

## PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1  
 Stylesheet Version v1.2

EPAS ID: PAT4490118

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT	
<b>NATURE OF CONVEYANCE:</b>	ASSET PURCHASE AGREEMENT	
<b>CONVEYING PARTY DATA</b>		
	<b>Name</b>	<b>Execution Date</b>
	ULTURA (OCEANSIDE) INC.	12/03/2014
<b>RECEIVING PARTY DATA</b>		
<b>Name:</b>	UAC FINANCE, INC.	
<b>Street Address:</b>	205 N. MICHIGAN AVENUE	
<b>City:</b>	CHICAGO	
<b>State/Country:</b>	ILLINOIS	
<b>Postal Code:</b>	60601	
<b>PROPERTY NUMBERS Total: 1</b>		
	<b>Property Type</b>	<b>Number</b>
	Application Number:	10382487
<b>CORRESPONDENCE DATA</b>		
<b>Fax Number:</b>	(952)876-4098	
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>		
<b>Phone:</b>	9528764061	
<b>Email:</b>	ELANGHANS@VHPGLOBALIP.COM	
<b>Correspondent Name:</b>	VIKSINIS HARRIS & PADYS PLLP	
<b>Address Line 1:</b>	7851 METRO PARKWAY	
<b>Address Line 2:</b>	SUITE 325	
<b>Address Line 4:</b>	BLOOMINGTON, MINNESOTA 55425	
<b>ATTORNEY DOCKET NUMBER:</b>	07952.009US1	
<b>NAME OF SUBMITTER:</b>	YANG LI	
<b>SIGNATURE:</b>	/Yang Li/	
<b>DATE SIGNED:</b>	07/05/2017	
<b>Total Attachments: 134</b>		
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ASSET PURCHASE AGREEMENT

by and between

ULTURA (OCEANSIDE) INC.

and

UAC Finance, Inc. (or its designee)

Dated as of December 3, 2014

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## ASSET PURCHASE AGREEMENT

ASSET PURCHASE AGREEMENT (this “**Agreement**”), dated as of December 3, 2014, by and between Ultura (Oceanside) Inc., a California corporation (“**Seller**”), and UAC Finance, Inc., or its designee, a Delaware corporation (“**Purchaser**”, together with Seller, each, a “**Party**” and, collectively, the “**Parties**”). Other capitalized terms used herein are defined in Article I.

### W I T N E S S E T H:

WHEREAS, on October 20, 2014 (the “**Filing Date**”), Seller filed the Bankruptcy Case with the Bankruptcy Court under Chapter 11 of the Bankruptcy Code, and has continued in possession of its assets and in the management of its business pursuant to Sections 1107 and 1108 of the Bankruptcy Code; and

WHEREAS, Purchaser desires to purchase certain assets of Seller and to assume certain liabilities and contracts of Seller, and Seller desires to sell such assets to Purchaser and to assign such contracts to Purchaser, on the terms and conditions set forth in this Agreement and in accordance with Sections 105, 363 and 365 of the Bankruptcy Code and other applicable provisions of the Bankruptcy Code.

NOW, THEREFORE, in consideration of the premises and in consideration of the representations, warranties, and covenants contained herein, and for other good and valuable consideration described herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

## **ARTICLE I**

### **DEFINITIONS**

“**Accounts Receivable**” shall have the meaning set forth in Section 2.1(a) (vii).

“**Acquired Assets**” shall have the meaning set forth in Section 2.1(a).

“**Agreement**” shall have the meaning set forth in the Preamble.

“**Ancillary Agreements**” means the Bill of Sale Agreement, the Assignment and Assumption Agreement, the Assignment of Intellectual Property Agreement and the Assignment of Intangible Properties Agreement.

“**Approval Order**” shall have the meaning set forth in Section 5.1(c).

“**Assigned Contracts**” shall have the meaning set forth in Section 2.1(a) (iii).

“**Assigned Intellectual Property**” shall have the meaning set forth in Section 2.1(a)(iv).

**“Assignment and Assumption Agreement”** shall have the meaning set forth in Section 4.2(a).

**“Assignment of Intangible Property Agreement”** shall have the meaning set forth in Section 4.2(a)

**“Assignment of Intellectual Property Agreement”** shall have the meaning set forth in Section 4.2(a).

**“Assumed Liabilities”** shall have the meaning set forth in Section 2.2.

**“Bankruptcy Case”** means the Chapter 11 case of Seller pending in the United States Bankruptcy Court for the District of Delaware, Case No. 14-12382 (KG).

**“Bankruptcy Code”** means title 11 of the United States Code, 11 U.S.C. §§ 101, *et. seq.*, entitled “Bankruptcy,” as the same may be amended, modified or supplemented from time to time.

**“Bankruptcy Court”** means the United States Bankruptcy Court for the District of Delaware, or any other court, having jurisdiction over the Bankruptcy Case from time to time.

**“Bill of Sale”** shall have the meaning set forth in Section 4.2(a).

**“Business”** means the business of Seller including, but not limited to, the production of membranes for use in processing and treating difficult-to-treat water and other substances for various commercial and industrial markets.

**“Business Day”** means any day except a Saturday, a Sunday or other day on which commercial banks are required or authorized to close in New York.

**“Closing”** shall have the meaning set forth in Section 4.1.

**“Closing Date”** shall have the meaning set forth in Section 4.1.

**“Closing Date Payment”** shall have the meaning set forth in Section 3.1(b).

**“Code”** means the Internal Revenue Code of 1986, as amended, together with the Treasury regulations promulgated thereunder.

**“Copyrights”** shall have the meaning set forth in Section 6.6(e).

**“Cure Amounts”** shall have the meaning set forth in Section 2.2(a).

**“Damages”** means, collectively, all costs, losses, liabilities, fines, penalties, damages and expenses (including interest which may be imposed in connection therewith), court costs reasonable fees and disbursements of counsel, consultants and expert witnesses incurred by a Party.

**“DIP Budget”** shall have the meaning set forth in the DIP Order.

**“DIP Order”** shall mean the interim and final orders entered by the Bankruptcy Court approving the *Motion of Debtors for Interim and Final Orders (I) Approving Ultura (Oceanside) Inc.’s Postpetition Financing; (II) Authorizing Debtors’ Use of Cash Collateral; (III) Granting Liens and Providing SuperPriority Administrative Expense Status; (IV) Granting Adequate Protection; (V) Modifying Automatic Stay; and (VI) Scheduling a Final Hearing.*

**“Dollars”** or **“\$”** means the currency of the United States of America, unless otherwise specified.

**“Environmental Law”** means any United States federal, state or local in effect as of the Closing Date, relating to natural resources or the environment, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601, *et. seq.*, the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6901, *et. seq.*, the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 *et. seq.*, the Toxic Substances Control Act, 15 U.S.C. § 2601 *et. seq.*, and the Clean Air Act, 42 U.S.C. § 7401, *et. seq.*

**“Excluded Assets”** shall have the meaning set forth in Section 2.1(b).

**“Filing Date”** shall have the meaning set forth in the Recitals.

**“FIRPTA Certificate”** shall have the meaning set forth in Section 4.2(iii).

**“Fixed Assets”** shall have the meaning set forth in Section 2.1(a)(ii).

**“Global Settlement Motion”** means the *Motion for Order Granting Joint Motion of the Debtors and Committee for an Order Pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure Approving Global Settlement Agreement Between and Among the Debtors, the Committee, Dr. Hans J. Rohrer, UAC Finance, Inc. True North Venture Partners, L.P. and Those Additional Parties to the Global Settlement Agreement.*

**“Global Settlement Order”** means the order granting the *Motion for Order Granting Joint Motion of the Debtors and Committee for an Order Pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure Approving Global Settlement Agreement Between and Among the Debtors, the Committee, Dr. Hans J. Rohrer, UAC Finance, Inc., True North Venture Partners, L.P. and Those Additional Parties to the Global Settlement Agreement.*

**“Governmental Authority”** means any foreign, United States federal, state or local government, political subdivision or governmental, regulatory or administrative authority, body, agency, board, bureau, commission, department, instrumentality or court, quasi-governmental authority, self-regulatory organization or stock exchange.

**“Intellectual Property”** shall have the meaning set forth in Section 6.6(h).

**“Inventory”** shall have the meaning set forth in Section 2.1(a)(i).



**“Knowledge”** with respect to any individual, shall mean the actual, current knowledge of such individual. **“Seller’s Knowledge”** shall mean Knowledge of the following persons: Michael Carmel, Grant Lyon and Ran Blank.

**“Law”** or **“Laws”** means any and all statutes, laws, ordinances, writs, proclamations, regulations, orders, decrees, code, consent decrees and rules of any Governmental Authority, in each case, as amended and in effect from time to time and any rule of common law.

**“Liability”** means any liability or obligation of any nature, whether matured or unmatured, fixed or contingent, secured or unsecured, accrued, absolute or otherwise.

**“License Agreements”** shall have the meaning set forth in Section 6.6(d).

**“Licensed Software”** shall have the meaning set forth in Section 6.7(a).

**“Liens”** means all liens, encumbrances, obligations, rights or interests of third parties (express or implied), claims, judgments, demands, licenses, sublicenses, subleases, contractual commitments, mortgages, pledges, guarantees, security interests, conditional sale or other title retention agreements, defects, charges, options, rights of first refusal, reservations, restrictions or interests of any kind, easements, clouds, equities, rights of way and all other encumbrances or defects in title of any kind, whether arising prior to or subsequent to the commencement of the Bankruptcy Case, and whether imposed by agreement, understanding, law, equity or otherwise.

**“Material Adverse Effect”** means any change or effect, taken individually or in the aggregate, that is or could reasonably be expected to be (i) materially adverse to the business, financial condition, operations or results of operations of the Business or the physical condition of the Acquired Assets, or (ii) materially adverse to Purchaser’s ability to operate or conduct the Business in the matter in which it is currently operated or conducted, or contemplated to be conducted, by Seller; provided, however, that none of the following, either alone or in combination, shall be considered in determining whether there has been a “Material Adverse Effect”: (a) exclusive of issues relating to the proposed sale contained in this Agreement, the commencement of the Bankruptcy Case or litigation commenced based upon the commencement of the Bankruptcy Case and the restrictions on Seller’s activities and operations resulting therefrom, and the reasonably anticipated consequences thereof; (b) changes arising from the consummation of the transactions contemplated by, or the announcement of the execution of or existence of, this Agreement, including (1) any actions of competitors, or (2) any delays or cancellations of orders for products or services; (c) any circumstance, change or effect that results from any action taken pursuant to, in accordance with or as permitted by this Agreement or at the request of Purchaser.

**“Ordinary Course of Business”** means the operation of Seller in the ordinary course of business consistent with Seller’s usual and customary practices in managing and operating the Business as they existed on January 1, 2014 without regard to the transactions contemplated hereby and pursuant to any approved expenses permitted under the DIP Budget and taking into account (a) all events and limitations imposed by bankruptcy law on the conduct and activities of the Seller; (b) changes arising from the consummation of the transactions

contemplated by, or the announcement of the execution of or existence of, this Agreement, including (1) any actions of competitors, or (2) any delays or cancellations of orders for products or services; or (c) any circumstance, change or effect that results from any action taken pursuant to, in accordance with or as permitted by this Agreement or at the request of Purchaser.

