Agreement, and all Schedules and Exhibits attached hereto are an integral part of this Agreement and are incorporated herein by reference. Any disclosure made in any Schedule which may be applicable to another Schedule shall be deemed to be made with respect to such other Schedule, provided that a specific cross-reference is made thereto.

10.7 Waiver; Remedies.

No waiver of any breach of any provision of this Agreement shall be deemed to be a waiver of any other subsequent breach, and the failure of a party to enforce at any time any provision hereof shall not be deemed a waiver of any right of such party to subsequently enforce such provision or any other provision hereof. All remedies afforded in this Agreement shall be taken and construed as cumulative and in addition to every other remedy provided herein or by law. The parties hereto agree and acknowledge that in the event of a breach of any provision of this Agreement, the aggrieved party may be without an adequate remedy at law. The parties therefore agree that in the event of a breach of any provision of this Agreement, the aggrieved party may elect to institute and prosecute proceedings in any court of competent jurisdiction to enforce specific performance or to enjoin the continuing breach of such provision, as well as to obtain damages for breach of this Agreement. By seeking or obtaining any such relief, the aggrieved party will not be precluded from seeking or obtaining any other relief to which it may be entitled.

10.8 Governing Law.

This Agreement shall be construed in accordance with the laws of the State of Ohio and applicable federal law.

10.9 Severability.

In the event that any provision of this Agreement shall be held invalid, illegal or unenforceable under applicable law, the remainder of this Agreement shall remain valid and enforceable to the maximum extent permitted by law.

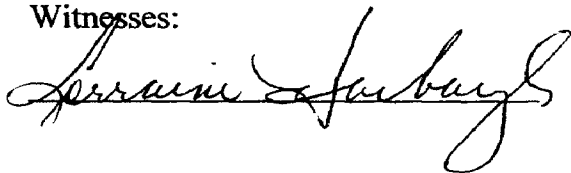
10.10 Entire Agreement. This Agreement, the Schedules and Exhibits hereto and the ancillary documents executed hereunder set forth the entire agreement and understanding between the parties with respect to the subject matter hereof and supersede and cancel any and all prior discussions, correspondence, agreements or understandings (whether oral or written) between the parties hereto with respect to such matters.

10.11 No Strict Construction.


The language used in this Agreement will be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction will be applied against any person.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date first written above:

Witnesses:



By:

 Sept 27, 2007
James D. Bonner, Seller Date

Magnum Global Sales, LLC, Buyer, by:

By:

 Sep 27 2007
Agent of Member Date