**“Party” or “Parties”** shall have the meaning set forth in the Preamble.

**“Patents”** shall have the meaning set forth in Section 6.6(e).

**“Permitted Access Parties”** shall have the meaning set forth in Section 13.16.

**“Person”** means and includes any individual, any legal entity, including, without limitation, any partnership, joint venture, corporation, limited liability company, trust, or unincorporated organization, and any Governmental Authority.

**“Proposed Sale”** shall have the meaning set forth in Section 5.1(a).

**“Purchase Price”** shall have the meaning set forth in Section 3.1(a).

**“Purchaser”** shall have the meaning set forth in the Preamble.

**“Sale Hearing”** shall have the meaning set forth in Section 5.1(a).

**“Sale Motion”** shall have the meaning set forth in Section 5.1(a).

**“Seller”** shall have the meaning set forth in the Preamble.

**“Senior Secured Loan”** means that certain Loan and Security Agreement dated September 29, 2013, as amended, by and among others, Seller and Hercules Technology Growth Capital, Inc., which Loan and Security Agreement was assigned to Purchaser.

**“Tax” or “Taxes”** means any foreign, United States federal, state or local income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated or other tax of any kind whatsoever, including all estimated taxes, deficiency assessments and any interest, penalty or addition thereto.

**“Trademarks”** shall have the meaning set forth in Section 6.6(e).

**“Trade Secrets”** shall have the meaning set forth in Section 6.6(e).

**“Transferred Employees”** shall have the meaning set forth in Section 8.11.

**“Vendor Claims”** shall have the meaning set forth in Section 2.1(a)(viii).

**“Wind-down Budget”** has the meaning set forth in the DIP Order

## ARTICLE II

### **PURCHASE AND SALE OF ACQUIRED ASSETS; ASSUMPTION OF LIABILITIES**

Section 2.1 Purchase and Sale of Acquired Assets. (a) Subject to and upon the terms and conditions of this Agreement, Purchaser shall purchase from Seller, and Seller shall grant, transfer, sell, convey, assign and deliver to Purchaser, as a good faith purchaser for value within the meaning of Section 363(m) of the Bankruptcy Code, free and clear of all Liens, all right, title and interest in and to all of the assets, whether tangible or intangible, other than the Excluded Assets, relating to the Business, wherever such may be located, that are owned, held or used by Seller as the same existed immediately prior to the Closing (collectively, the “**Acquired Assets**”) and including without limitation all rights, title and interest of Seller, into and under such of the following:

- (i) all raw materials, work-in-process, finished goods, supplies and inventory (collectively, the “**Inventory**”), and all computer records and other records relating to the foregoing;
- (ii) other than (i) as provided under the DIP Budget in the categories and amounts set forth therein; and (ii) the cash amounts to be funded to the Seller pursuant to the Wind-down Budget for those designated expenses therein; and (iii) the consideration to be provided to the Seller pursuant to the Global Settlement Order, all cash and cash equivalents (including checking account balances, bank accounts, certificates of deposit and other time deposits and petty cash) and marketable and other securities relating to or arising in connection with the operation of the Business;
- (iii) all tangible personal property owned by Seller, including, without limitation, vehicles, machinery, equipment, furniture, office equipment, tools and other tangible property of any kind or nature including, but not limited to, those set forth on Schedule 2.1(a)(ii) (collectively, the “**Fixed Assets**”);
- (iv) all rights of Seller under all executory contracts and unexpired leases, including, but not limited to, real property leases, all as listed on Schedule 2.1(a)(iii) (collectively, the “**Assigned Contracts**”) (notwithstanding any provision to the contrary contained in this Agreement, with respect to any Assigned Contracts set forth on Schedule 2.1(a)(iii) Purchaser may, in its sole discretion, delete any Assigned Contract to the list of Assigned Contracts to be assumed by the Seller and assigned to the Purchaser prior to the Closing Date;
- (v) to the extent transferrable or assignable, all Intellectual Property owned or licensed or used in respect of the Business, all documents embodying proprietary information copyright-protected material and all evidence of

ownership of such Intellectual Property including, but not limited to, those set forth on Schedule 2.1(a)(iv) (collectively, the “**Assigned Intellectual Property**”);

- (vi) all intangible personal property (other than Intellectual Property) owed by Seller including, without limitation, the goodwill of the Business, catalogues, customer lists and other customer information, correspondence with present or prospective customers and suppliers, advertising materials, and telephone exchange numbers identified with the Business but excluding: (1) any materials containing privileged communications or information about employees (including any Transferred Employees), disclosure of which would violate such employee’s reasonable expectation of privacy and any other materials which are subject to attorney-client or other privilege, and (2) any item of intangible property held by Seller pursuant to a license or other contract where Purchaser does assume the underlying contract or license relating to such intangible personal property at the Closing;
- (vii) to the extent transferrable or assignable, Seller’s interest in all licenses, License Agreements, Licensed Software, certificates of occupancy, permits, registrations, certificates of public conveyance and necessity, approvals, licenses, easements, authorization and operating rights issued or granted by any governmental or similar authority having jurisdiction over the Business;
- (viii) all accounts and notes receivable (whether current or non-current) and all causes of action specifically pertaining to the collection of the foregoing (the “**Accounts Receivable**”);
- (ix) all promotional allowances, vendor rebates and similar items relating to the operation of the Business and all claims and causes of action against vendors of the Business including, but not limited to, those under Sections 544, 547, 548, 549 and 550 of the Bankruptcy Code (the “**Vendor Claims**”);
- (x) Except to the extent that the following relate to Excluded Assets: all claims, prepayments, warranties, guarantees, refunds, reimbursements, causes of action, rights of recovery, rights of set-off and rights of recoupment of every kind and nature relating to or in connection with the operation of the Business;
- (xi) all rights, claims and causes of action of Seller against current and former officers, directors, employees (including employees of Seller’s parent who may be employed by Purchaser), members, principals, agents, and representatives of Seller (including its attorneys and advisors) other than as provided under the Global Settlement Order;

- (xii) all tax refunds, rebates, credits and similar items relating to or arising out of the operation of the Business and to any period, or portion of any period, on or prior to the Closing Date;
- (xiii) all securities/capital stock or other indicia of ownership of Ultura Sales GmbH owned or held by Seller; and
- (xiv) copies of all books, records, files and papers, whether in hard copy or computer format, including, without limitation, all books, records, materials, manuals, sales and promotional materials and records, advertising materials, customer lists, supplier lists, mailing lists, distribution lists, business plans, litigation files, credit information, cost and pricing information, in each case relating to the Acquired Assets, provided, however, the Purchased Assets shall specifically exclude any of the foregoing to the extent the same is (i) subject to any applicable attorney-client privilege, and/or (ii) not transferable under applicable law and further provided that Seller shall retain and be permitted to use the foregoing solely in order to administer its Bankruptcy Case as set forth in Section 13.16 hereof.

(b) Notwithstanding Section 2.1(a), the Acquired Assets shall not include the following assets (collectively, the “**Excluded Assets**”):

- (i) All amounts to be assumed and paid under the DIP Budget in the categories and amounts set forth therein;
- (ii) the cash amounts to be funded to the Seller pursuant to the Wind-down Budget for those designated expenses therein;
- (iii) the consideration to be provided to the Seller pursuant to the Global Settlement Order;
- (iv) all rights of Seller under this Agreement and the agreements and instruments executed and delivered to Seller by Purchaser pursuant to this Agreement and all cash and non-cash consideration payable or deliverable to Seller pursuant to the terms and provisions hereof;
- (v) insurance proceeds, claims and causes of action with respect to or arising in connection with (A) any contract which is not assigned to Purchaser at the Closing, or (B) any item of tangible or intangible property not acquired by Purchaser at the Closing;
- (vi) any lease or other contract to which Seller is a party which is not assigned to Purchaser;
- (vii) all securities, whether capital stock or debt, of Seller of any other entity, exclusive of Ultura Sales GmbH;

- (viii) all tax records, minute books, stock transfer books and corporate seal of Seller;
- (ix) any letters of credit or similar financial accommodations issued to any third party(ies) for the account of Seller and any collateral therefor;
- (x) any prepayments or retainers paid to any of the Seller's professionals either (i) prior to the Petition Date or (ii) to the extent provided in the DIP Order, including of any amounts approved as a "carve out" to collateral securing the Senior Secured Loan to pay professional fees to the extent payable in accordance with the DIP Order; and
- (xi) all preference or avoidance claims and actions of Seller, including, without limitation, any such claims and actions arising under Sections 544, 547, 548, 549, and 550 of the Bankruptcy Code, exclusive of any Vendor Claims.
- (xii) those additional assets, if any, listed on Schedule 2.1(b) attached hereto and incorporated herein by this reference.

Section 2.2 No Assumption of Liabilities. Purchaser shall not assume any Liabilities of Seller, except for:

(a) All obligations of Seller existing as of the Closing under Assigned Contracts or arising or accruing thereafter, including any cure amounts owed in connection with the assumption and assignment of the Assigned Contracts (the "**Cure Amounts**"). Purchaser shall be exclusively responsible for (i) payment of any Cure Amounts for any Assigned Contracts assumed by the Seller and assigned to the Purchaser under this Agreement as such Cure Amounts are established in accordance with the terms and conditions of the Sale Motion; and (ii) providing evidence of adequate assurances of future performance under section 365(b)(1)(C) of the Bankruptcy Code, to the extent required, with respect to the Assigned Contracts.

(b) All trade payables of the Business (a) incurred prior to the Petition Date, including without limitation, the trade payables set forth on Schedule 2.2(b), not to exceed the aggregate sum of \$635,000; and (b) incurred subsequent to the Petition Date (A) to the extent that such trade payables remain unpaid as of the Closing Date; and (B) subject to the amounts set forth under the DIP Budget.

(c) All amounts to be funded pursuant to the terms of the Wind-down Budget for those designated expenses therein.

(d) All postpetition accrued, but unpaid, pre-Closing liabilities, subject to the categories and amounts set forth under the DIP Budget.

(e) All liabilities of Seller to Transferred Employees as of the Closing for vacation pay, sick leave, personal leave, holidays and other paid time off accrued in the ordinary course of business.

Those liabilities set forth in Sections 2.2(a), (b) and (c) are collectively defined as the “**Assumed Liabilities**”. Except with respect to the Assumed Liabilities, Purchaser shall not assume or be deemed to assume any Liabilities of Seller of any kind or nature. Without limited the generality of the foregoing, Purchaser shall not assume that certain alleged intercompany obligation owed by Seller to Ultura GmbH.

### ARTICLE III

#### PURCHASE PRICE

##### Section 3.1 Purchase Price; Payment of Purchase Price.

(a) Purchase Price. The purchase price (the “**Purchase Price**”) payable to Seller by Purchaser as consideration for the sale, conveyance, transfer and assignment of the Acquired Assets will consist of an amount equal to (i) all outstanding obligations owed by Seller to Purchaser under the DIP Order; (ii) a portion of the obligations owed under the Senior Secured Loan; (iii) the assumption of the Assumed Liabilities; and (vi) cash in the amount of \$700,000 to be paid to the Seller pursuant to the terms of the Global Settlement Order, for an aggregate amount of \$25,000,000.

(b) Closing Date Payment. On the next Business Day following the Closing Date, the Purchaser shall, in consideration of the Acquired Assets, setoff and otherwise apply the amounts due under the DIP Order and the Senior Secured Loan set forth in section 3.1(a) of this Agreement against the Purchase Price (the “**Closing Date Payment**”). It is understood and agreed to by the Parties that other than the setoff of the full amount owed under the DIP Order and that portion of the obligations owed under the Senior Secured Loan as set forth in 3.1(a) above against the Purchase Price as of the Closing Date Payment, no other payment or consideration shall be paid by Purchaser to Seller for the purchase of the Acquired Assets except for the assumption of the Assumed Liabilities (including any Cure Amounts with respect to the Assigned Contracts) by Purchaser pursuant to this Agreement.

### ARTICLE IV

#### CLOSING

Section 4.1 Closing. Subject to the terms and conditions of this Agreement, the closing of the purchase and sale of the Acquired Assets (the “**Closing**”) will be at 10:00 A.M. Eastern Daylight Time at the offices of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., One Financial Center, Boston, Massachusetts 02111, or at such other location agreed to by Purchaser and Seller, on the fifth (5) Business Day following the date of the issuance of the Approval Order, or such other date as may be agreed upon by the Parties (the date of the Closing being herein referred to as the “**Closing Date**”).

Section 4.2 Deliveries by Seller at the Closing. At the Closing, Seller will:

(a) deliver, or cause to be delivered, to Purchaser, such deeds, bills of sale, enforcements, assignments, and other good and sufficient instruments of sale, transfer, conveyance and assignment as shall be necessary to sell, transfer, convey and assign to Purchaser, in accordance with the terms hereof, title to the Acquired Assets free and clear of all Liens, including without limitation, a bill of sale agreement (the “**Bill of Sale**”), an assignment and assumption agreement (the “**Assignment and Assumption Agreement**”), an assignment of intangible property (the “**Assignment of Intangible Property Agreement**”) and an assignment of intellectual property (the “**Assignment of Intellectual Property Agreement**”) substantially in the forms of Exhibit A, Exhibit B, Exhibit C and Exhibit D hereto, respectively;

(b) a certificate of non-foreign status of Seller (a “**FIRPTA Certificate**”) in the form and content complying with the requirements of Section 1445 of the Code and Treasury Regulations Section 1.1445-2(b);

(c) deliver, or cause to be delivered, to Purchaser certified copies of the resolutions of the Board of Directors of Seller authorizing the sale of the Acquired Assets to the extent not previously filed in the Bankruptcy Case, the execution and delivery of this Agreement, the Ancillary Agreements and all other documents and agreements delivered in connection herewith by officers of Seller and consummation of the transactions contemplated hereby and thereby including, but not limited to, the certificates set forth in 9.1(f); and

(d) deliver, or cause to be delivered, to Purchaser such other duly executed documents, instruments and certificates as may be necessary or appropriate to be delivered by Seller pursuant to this Agreement.

Section 4.3 Deliveries by Purchaser at the Closing. At the Closing, Purchaser will:

(a) deliver, or cause to be delivered, to Seller the Assignment and Assumption Agreement, duly executed by Purchaser;

(b) a waiver and release of all claims and causes of action against Seller, Seller’s current and former officers, directors, employees, members, principals, agents, and representatives (including its attorneys and advisors); and

(c) deliver, or cause to be delivered, to Seller such other duly executed documents, instruments and certificates as may be necessary or appropriate to be delivered by Purchaser pursuant to this Agreement including, but not limited to, the certificates set forth in Section 10.1(b).

Section 4.4 Possession. Right to possession of the Acquired Assets shall transfer to Purchaser on the Closing Date. Seller shall transfer to Purchaser on the Closing Date such keys, locks and safe combinations and other similar items as Purchaser may reasonably require to obtain occupation and control of the Acquired Assets, and shall also make available to Purchaser at their then existing locations the originals of all documents in Seller’s possession that all required to be transferred to Purchaser by this Agreement.



Section 4.5 “AS IS” Transaction. Purchaser acknowledges and agrees that, except as provided herein, Seller makes no representations or warranties whatsoever, express or implied, with respect to any matter relating to the Acquired Assets (including, without limitation, income to be derived or expenses to be incurred in connection with the Acquired Assets), the physical condition of the Fixed Assets or Inventory, the environmental condition or other matter relating to the physical condition of the real property or improvements which are the subject of any real property lease, the zoning of the real property or improvements which are the subject of any real property lease, the value of the Acquired Assets (or any portion thereof), the transferability of the Acquired Assets or any portion thereof, the terms, amount, validity, collectability or enforceability of the Accounts Receivable or any Assumed Liabilities or Assigned Contracts, the merchantability or fitness of the Fixed Assets, the Inventory or any other portion of the Acquired Assets for any particular purpose. Without in any way limiting the foregoing, Seller hereby disclaims any warranty (express or implied) of merchantability or fitness for any particular purpose as to any portion of the Acquired Assets. Purchaser further acknowledges that Purchaser has conducted an independent inspection and investigation of the physical condition of all portions the Acquired Assets and all such other matters relating to or affecting or comprising the Purchaser and/or the Assumed Liabilities as Purchaser deemed necessary or appropriate and that in proceeding with its acquisition of the Acquired Assets, Purchaser is doing so based solely upon such independent inspections and investigations. Accordingly, Purchaser will accept the Acquired Assets at the Closing **“AS IS,” “WHERE IS,” and “WITH ALL FAULTS.”**

Section 4.6 Further Assurances. After the Closing and without further consideration, each Party will from time to time, at the reasonable request of any other Party, execute and deliver such other instruments of conveyance and transfer and such other instruments, documents and agreements and take such other actions as such other Party may reasonably request or as may be reasonably requested by any applicable Governmental Authorities or third parties, in each case in order to more effectively or more expeditiously consummate any of the transactions contemplated hereby and to vest in Purchaser the right, title and interest in, to and under the Acquired Assets, to assist Purchaser in the transfer, assignment, collection and reduction to possession of the Acquired Assets (and the exercise of rights with respect thereto); provided that the requesting Party will prepare any additional documents and instruments and will handle any submittal, applications, processing, recording and registrations, *provided, however*, that Seller shall not be required to incur any material costs in connection with the foregoing. Without limiting the provisions of Section 13.3, the Parties hereby irrevocably consent to the personal and subject-matter jurisdiction of the Bankruptcy Court for all purposes necessary to effectuate this Section 4.6.

## ARTICLE V

### BANKRUPTCY COURT MATTERS

#### Section 5.1 Bankruptcy Court Orders.

(a) Seller shall file a motion to approve a private sale under Rule 6004 of the Federal Rules of Bankruptcy Procedure and requesting the Bankruptcy Court hold a hearing on the

Proposed Sale (the “**Sale Motion**”) which hearing shall be held on or before December 4, 2014 (the “**Sale Hearing**”).

(b) The order approving the Proposed Sale (the “**Approval Order**”) shall be substantially in the form attached hereto as Exhibit F.

(c) Subject to Seller’s obligations to comply with any order of the Bankruptcy Court, Seller and Purchaser will promptly make any filings, take all actions and use commercially reasonable efforts to obtain any and all other approvals and orders necessary or appropriate for consummation of the transactions contemplated hereby.

(d) Seller shall promptly provide Purchaser with drafts of all documents, motions, orders, filings or pleadings that Seller proposes to file with the Bankruptcy Court which relate to the consummation or approval of this Agreement and will provide Purchaser with reasonable opportunity to review such filings. Seller will also promptly provide Purchaser with written notice and copies of any other or further notice of appeal, motion or application filed in connection with any appeal from or application for reconsideration of, any of such orders and any related briefs.

(e) The Sale Motion will request that the Bankruptcy Court authorize the Seller to change its legal name in order to strike the words “Ultura (Oceanside), Inc.” from such name and alter the captions under which its respective bankruptcy case is administered to as to eliminate the words “Ultura (Oceanside), Inc.” from such captions.

(f) Seller shall use commercially reasonable efforts to obtain the entry of the Approval Order authorizing Seller to transfer the Acquired Assets within the timeframes set forth herein.

## ARTICLE VI

### **REPRESENTATIONS OF SELLER**

Representations of Seller. Seller represents and warrants to Purchaser as follows:

Section 6.1 Corporate Power and Authority. Subject to compliance with applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court, Seller has the corporate power and authority to own, lease and operate its properties and to conduct its Business as is presently conducted and to execute and deliver this Agreement and Ancillary Agreements.

Section 6.2 Existence and Good Standing. Other than as a result of the Bankruptcy Case, Seller is a corporation duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation. Seller is duly qualified as a foreign corporation and is in good standing in each jurisdiction in which such qualification is required by law.

Section 6.3 Authority; No Consents. To Seller’s Knowledge, other than as a result of the Bankruptcy Case, subject to compliance with the applicable provisions of the Bankruptcy Code

and the entry by the Bankruptcy Court of the Approval Order or any other required orders relating to the sale, the execution, delivery and performance by Seller of this Agreement and the Ancillary Agreements to which it is a party and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorized by all necessary corporate action on the part of Seller and this Agreement has been, and the Ancillary Agreements to which it is a party when executed and delivered by Seller will be, duly and validly executed and delivered and the valid and binding obligations of Seller, enforceable against it in accordance with their respective terms. To Seller's Knowledge, neither the execution, delivery or performance of this Agreement or the Ancillary Agreements to which Seller is a Party, the consummation by Seller of the transactions contemplated hereby or thereby, or compliance by Seller with any provision hereof or thereof will (a) conflict with, (b) breach, (c) result in any violation of, (d) cause a default under (with or without due notice, lapse of time or both), (e) give rise to any right of termination, amendment, cancellation or acceleration of any obligation contained in or the loss of any benefit under or (f) result in the creation of any Liens on or against any assets, rights or property of Seller under any term, condition or provision of (x) any instrument or agreement to which Seller is a party, or by which Seller or any of its properties, assets or rights may be bound or (y) any law, statute, rule, regulation, order, writ, injunction, decree, permit, concession, license or franchise or other requirements of any Governmental Authority applicable to Seller or any of its properties, assets or rights or conflict with or result in any violation of Seller's Certificate of Incorporation or by-laws. To Seller's Knowledge, no permit, authorization, consent or approval of or by, or any notification of or filing with, any Governmental Authority or other person or entity is required in connection with the execution, delivery and performance by Seller of this Agreement or the Ancillary Agreements or the consummation by Seller of the transactions contemplated hereby or thereby.

Section 6.4 Title to Assets, Properties and Rights and Related Matters. To Seller's Knowledge, Seller has good, valid and exclusive title to all of the Acquired Assets free and clear of all Liens of any kind or character other than the existing liens of UAC Finance, Inc. To Seller's Knowledge, the Acquired Assets are in good operating condition and repair (ordinary wear and tear excepted). To Seller's Knowledge, the Acquired Assets include all assets, properties and interests in properties (real, personal and mixed, tangible and intangible) and all rights, leases, licenses and other agreements necessary or desirable to enable Purchaser to use the Acquired Assets in the manner previously conducted by Seller and as proposed to be conducted after the Closing Date, other than the Excluded Assets.

Section 6.5 Assigned Contracts.

(a) Schedule 2.1(a) lists each of the Assigned Contracts and Seller has delivered or made available to Purchaser true, correct and complete copies of all Assigned Contracts.

(b) To Seller's Knowledge, Seller has not received notice of the pending or threatened cancellation, revocation or termination of any of the Assigned Contracts, nor does it have knowledge of any facts or circumstances that could reasonably be expected to lead to any such cancellation, revocation or termination.

Section 6.6 Intellectual Property.

(a) To Seller's Knowledge set forth in Schedule 2.1(a)(iv) a true and complete list of all Intellectual Property which includes a complete and accurate list of all of Seller's United States and foreign (a) Patents; (b) Trademarks (including Internet domain registrations and unregistered Trademarks); and (c) Copyrights (including unregistered copyrights) indicating for each, the applicable jurisdiction, registration number (or application number), and date issued (or date filed). To Seller's Knowledge, Seller has good and valid title to, and owns free and clear of all Liens, has the exclusive right to use, sell, transfer, license (or sublicense), transmit, broadcast, deliver (electronically or otherwise) and dispose of, and has the right to bring actions for the infringement of, all Assigned Intellectual Property.

(b) To Seller's Knowledge, there are no royalties or other payments payable by Seller to any person by reason of the ownership, use, license (or sublicense), transmission, broadcast, delivery (electronically or otherwise), sale, or disposition of Assigned Intellectual Property.

(c) To Seller's Knowledge, there is no pending or threatened claim or litigation contesting the validity, ownership or right to use, manufacture, sell, license (or sublicense), transmit, broadcast, deliver (electronically or otherwise) or dispose of any Assigned Intellectual Property, nor is there any basis for any such claim. To Seller's Knowledge, Seller has not received any notice asserting that any Assigned Intellectual Property or the proposed use, manufacture, sale, license (or sublicense), transmission, broadcast, delivery (electronically or otherwise) or disposition thereof conflicts or will conflict with the rights of any other party, nor is there any basis for any such assertion.

(d) To Seller's Knowledge, Schedule 2.1(a)(iv) sets forth a complete and accurate list of all license agreements granting any right to use or practice any rights under any Assigned Intellectual Property, whether Seller is the licensee or licensor thereunder relating to any Assigned Intellectual Property to which Seller is a party or otherwise bound (collectively, the "**License Agreements**"), indicating for each the title, the parties, date executed, whether or not it is exclusive and the Intellectual Property covered thereby. To Seller's Knowledge, the License Agreements are valid and binding obligations of Seller, enforceable in accordance with their terms, and there exists no event or condition which will result in a violation or breach of, or constitute (with or without due notice or lapse of time or both) a default by Seller under any such License Agreement.

(e) As used in this Agreement, the term "**Intellectual Property**" shall mean all intellectual property rights worldwide, including, without limitation, trademarks, service marks, trade names, service names, URLs and Internet domain names and applications therefore (and all interests therein), designs, slogans and general intangibles of like nature, together with all goodwill related to the foregoing (including any registrations and applications for any of the foregoing) (collectively, "**Trademarks**"); patents (including any US or foreign registrations, continuations, continuations in part, renewals and applications for any of the foregoing) (collectively, "**Patents**"); copyrights (including any registrations, applications and renewals for any of the foregoing (collectively, "**Copyrights**"); computer programs and other computer software (including, but not limited to the software); databases; technology, trade secrets and other confidential information, know-how, proprietary technology, processes, formulae, algorithms, models, user interfaces, customer lists, inventions, source codes and object codes and methodologies, architecture, structure, display screens, layouts, development tools, instructions,

templates, marketing materials, inventions, trade dress, logos and designs and all documentation and media constituting, describing or relating to the foregoing (collectively, "**Trade Secrets**").

Section 6.7 Software.

(a) To Seller's Knowledge, Schedule 6.7(a) sets forth a true and complete list of all software programs and applications licensed by Seller from any third party and used by Seller in the operation of the Business (the "**Licensed Software**").

(b) To Seller's Knowledge, the Licensed Software is validly held and used by Seller and may be used by Seller pursuant to the applicable license agreements with respect thereto without the consent of or notice to any third party. Each of the license agreements relating to the Licensed Software are valid and binding obligations, enforceable in accordance with their terms, and there exists no event or condition which will result in a violation or breach of, or constitute (with or without due notice or lapse of time or both) a default by Seller or the licensor under any such license agreement.

Section 6.8 Compliance with Laws. To Seller's Knowledge, except as disclosed in Schedule 6.8, Seller is, and has conducted and continues to conduct and operate the Business, in compliance with, and is not in default or violation of, all Laws and other requirements applicable to it or by which any of its assets or properties are bound or affected including, without limitation, those relating to (i) the development, manufacture, packaging, distribution and marketing of products, (ii) employment, safety and health, and (iii) building, zoning and land use. To Seller's Knowledge, Seller is not subject to any order that adversely affects, individually or in the aggregate, the Business, or its operations, properties, assets or condition (financial or otherwise). To Seller's knowledge, Seller has not received at any time since January 1, 2014 any notice or other communication (whether written or oral) from any Governmental Authority or other person regarding any actual, alleged, possible or potential breach, violation of or non-compliance with any Law to which Seller, the Business or any of the Acquired Assets is or has been subject. To Seller's Knowledge, there is no existing Law, and Seller is not aware of any proposed Law, which would prohibit or materially restrict Purchaser from, or otherwise materially adversely affect Purchaser in, conducting or operating the Business in any jurisdiction in which such Business is now conducted or operated.

Section 6.9 Environmental Matters. Except as set forth in Schedule 6.9 and to the Seller's Knowledge:

(a) Seller is in compliance with all Environmental Laws and the requirements of any permits issued under such Environmental Laws with respect to any leased real property which is an Acquired Asset; and

(b) there are no claims, proceedings or actions by any Governmental Authority pending or threatened against Seller under any Environmental Law.

Section 6.10 Absence of Changes. To Seller's Knowledge, except as listed in Schedule 6.10 and to the Knowledge of Seller, as of the first Business Day following the date of the issuance of the Approval Order, Seller has been operated in the Ordinary Course of Business.

Section 6.11 Compliance; Governmental Authorizations and Consents.

(a) To the Seller's Knowledge, Seller has complied and is presently in compliance with all Federal, state, local or foreign laws, ordinances, regulations and orders applicable to it (including, without limitation, laws, ordinances, regulations and orders applicable to labor, employment and employment practices, terms and conditions of employment and wages and hours).

(b) To Seller's Knowledge, Seller has all Federal, state, local and foreign governmental licenses, consents, approvals, authorizations, permits, orders, decrees and other compliance agreements necessary in the conduct of the Business as presently conducted or as proposed to be conducted, such licenses, consents, approvals, authorizations, permits, orders, decrees and other compliance agreements are in full force and effect, no violations are or have been recorded in respect of any thereof and no proceeding is pending or, to the knowledge of Seller, threatened to revoke or limit any thereof.

(c) To Seller's Knowledge, Schedule 6.11(c) contains a true and complete list of all such governmental licenses, consents, approvals, authorizations, permits, orders, decrees and other compliance agreements under which Seller is operating or bound. To Seller's Knowledge, Seller is not in default or alleged to be in default under any thereof and Seller has furnished to Purchaser true and complete copies thereof. To Seller's Knowledge, none of such licenses, consents, approvals, authorizations, permits, orders, decrees and other compliance agreements shall be affected in any respect by the transactions contemplated hereby or by any of the Ancillary Agreements.

Section 6.12 Broker's or Finder's Fees. No agent, broker, Person or firm acting on behalf of Seller is, or will be, entitled to any commission or broker's or finder's fees from any Party, or from any affiliate of any Party, in connection with any of the transactions contemplated by this Agreement except for the fee of Wedbush Securities Inc. which fee shall be paid as of the Closing Date from available cash on hand and pursuant to the DIP Order.

Section 6.13 Insurance Coverage. To Seller's Knowledge, Seller has furnished or made available to Purchaser, a list of, and true and complete copies of, all insurance policies covering the Acquired Assets and the Business, all of which are set forth on Schedule 6.13. There is no claim by Seller pending under any of such policies as to which coverage has been questioned, denied or disputed by the underwriters of such policies or bonds.

Section 6.14 None of the Seller's representations set forth in this Article VI, shall survive on or after the Closing.

## ARTICLE VII

### REPRESENTATIONS OF PURCHASER

Section 7.1 Representations of Purchaser. Purchaser represents and warrants to Seller as follows:

Section 7.2 Existence and Good Standing; Authorization and Validity of Agreement.

(a) Purchaser is a corporation duly incorporated, validly existing and in good standing under the laws of its respective jurisdiction of incorporation.

(b) Purchaser has full corporate power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby.

Section 7.3 Authorization; Enforceability. Purchaser has the corporate power and authority to execute, deliver and perform this Agreement and the other documents. The execution, delivery and performance of this Agreement and the other documents and the consummation of the transactions contemplated herein and therein have been duly authorized and approved by Purchaser, and no other action on the part of Purchaser is necessary in order to give effect thereto. This Agreement and each of the other documents to be executed and delivered by Purchaser have been duly executed and delivered by, and constitute the legal, valid and binding obligations of, Purchaser, enforceable against Purchaser, in accordance with their terms, except as such enforcement may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights generally and except that the availability of equitable remedies is subject to the discretion of the court before which any proceeding therefor may be brought.

## ARTICLE VIII

### ADDITIONAL AGREEMENTS

Section 8.1 Operation of the Business. Except as contemplated by this Agreement or consented to by Purchaser, which consent shall not be unreasonably withheld, and to the extent not inconsistent with the Bankruptcy Code, or any orders entered by the Bankruptcy Court in the Bankruptcy Case or otherwise required by applicable Law, Seller shall conduct (A) its operations relating to the Business in the Ordinary Course of Business; and (B) use commercially reasonable efforts to preserve intact the Business, to maintain its relations and goodwill with its vendors, suppliers, customers, distributors and any others which with whom or with which it has business relations. Seller shall not, without the prior written consent of Purchaser:

(a) sell, lease, license, sublicense, encumber or dispose of any Acquired Assets, other than in Seller's Ordinary Course of Business;

(b) amend, cancel or otherwise alter any of the Assigned Contracts or take any action which constitutes or would constitute (with notice or lapse of time or both) a breach of or default under any of the Assigned Contracts or would result in a termination of any of the Assigned Contracts;

(c) enter into any agreement or commitment or engage in any transaction in excess of \$50,000 relating to the Business which is not in the Ordinary Course of Business without the written consent of Purchaser;

(d) take any action or fail to take any action required by this Agreement with the knowledge that such action or failure to take action would result in any of the representations and warranties of Seller set forth in this Agreement becoming untrue in any respect;

(e) take any action to waive or compromise any claims (whether or not asserted in any pending litigation) which are included in the Acquired Assets, except in a manner consistent with past practice);

(f) hire or enter into an employment agreement with any senior management, including but not limited to any regional sales manager or plant manager without the prior written approval of the Purchaser; or

(g) agree in writing or otherwise to take any of the foregoing actions.

Section 8.2 Review of Seller. Purchaser may, prior to the Closing Date, through its representatives, review the properties, books and records of Seller, to the extent that the same is not prohibited by applicable Law and relates to the Acquired Assets. Seller shall permit Purchaser and its representatives to have reasonable access to the premises, the books and records and employees during normal working hours to conduct such review.

Section 8.3 Reasonable Efforts; Cooperation; Consents and Approvals. Subject to Seller's obligations to comply with any order of the Bankruptcy Court and the Purchaser's funding through the DIP Order (or alternative funding mechanism including available cash) of the amounts required for Seller to perform the following tasks, each of the Parties agrees to use its commercially reasonable efforts to take, or cause to be taken, all action to do or cause to be done, and to assist and cooperate with each other Party in doing, all things necessary, proper or advisable to consummate and make effective, in the most expeditious manner practicable, the transactions contemplated by this Agreement (in each case, to the extent that the same is within the control of such Party), including, without limitation, (i) compliance with any Bankruptcy Court approvals, consents and orders, (ii) the obtaining of all necessary waivers, consents and approvals from Governmental Authorities and the making of all necessary registrations and filings and the taking of all reasonable steps as may be necessary to obtain any approval or waiver from, or to avoid any action or proceeding by, any Governmental Authority, (iii) the defending of any lawsuits or any other legal proceedings whether judicial or administrative, challenging this Agreement, the Ancillary Agreements or the consummation of the transactions contemplated hereby and thereby and (iv) causing the conditions set forth in Articles IX and X to be satisfied. Seller will use its commercially reasonable efforts to obtain from the Bankruptcy Court all orders, consents and approvals necessary to consummate the transactions contemplated by this Agreement, including without limitation, the Approval Order, all within the time periods set forth herein.

Section 8.4 Intentionally Omitted.

Section 8.5 Public Disclosure. Except as otherwise required by Law or regulation, as may be necessary or appropriate in connection with the pending Bankruptcy Case in respect of Seller, Purchaser shall consult with Seller and obtain Seller's agreement before issuing any press release or otherwise making any public statements with respect to this Agreement or the matters



contained herein and will not issue any such press release or make any such statement prior to such consultation and agreement. This Section 8.5 shall survive any termination of this Agreement.

Section 8.6 Apportionment. All real property and personal property taxes, assessments and similar governmental charges levied with respect to the Acquired Assets for a taxable period which includes (but does not end on) the Closing Date shall be apportioned between the pre-Closing tax period and the post-Closing tax period as of the Closing Date on a per diem basis. Thereafter, Seller shall notify Purchaser upon receipt of any bill for real or personal property taxes or similar charges relating to the Acquired Assets, part or all of which are attributable to any post-Closing tax period, and shall promptly deliver such tax bill to Purchaser who shall pay the post-Closing portion of the same to the appropriate governmental authority; provided that if such bill covers the pre-Closing period, Seller shall also remit to Purchaser, prior to the due date of such tax bill, payment for the proportionate amount of such bill that is attributable to the pre-Closing period. If either Seller or Purchaser shall make a payment for which such Party is entitled to have such payment made by the other Party under this Section, the other Party shall make reimbursement promptly but in no event later than fifteen (15) Business Days after the presentation of a statement setting forth the amount of reimbursement to which the presenting Party is entitled along with such supporting evidence as is reasonably necessary to calculate the amount of reimbursement. Any payment required under this Section shall bear interest at the rate per annum determined, from time to time, under the provisions of Section 6621(a)(2) of the Code for each day until paid.

Section 8.9 Cooperation. Seller covenants and agrees that, during the period between the date hereof and the Closing, Seller shall promptly inform Purchaser in writing of any breaches of the representations and warranties contained in Article VI or any breach of any covenant of Seller.

Section 8.10 Actions Post Approval Order. From the date of the entry of the Approval Order through the Closing Date, Seller will refrain from, directly or indirectly, including through any officer, director, agent, representative or otherwise, and will cause their officers, directors, agents and representatives to refrain from (i) soliciting, initiating, encouraging or accepting any other inquiries, proposals or offers from any person or entity (w) relating to any transaction for the purchase of the assets of the Business or (x) to enter into any other extraordinary business transaction involving or otherwise relating to assets of the Business, or (ii) participating in any discussions, conversations, negotiations or other communications with any other person or entity regarding any of the foregoing, other than to inform any such third party of Seller's obligation not to participate in any such discussions or conversations.

Section 8.11 Employee Matters.

(a) Prior to the Closing, Purchaser shall offer to employ, commencing immediately following the Closing Date, those employees listed on Schedule 8.11(a) at their salaries, compensation levels and terms and conditions of employment applicable to their employment immediately prior to the Closing. Such employees who become employees of Purchaser shall be collectively referred to as the "**Transferred Employees**."

(b) Purchaser shall give Transferred Employees full credit for purposes of eligibility and vesting and benefit accrual (other than benefit accrual under a defined benefit pension plan) under the employee benefit plans or arrangements maintained by Purchaser in which such Transferred Employees currently participate for such Transferred Employees' service.

## **ARTICLE IX**

### **CONDITIONS TO THE OBLIGATIONS OF PURCHASER**

Section 9.1 Conditions to Purchaser's Obligations. The obligations of Purchaser hereunder are conditioned upon the satisfaction or waiver in writing (subject to applicable Law) of the following conditions:

(a) Hearing on Sale Motion. The Bankruptcy Case shall have conducted a hearing on the Sale Motion and the Global Settlement Motion no later than December 4, 2014.

(b) Approval Order. The issuance of the Approval Order and Global Settlement Order on or prior to December 4, 2014.

(c) Representations and Warranties. The representations and warranties of Seller contained in this Agreement shall be true and correct in all material respects, as of the date hereof and shall be true and correct in all material respects on the Closing Date (after which date, such representations and warranties shall not survive), as if made on such date (except for representations and warranties that relate to a specific date, which shall be true and correct in all respects as of such date), provided that representations and warranties of Seller contained in this Agreement that are qualified in any way as to materiality shall be true and correct in all respects as of the Closing Date, as if made on such date, and Buyer shall have received a certificate of Seller to such effect signed by duly authorized officers thereof.

(d) Performance of Agreements. Each and all of the agreements of Seller to be performed on or prior to the Closing pursuant to the terms hereof shall have been duly performed in all respects, and Purchaser shall have received a certificate of Seller to such effect signed by duly authorized officers thereof.

(e) No Termination of Any Assigned Contract. As of the Closing, the entry of the Approval Order by the Bankruptcy Court will not result or has not resulted in a termination of any of the Assigned Contracts.

(f) Acceptance by Counsel to Purchaser. The form and substance of all legal matters contemplated hereby and of all documents or instruments delivered hereunder shall be reasonably acceptable to Purchaser's and Seller's respective counsel.

(g) Consents, Approvals and Agreements. Purchaser shall have received duly executed copies of all consents, approvals and other agreements contemplated by this Agreement including, but not limited to, the Ancillary Agreements, in form and substance satisfactory to Purchaser.

(h) Retention of Employees. On or prior to the Closing Date, Purchaser shall have concluded that it will have the ability to retain those employees listed on Schedule 8.11(a).

(i) Retention of Key Employees. Purchaser shall have reached an agreement and executed employment agreements with those key employees listed on Schedule 9.1(i).

(j) No Business Change. No change shall have occurred or be threatened regarding Seller or the Business which could or could be reasonably likely to have a Material Adverse Effect.

(k) Rochem Spacer Tube Model Trademark. On or prior to the Closing Date, the Rochem Spacer Tube Model Trademark, registration number 30325423 (Germany) together with all goodwill associated therewith, shall be included in Schedule 2.1(a)(iv) and transferred to Purchaser and included as Acquired Assets.

(l) Assignment of Agreement. On or prior to the Closing Date, each of (i) that certain lease dated as of February 20, 2014, by and between Ultura Inc. and RNH&J Properties for the premises located at 4313-4115 Avenida de la Plata, Oceanside CA 92056 and (ii) that certain *Professional Services* contract by and between Chevron USA Inc. and Ultura Inc. shall be assigned to Purchaser and included as Assigned Contracts.

(m) Transition Services Agreement. On or prior to the Closing Date, Purchaser and Ultura Inc. shall have entered into a transitional services agreement substantially upon the terms set forth in Schedule 9.1(m).

(n) On or prior to the Closing Date Purchaser and Ultura GmbH shall have entered into an agreement providing for (A) the right of Purchaser to utilize certain space at the GmbH manufacturing facility (including an option to continue to utilize such space if such manufacturing facility is sold to a third party) for the operation of a certain piece of equipment known as the "Membrane Cushion Machine"; and (B) Ultura GmbH making available certain qualified personnel to operate such Membrane Cushion Machine, upon terms and conditions acceptable to Purchaser.

(o) No Injunction. No court or other Governmental Authority shall have issued an order or stay including but not limited to a stay pending appeal which shall then be in effect restraining or prohibiting the completion of the transactions contemplated hereby.

(p) Statutes. No Law of any kind shall have been enacted, entered, promulgated or enforced by any Governmental Authority which prohibits, or has the effect of making illegal, the consummation of the transactions contemplated hereby.

(q) Governmental Approvals. All governmental and other consents and approvals necessary to permit the consummation of the transactions contemplated by this Agreement shall have been received.

(r) FIRPTA Certificate. Seller shall furnish to Purchaser, on or before the Closing Date, a copy of a statement, dated not more than thirty (30) days prior to the Closing Date, issued

by Seller pursuant to Treasury Regulations 1.1445-2(b), certifying as to such Seller's non-foreign status.

(s) Bankruptcy Matters. (a) the Approval Order and the Global Settlement Order shall each have been entered and shall not have been stayed, modified, reversed or amended in any manner that is not reasonably satisfactory to Purchaser; and (b) Seller shall have received from the Bankruptcy Court all applicable orders, approvals and consents required to transfer the Acquired Assets, and to consummate the transactions contemplated by this Agreement.

(t) No Litigation Pending. No action shall have been commenced or threatened by or before any Governmental Authority against Seller seeking to restrain or materially and adversely alter the transactions contemplated hereby which Purchaser reasonably believes, in its sole and absolute discretion, is likely to render it impossible or unlawful to consummate the transactions contemplated by this Agreement or which could have a Material Adverse Effect.

## ARTICLE X

### CONDITIONS TO THE OBLIGATIONS OF SELLER

Section 10.1 Conditions to Seller's Obligations. The obligations of Seller to consummate the Closing are conditioned upon the satisfaction or waiver in writing (subject to applicable Law), on or prior to the Closing Date, of the following conditions:

(a) Representations and Warranties. The representations and warranties of Purchaser contained in this Agreement shall be true and correct in all respects, as of the date hereof and shall be true and correct in all material respects on the Closing Date, as if made on such date (except for representations and warranties that relate to a specific date, which shall be true and correct in all respects as of such date), provided that representations and warranties of Purchaser contained in this Agreement that are qualified in any way as to materiality shall be true and correct in all respects as of the Closing Date, as if made on such date, and Seller shall have received a certificate of Buyer to such effect signed by duly authorized officers thereof.

(b) Performance of Agreements. Each and all of the agreements of Purchaser to be performed on or prior to the Closing pursuant to the terms hereof shall have been duly performed in all respects, and Seller shall have received a certificate of Purchaser to such effect signed by duly authorized officers thereof.

(c) No Litigation No Action shall have been commenced by or before any Governmental Authority against Purchaser, seeking to restrain or materially and adversely alter the transactions contemplated by this Agreement which, in the reasonable, good faith determination of Seller, is likely to render it impossible or unlawful to consummate such transactions; provided, however, that the provisions of this Section 10.1(c) shall not apply if Seller has directly or indirectly solicited or encouraged any such action.

(d) No Injunction. No court or other Government Authority shall have issued an order or stay including but not limited to a stay pending appeal which shall then be in effect restraining or prohibiting the completion of the transactions contemplated hereby.

(e) Statutes. No Law of any kind shall have been enacted, entered, promulgated or enforced by any Governmental Authority which prohibits, or has the effect of making illegal, the consummation of the transactions contemplated hereby.

(f) Governmental and Other Approvals. All governmental and other consents and approvals necessary to permit the consummation of the transactions contemplated by this Agreement shall have been received.

(g) Bankruptcy Matters. (a) the Approval Order and the Global Settlement Order shall each have been entered and shall not have been stayed, modified, reversed or amended in any manner that is not reasonably satisfactory to Purchaser; and (b) Seller shall have received from the Bankruptcy Court all applicable orders, approvals and consents required to transfer the Acquired Assets, and to consummate the transactions contemplated by this Agreement.

## ARTICLE XI

### TERMINATION

Section 11.1 Events of Termination. This Agreement may be terminated and the transactions contemplated hereby may be abandoned at any time prior to the Closing:

- (a) by mutual written consent of the Parties;
- (b) by any Party, if the Closing Date shall not have occurred by December 12, 2014 (to the extent Purchaser in its sole discretion waives the requirement that the Approval Order shall have become a final order, provided if Purchaser does not waive this requirement then such date shall be December 19, 2014), provided that the right to terminate this Agreement under this Section 11.1(b) shall not be available to any Party whose failure to fulfill any obligation under this Agreement shall be the cause of the failure of the Closing Date to occur on or before such date;
- (c) by Seller, if there has been a material breach of any covenant or condition, or any representation or warranty of Purchaser;
- (d) by Purchaser, if there has been a material breach of any covenant or condition or any representation or warranty of Seller;
- (e) by any Party, if there shall be any Law of any Governmental Authority that makes consummation of the transactions contemplated hereby illegal or otherwise prohibited or if any judgment, injunction, order or decree of any competent authority prohibiting such transactions is entered and such judgment, injunction, order or decree shall have become final and non-appealable;

(f) by Purchaser if the Sale Hearing and Global Settlement Motion is not held before the Bankruptcy Court on or before December 4, 2014;

(g) by Purchaser, if the Approval Order and Global Settlement Order has not been entered by the Bankruptcy Court in form and/or substance satisfactory to Purchaser on or prior to December 4, 2014;

(h) by Purchaser, if the Bankruptcy Case is converted to a case under Chapter 7 of the Bankruptcy Code;

(i) by Purchaser if there has occurred a Material Adverse Effect; or

(j) by any Party, if an alternative transaction is approved by the Bankruptcy Court.

#### Section 11.2 Effect of Termination.

(a) In the event that this Agreement shall be terminated pursuant to Section 11.1, all further obligations of the Parties under this Agreement shall terminate without further liability or obligation of any Party to any other Party hereunder except for those provisions that expressly survive the termination of this Agreement and except as provided below and in Section 13.15. In the event that this Agreement is terminated pursuant to Section 11.1(c), Seller shall be relieved of and otherwise released from the obligations under the DIP Order (as of the termination date of this Agreement, with no further obligation of Purchaser to advance any further funds under such DIP Order, provided, however, that Purchaser will be obligated to fund any accrued unpaid expenses incurred under the DIP Order), as liquidated damages, in complete satisfaction of any and all claims and causes of action arising in and out of any breach or default of this Agreement by Purchaser.

(b) This Section 11.2 shall survive any termination of this Agreement.

### **ARTICLE XII**

#### **SURVIVAL**

12.1 Survival. Unless otherwise provided in this Agreement, the covenants, agreements, representations and warranties of the Parties hereto contained in this Agreement or in any certificate, schedule or other writing delivered pursuant hereto or in connection herewith shall expire as of the Closing Date.

### **ARTICLE XIII**

#### **MISCELLANEOUS**

Section 13.1 Expenses; Fees. The Parties shall pay all of their own expenses relating to the transactions contemplated by this Agreement, including, without limitation, the fees and

expenses of their respective counsel, financial advisors and accountants except as provided for in Section 11.2.

Section 13.2 APPLICABLE LAW. THIS AGREEMENT IS TO BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH U.S. FEDERAL BANKRUPTCY LAW, TO THE EXTENT APPLICABLE, AND WHERE STATE LAW IS IMPLICATED, THE LAWS OF THE STATE OF NEW YORK SHALL GOVERN, WITHOUT REFERENCE TO CHOICE OF LAW PRINCIPLES, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE.

Section 13.3 JURISDICTION; WAIVER OF JURY TRIAL. THE BANKRUPTCY COURT WILL HAVE JURISDICTION OVER ANY AND ALL DISPUTES BETWEEN OR AMONG THE PARTIES, WHETHER IN LAW OR EQUITY, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY AGREEMENT CONTEMPLATED HEREBY; PROVIDED THAT IF THE BANKRUPTCY COURT IS UNWILLING OR UNABLE TO HEAR ANY SUCH DISPUTE, THE COURTS OF THE STATE OF NEW YORK AND THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA LOCATED IN NEW YORK WILL HAVE SOLE JURISDICTION OVER ANY AND ALL DISPUTES BETWEEN OR AMONG THE PARTIES, WHETHER IN LAW OR EQUITY, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY AGREEMENT CONTEMPLATED HEREBY. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 13.4 Captions; Headings; Table of Contents. The Article and Section captions and the headings and table of contents set forth herein are for reference purposes only, and shall not in any way affect the meaning or interpretation of this Agreement.

Section 13.6 Notices. All notices, requests, demands, waivers and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if delivered in person or mailed, certified or registered mail with postage prepaid, or sent by telex, telegram or telecopy and a confirmation of transmission is obtained, as follows:

(a) **if to Seller, to:**

Grant Lyon  
Interim Chief Executive Officer  
Ultura (Oceanside) Inc.  
57 West 57<sup>th</sup> Street, Ste. 330  
New York, New York 10019

**with a copy to:**

Pachulski Stang Ziehl & Jones LLP  
10100 Santa Monica Boulevard, 13<sup>th</sup> Floor  
Los Angeles, CA 90067  
Attention: Jeffrey N. Pomerantz, Esq.

Joshua M. Fried, Esq.  
Facsimile: 310.201.0760

(b) **if to Purchaser, to:**  
UAC Finance, Inc.  
c/o True North Venture Partners, LP  
205 N. Michigan Avenue  
Chicago, IL 60601  
**Attention:** Michael J. Ahearn  
Matthew S. Ahearn  
Facsimile:

**with a copy to:**  
Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.  
One Financial Center  
Boston, Massachusetts 02111  
**Attention:** William W. Kannel, Esq.  
Daniel S. Bleck, Esq.  
Facsimile: 617.542.2241

or to such other Person or address as any Party shall specify by notice in writing to each of the other Parties. All such notices, requests, demands, waivers and communications shall be deemed to have been received on the date of delivery unless if mailed, in which case on the third Business Day after the mailing thereof except for a notice of a change of address, which shall be effective only upon receipt thereof.

Section 13.5 Assignment; Parties in Interest. This Agreement may not be transferred, assigned, pledged or hypothecated by either Seller or Purchaser (provided that Purchaser can assign this Agreement to its affiliate so long as Purchaser remains obligated under the Agreement), other than by operation of law. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns. This Agreement may be assigned by Purchaser to a nominee or affiliate of Purchaser.

Section 13.6 Counterparts. This Agreement may be executed in two (2) or more counterparts, in original form or by facsimile, each of which shall be deemed an original, but all of which together will constitute one and the same document.

Section 13.7 Entire Agreement. This Agreement, including the exhibits, schedules and other documents referred to herein which form a part hereof, contains the entire understanding of the Parties with respect to the subject matter contained herein and therein. This Agreement supersedes all prior agreements and understandings between the Parties with respect to such subject matter.



Section 13.8 Severability; Enforcement. To the extent of the invalidity of any portion hereof, : (a) such provision shall be fully severable; (b) this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof; (c) the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement; and (d) in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Agreement a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible. If it is ever held that any restriction hereunder is too broad to permit enforcement of such restriction to its fullest extent, each Party agrees that a court of competent jurisdiction may enforce such restriction to the maximum extent permitted by law, and each Party hereby consents and agrees that such scope may be judicially modified accordingly in any proceeding brought to enforce such restriction.

Section 13.9 Amendments; Waiver. This Agreement may not be changed orally, but only by an agreement in writing signed by all Parties. Any provision of this Agreement can be waived, amended, supplemented or modified by written agreement of the Parties. The failure of any Party to enforce at any time any of the provisions of this Agreement shall in no way be construed to be a waiver of any such provision, nor in any way to affect the validity of this Agreement or any part hereof or the right of such Party thereafter to enforce each and every such provision. No waiver of any breach of or non-compliance with this Agreement shall be held to be a waiver of any other or subsequent breach or non-compliance.

Section 13.10 No Strict Construction. The Parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event any ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement.

Section 13.11 Pronouns. As used herein, all pronouns shall include the masculine, feminine, neuter, singular and plural thereof whenever the context and facts require such construction.

Section 13.12 No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the parties and the respective successors or assigns of the parties, any rights, remedies, obligations or liabilities whatsoever.

Section 13.13 Interpretation. This Agreement has been negotiated between the parties and will not be deemed to be drafted by, or the product of, any party. As such, this Agreement will not be interpreted in favor of, or against, any party.

Section 13.14 No Joint Venture. No party hereto shall make any warranties or representations, or assume or create any obligations, on the other party's behalf except as may be expressly permitted hereunder or in writing by such other party. Each party hereto shall be solely responsible for the actions of all its respective employees, agents and representatives.

Section 13.15 Specific Performance. The transactions contemplated by this Agreement are unique transactions and any failure on the part of Seller to complete the transactions contemplated by this Agreement or any of the Ancillary Agreements on the terms of this Agreement or any of the Ancillary Agreements will not be fully compensable in damages and the breach or threatened breach of the provisions of this Agreement or any of the Ancillary Agreements would cause Purchaser irreparable harm. Accordingly, in addition to and not in limitation of any other remedies available to Purchaser for a breach or threatened breach of this Agreement or any of the Ancillary Agreements, Purchaser will be entitled to specific performance of this Agreement or any of the Ancillary Agreements upon any breach by Seller, and to an injunction restraining any such party from such breach or threatened breach.

Section 13.16 Reasonable Access to Records and Certain Personnel, Etc. In order to facilitate Seller's efforts to administer and close the Bankruptcy Case (including, without limitation, the preparation of filings in the Bankruptcy Case and state, local and federal tax returns and other filings, reconciliation of claims filed in the Bankruptcy Case), removal of corporate and other records and information relating or belonging to entities other than Seller, until the date on which Seller's chapter 11 case is closed, (i) Purchaser shall permit Seller's counsel any representative of Seller, including without limitation, any appointed liquidating trustee in the Bankruptcy Case, and other professionals and counsel for any successor to Seller and their respective professionals (collectively, **"Permitted Access Parties"**) reasonable access to the financial and other books and records relating to the Acquired Assets or the Business and the systems containing such information, books and records, which access shall include the right of such Permitted Access Parties to copy or remove, as applicable (at the option of Purchaser), at such Permitted Access Parties' expense, such documents and records as they may request solely for the purposes described above and subject to an appropriate confidentiality agreement, and (ii) Purchaser shall permit the Permitted Access Parties reasonable access to Purchaser's employees free of charge with respect to the foregoing matters up to a period of 26 weeks, provided that such access does not interfere with the duties, obligations and performance such employees owe to Purchaser or its designees.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK; SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed by its officers thereunto duly authorized, all as of the day and year first above written.

**ULTURA (OCEANSIDE) Inc.**

By: 

Name: Grant Lyon

Title: President

**UAC FINANCE, INC.**

By: \_\_\_\_\_

Name:

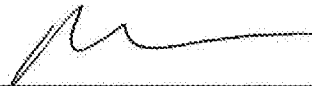
Title:

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed by its officers thereunto duly authorized, all as of the day and year first above written.

**ULTURA (OCEANSIDE) Inc.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**UAC FINANCE, INC.**

By:  \_\_\_\_\_  
Name: *Matthew Ahearn*  
Title: *Director*

**EXHIBIT A**

**BILL OF SALE**

## BILL OF SALE AGREEMENT

This BILL OF SALE AGREEMENT (this "Bill of Sale"), is made as of December 11, 2014, by Ultura (Oceanside) Inc. a California corporation ("Seller"), in favor of UAC Finance, Inc. or its designee, a Delaware corporation ("Buyer"). All capitalized terms used herein and not defined herein shall have the respective meanings ascribed to such terms in that certain Asset Purchase Agreement, dated as of December 3, 2014, by and between Seller and Buyer (the "Transfer Agreement").

WHEREAS, pursuant to the Transfer Agreement, Seller has agreed to transfer, convey, assign and deliver to Buyer the Acquired Assets, all in accordance with the terms set forth in the Transfer Agreement; and

WHEREAS, pursuant to the Transfer Agreement, Seller is required to execute and deliver to Buyer this Bill of Sale in connection with the consummation of the transactions contemplated by the Transfer Agreement;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and in the Transfer Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and pursuant to the terms of the Transfer Agreement, Seller covenants and agrees as follows:

1. Seller hereby transfers, conveys, assigns and delivers to Buyer, its successors and assigns, to have and to hold forever, and Buyer hereby accepts from Seller, all of Seller's rights, title and interest in, to and under the Acquired Assets including, but not limited to, those Acquired Assets listed on Schedule A.

2. This Bill of Sale is intended to evidence the consummation of the transfer and assignment by Seller to Buyer of the Acquired Assets as contemplated by the Transfer Agreement and shall be construed consistently therewith. In the event of any inconsistencies or ambiguities between this Bill of Sale and the Transfer Agreement, the terms of the Transfer Agreement shall govern.

3. Seller does hereby irrevocably constitute and appoint Buyer, its successors and assigns, its true and lawful attorney, with full power of substitution, in its name or otherwise, and on behalf of Seller, or for its own use, to claim, demand, collect and receive at any time and from time to time any and all Acquired Assets, properties, claims, accounts and other rights, tangible or intangible, hereby sold, conveyed, assigned, transferred and delivered, or intended so to be, and to prosecute the same at law or in equity and, upon discharge thereof, to complete, execute and deliver any and all necessary instruments of satisfaction and release.

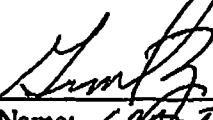
4. Seller hereby covenants and agrees that it will, at the request of Buyer, execute and deliver such other instruments of conveyance, assignment and transfer and take such other action, as Buyer may reasonably request to vest in Buyer the entire right, title and interest in and to the Acquired Assets being transferred hereby and as may be necessary or appropriate to fully carry out the intent of this Bill of Sale.

6. THIS BILL OF SALE AGREEMENT SHALL BE GOVERNED BY, CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO THE CONFLICT OF LAW PRINCIPLES THEREOF. THIS BILL OF SALE AGREEMENT SHALL BE BINDING UPON AND INURE TO THE BENEFIT OF SELLER, BUYER AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS. FACSIMILE SIGNATURES SHALL BE DEEMED ORIGINALS FOR ALL PURPOSES HEREUNDER.

*[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK. SIGNATURE PAGE(S) TO FOLLOW.]*

IN WITNESS WHEREOF, the undersigned has executed this Bill of Sale as of date and year first above written.

ULTURA (OCEANSIDE) INC.

By:   
Name: Robert Lyon  
Title: CEO



## SCHEDULE A

All right, title and interest in and to all of the assets, whether tangible or intangible, other than the Excluded Assets, relating to the Business, wherever such may be located, that are owned, held or used by Seller as the same existed immediately prior to the Closing (collectively, the “**Acquired Assets**”) and including without limitation all rights, title and interest of Seller, into and under such of the following:

- (i) all raw materials, work-in-process, finished goods, supplies and inventory (collectively, the “**Inventory**”), and all computer records and other records relating to the foregoing;
- (ii) other than (i) as provided under the DIP Budget in the categories and amounts set forth therein; and (ii) the cash amounts to be funded to the Seller pursuant to the Wind-down Budget for those designated expenses therein; and (iii) the consideration to be provided to the Seller pursuant to the Global Settlement Order, all cash and cash equivalents (including checking account balances, bank accounts, certificates of deposit and other time deposits and petty cash) and marketable and other securities relating to or arising in connection with the operation of the Business;
- (iii) all tangible personal property owned by Seller, including, without limitation, vehicles, machinery, equipment, furniture, office equipment, tools and other tangible property of any kind or nature including, but not limited to, those set forth on Exhibit 2.1(a)(iii) (collectively, the “**Fixed Assets**”);
- (iv) all rights of Seller under all executory contracts and unexpired leases, including, but not limited to, real property leases, all as listed on Exhibit 2.1(a)(iv) (collectively, the “**Assigned Contracts**”) (notwithstanding any provision to the contrary contained in the Transfer Agreement, with respect to any Assigned Contracts set forth on Exhibit 2.1(a)(iv) Purchaser may, in its sole discretion, delete any Assigned Contract to the list of Assigned Contracts to be assumed by the Seller and assigned to the Purchaser prior to the Closing Date;
- (v) to the extent transferrable or assignable, all Intellectual Property owned or licensed or used in respect of the Business, all documents embodying proprietary information copyright-protected material and all evidence of ownership of such Intellectual Property including, but not limited to, those set forth on Exhibit 2.1(a)(v) (collectively, the “**Assigned Intellectual Property**”);
- (vi) all intangible personal property (other than Intellectual Property) owed by Seller including, without limitation, the goodwill of the Business, catalogues, customer lists and other customer information, correspondence with present or prospective customers and suppliers, advertising materials, and telephone exchange numbers identified with the Business but excluding: (1) any materials containing privileged communications or information about employees (including any Transferred Employees), disclosure of which would violate such employee’s reasonable expectation of privacy and any other materials which are subject to attorney-client or other privilege, and (2) any item of intangible property held by Seller pursuant to a

- license or other contract where Purchaser does assume the underlying contract or license relating to such intangible personal property at the Closing;
- (vii) to the extent transferrable or assignable, Seller's interest in all licenses, License Agreements, Licensed Software, certificates of occupancy, permits, registrations, certificates of public conveyance and necessity, approvals, licenses, easements, authorization and operating rights issued or granted by any governmental or similar authority having jurisdiction over the Business;
  - (viii) all accounts and notes receivable (whether current or non-current) and all causes of action specifically pertaining to the collection of the foregoing (the "**Accounts Receivable**");
  - (ix) all promotional allowances, vendor rebates and similar items relating to the operation of the Business and all claims and causes of action against vendors of the Business including, but not limited to, those under Sections 544, 547, 548, 549 and 550 of the Bankruptcy Code (the "**Vendor Claims**");
  - (x) Except to the extent that the following relate to Excluded Assets: all claims, prepayments, warranties, guarantees, refunds, reimbursements, causes of action, rights of recovery, rights of set-off and rights of recoupment of every kind and nature relating to or in connection with the operation of the Business;
  - (xi) all rights, claims and causes of action of Seller against current and former officers, directors, employees (including employees of Seller's parent who may be employed by Purchaser), members, principals, agents, and representatives of Seller (including its attorneys and advisors) other than as provided under the Global Settlement Order;
  - (xii) all tax refunds, rebates, credits and similar items relating to or arising out of the operation of the Business and to any period, or portion of any period, on or prior to the Closing Date;
  - (xiii) all securities/capital stock or other indicia of ownership of Ultura Sales GmbH owned or held by Seller; and
  - (xiv) copies of all books, records, files and papers, whether in hard copy or computer format, including, without limitation, all books, records, materials, manuals, sales and promotional materials and records, advertising materials, customer lists, supplier lists, mailing lists, distribution lists, business plans, litigation files, credit information, cost and pricing information, in each case relating to the Acquired Assets, provided, however, the Purchased Assets shall specifically exclude any of the foregoing to the extent the same is (i) subject to any applicable attorney-client privilege, and/or (ii) not transferable under applicable law and further provided that Seller shall retain and be permitted to use the foregoing solely in order to administer its Bankruptcy Case as set forth in Section 13.16 of the Transfer Agreement.

Exhibit 2.1(a)(iii)

Fixed Assets

Asset Description	Manufacturer	Serial #	Group
Air Compressor	Speedair		Element & Module Product
Air Compressor	Ingersoll Rand		Element & Module Product
Assembly Tables QTY: 6			Element & Module Product
Benchtop Scale			Element & Module Product
Bubble Test Tanks #1	Charles		Element & Module Product
Bubble Test Tanks #2	Charles		Element & Module Product
Caging Elements Transfer Cart #1	Charles		Element & Module Product
Caging Elements Transfer Cart #2	Charles		Element & Module Product
Caging Station #1	Charles		Element & Module Product
Caging Station #2	Charles		Element & Module Product
Circular Saw	Skil		Element & Module Product
Cordless Drills QTY: 2	Craftsman		Element & Module Product
Cut-Off Saw	Rigid	R4120	Element & Module Product
Drill Press #1	Jet	JDP-15MF	Element & Module Product
Drill Press #2	Jet	JDP-17MF	Element & Module Product
Drum Cradle QTY: 2			Element & Module Product
Drum Dolly			Element & Module Product
Drum Pump to feed HFR - Part A	Graco	218-956	Element & Module Product
Drum Pump to feed HFR - Part B	Graco	218-956	Element & Module Product
Drum Pumps to Fill PR70's - Part A	Graco	218-956	Element & Module Product
Drum Pumps to Fill PR70's - Part B	Graco	218-956	Element & Module Product
DT Press			Element & Module Product
Element Curing Cart #1	Charles		Element & Module Product
Element Curing Cart #2	Charles		Element & Module Product
Element Finish Table #1	Charles		Element & Module Product
Element Finish Table #2	Charles		Element & Module Product
Element Transfer Cart #1	Charles		Element & Module Product
Element Transfer Cart #2	Charles		Element & Module Product
Element Trim Prep Table #1	Charles		Element & Module Product
Element Trim Prep Table #2	Charles		Element & Module Product
Fans QTY: 5			Element & Module Product
File Cabinets QTY: 2			Element & Module Product
Finished Element Transfer Cart	Charles		Element & Module Product
Fire Extinguishers QTY: 2			Element & Module Product
Fire Extinguishers QTY: 9			Element & Module Product
Floor Scale			Element & Module Product
FM Cartridge Press			Element & Module Product
FM Cartridge Vacuum Test System			Element & Module Product
FM Cushion Machine			Element & Module Product
FM Stack Bubble Test System			Element & Module Product
FRP Cure Racks #1	Charles		Element & Module Product
FRP Cure Racks #2	Charles		Element & Module Product
FRP Station	Durawinder	11A	Element & Module Product

Asset Description	Manufacturer	Serial #	Group
Hand Dolly			Element & Module Product
Heat Sealer #1	Accu-Seal	70-233S	Element & Module Product
Heat Sealer #2	Accu-Seal	70-333	Element & Module Product
Heat Sealer #3	Accu-Seal	70-3B2S	Element & Module Product
Heat Sealer #4	ProAxis		Element & Module Product
Heat Sealer #5	ProAxis		Element & Module Product
Heat Sealer for Bags QTY: 2			Element & Module Product
HFR Glue Machine	Graco	HFRB-11AMAMANN	Element & Module Product
HFR Glue Machine			Element & Module Product
Material Cutting Station			Element & Module Product
Material Cutting Table			Element & Module Product
Material Lifting Device	ProXOne	2 Ton	Element & Module Product
Material Unwind Cart	Charles		Element & Module Product
MBS Soak Tank	Charles		Element & Module Product
Membrane Leaves Transfer Tables #1	Charles		Element & Module Product
Membrane Leaves Transfer Tables #2	Charles		Element & Module Product
Membrane Leaves Transfer Tables #3	Charles		Element & Module Product
Membrane Leaves Transfer Tables #4	Charles		Element & Module Product
Membrane Leaves Transfer Tables #5	Charles		Element & Module Product
Membrane Leaves Transfer Tables #6	Charles		Element & Module Product
Membrane Leaves Transfer Tables #7	Charles		Element & Module Product
Membrane Leaves Transfer Tables #8	Charles		Element & Module Product
Membrane Prep Supply Table #1	Charles		Element & Module Product
Membrane Prep Supply Table #2	Charles		Element & Module Product
Membrane Prep Supply Table #3	Charles		Element & Module Product
Membrane Prep Supply Table #4	Charles		Element & Module Product
Membrane Prep Table #1	Charles		Element & Module Product
Membrane Prep Table #2	Charles		Element & Module Product
Membrane Prep Table #3	Charles		Element & Module Product
Membrane Prep Table #4	Charles		Element & Module Product
Membrane Roll Rack			Element & Module Product
Membrane Unwind Cart #1	Charles		Element & Module Product
Membrane Unwind Cart #2	Charles		Element & Module Product
Membrane Unwind Cart #3	Charles		Element & Module Product
Membrane Unwind Cart #4	Charles		Element & Module Product
Module Carts QTY: 6			Element & Module Product
New Trimmer			Element & Module Product
Old Trimmer	Lever Manufacturing	Model 300	Element & Module Product
Packaging Tables QTY: 2			Element & Module Product
Pallet Jack QTY: 2			Element & Module Product
Pallet Racks QTY: 15			Element & Module Product
Paper Cutter			Element & Module Product
Parts Carts QTY: 6			Element & Module Product
Permeate Tube Storage Rack #1			Element & Module Product
Permeate Tube Storage Rack #2			Element & Module Product
PR70 for 3542 Glue	Graco		Element & Module Product
PR-70 Glue Machine	Graco PR70	TOC-1250	Element & Module Product

Asset Description	Manufacturer	Serial #	Group
PR70 Glue Machines - Lead	Graco		Element & Module Product
PR70 Glue Machines Helper	Graco		Element & Module Product
Prepped Material Rack #1	Charles	ETM1340	Element & Module Product
Prepped Material Rack #2	Charles		Element & Module Product
Prepped Tricot Pack Storage Rack #1	Charles		Element & Module Product
Prepped Tricot Pack Storage Rack #2	Charles		Element & Module Product
Prepped Tricot Pack Storage Rack #3	Charles		Element & Module Product
Push Back Racking- Element Production	Interlake Mecalux		Element & Module Product
Rolling Stairs			Element & Module Product
Rolling Station #1			Element & Module Product
Rolling Station #2	Charles		Element & Module Product
Rolling Station #3	Charles		Element & Module Product
Saw Horses QTY: 2			Element & Module Product
Secondary Containment Sump QTY: 2			Element & Module Product
Set of Hand Tools	Craftsman		Element & Module Product
Shop Vacuum QTY: 3			Element & Module Product
Storage Racks QTY: 3			Element & Module Product
Strapping Tools			Element & Module Product
Tape Dispenser Machine QTY: 2			Element & Module Product
TOC Air Generator	Parker		Element & Module Product
Tool Bag	Husky		Element & Module Product
Torque Wrench QTY:	Craftsman		Element & Module Product
Trimmer	Synercon Converting Machinery		Element & Module Product
Ultrasonic Welding Station	Charles		Element & Module Product
Vacuum Test Station	Charles		Element & Module Product
Work Bench for Vacuum Test System			Element & Module Product
Bookcases QTY: 9			Furniture and Fixtures
Buffet style Cabinet QTY: 1			Furniture and Fixtures
Buffet style Cabinet QTY:1			Furniture and Fixtures
Coffee Maker QTY: 2			Furniture and Fixtures
Coffee Tables QTY: 1			Furniture and Fixtures
Coffee Tables QTY: 2			Furniture and Fixtures
Conference Tables QTY: 1			Furniture and Fixtures
Conference Tables QTY: 6			Furniture and Fixtures
Desk Chairs QTY: 15			Furniture and Fixtures
Desk Chairs QTY: 20			Furniture and Fixtures
Dining Table w/ 4 chairs QTY: 1			Furniture and Fixtures
File Cabinets QTY: 2			Furniture and Fixtures
Filing Cabinet QTY: 13			Furniture and Fixtures
Filing Cabinet QTY: 8			Furniture and Fixtures
Hutch over Desk QTY: 1			Furniture and Fixtures
Hutch over Desk QTY:1			Furniture and Fixtures
Keurig QTY:1			Furniture and Fixtures
Keurig QTY:1			Furniture and Fixtures

Asset Description	Manufacturer	Serial #	Group
Large Fridge QTY: 1			Furniture and Fixtures
Large Fridge QTY: 2			Furniture and Fixtures
Large Office Desks QTY: 14		Sepro System	Furniture and Fixtures
Large Office Desks QTY: 7		Sepro System	Furniture and Fixtures
Lockers		J945HK1	Furniture and Fixtures
Microwave QTY: 3		23G4PN1	Furniture and Fixtures
Microwave QTY: 4		67T4FN1	Furniture and Fixtures
Office Tables QTY: 2		CWK6DP1	Furniture and Fixtures
Paper Shredder QTY: 3		1FVD4V1	Furniture and Fixtures
R&D desks w/ Hutches QTY: 5		6VCR6Y1	Furniture and Fixtures
Rug QTY:1		6VRS6Y1	Furniture and Fixtures
Safe QTY:1			Furniture and Fixtures
Safes QTY: 2		0004F26614F0	Furniture and Fixtures
Sitting Chairs QTY: 12		0004F266179A	Furniture and Fixtures
Sitting Chairs QTY: 6		0004F2661847	Furniture and Fixtures
Small Fridge QTY: 1		0004F2661C38	Furniture and Fixtures
Sofas QTY: 3		0004F2661C75	Furniture and Fixtures
Supply Cabinets QTY: 1		0004F2661C7C	Furniture and Fixtures
Supply Cabinets QTY: 2		0004F2661D35	Furniture and Fixtures
Toaster QTY: 1		0004F2661D4A	Furniture and Fixtures
Water Boiler QTY:1		0004F2661E25	Furniture and Fixtures
Computers QTY: 6		0004F26621DF	IT
Computers QTY:6		00E16DB681BA	IT
Laptops QTY: 5			IT
Laptops QTY: 6			IT
Laser Printer	Dell 1135n Laser MFP		IT
Monitors QTY: 1			IT
Monitors QTY: 5			IT
Multi-Purpose Printer	Ricoh Aficio MP C2051	1408	IT
Multi-Purpose Printer	Ricoh-DSc428		IT
Phones QTY:12			IT
Analytical Bench Scale			Lab, Test, R&D Equipment
Element Test Housings - Various Sizes QTY: 18			Lab, Test, R&D Equipment
Flammable Materials Storage Locker			Lab, Test, R&D Equipment
High Pressure Cell Test System			Lab, Test, R&D Equipment
High Pressure Cell Test System			Lab, Test, R&D Equipment
Lab Vacuum Oven	Shellab	Aurora Model 1030	Lab, Test, R&D Equipment
Low Pressure High Flow Element Test System			Lab, Test, R&D Equipment
Medium Pressure Cell Test System			Lab, Test, R&D Equipment
Medium Pressure Cell Test System			Lab, Test, R&D Equipment
Metal Storage Locker QTY: 2			Lab, Test, R&D Equipment
Microwave			Lab, Test, R&D Equipment

Asset Description	Manufacturer	Serial #	Group
PMI	Porous Materials Inc.		Lab, Test, R&D Equipment
R&D Flat Cell Test	Charles		Lab, Test, R&D Equipment
Refractometer			Lab, Test, R&D Equipment
Refrigerator			Lab, Test, R&D Equipment
Refrigerator			Lab, Test, R&D Equipment
ROCHEM Biofilt Test System			Lab, Test, R&D Equipment
ROCHEM DT Wet Test System			Lab, Test, R&D Equipment
ROCHEM ST Pilot Test System			Lab, Test, R&D Equipment
ROCHEM ST Wet Test System			Lab, Test, R&D Equipment
ROCHEM UF Test System			Lab, Test, R&D Equipment
Secondary Containment Sump QTY: 2			Lab, Test, R&D Equipment
Shelf Unit QTY: 3			Lab, Test, R&D Equipment
Sink QTY: 2			Lab, Test, R&D Equipment
Small Bench Scale QTY: 2			Lab, Test, R&D Equipment
Small High Pressure Test System			Lab, Test, R&D Equipment
Stir / Hot Plate			Lab, Test, R&D Equipment
Stir / Hot Plate			Lab, Test, R&D Equipment
Stir / Hot Plate			Lab, Test, R&D Equipment
TOC	O-I-Analytical		Lab, Test, R&D Equipment
Ultra Low Pressure Test Systems			Lab, Test, R&D Equipment
Ultra Low Pressure Test Systems			Lab, Test, R&D Equipment
Ultrasonic Bath			Lab, Test, R&D Equipment
Viscometer - Spare			Lab, Test, R&D Equipment
Wall Mount Storage Cabinets QTY: 8			Lab, Test, R&D Equipment
Wet Test System for Scinor			Lab, Test, R&D Equipment
Work Benches QTY: 17			Lab, Test, R&D Equipment
1 Ton Chain Hoist			Machinery
2 ton Come-a-Long			Machinery
20 Ton Shop Press			Machinery
20" Box Fan QTY: 2			Machinery
4" Angle Grinder	Dewalt		Machinery
Air Hose Reel	Harbor Freight		Machinery
Air Operated Drum Pumps	Graco		Machinery
Air Operated Drum Pumps	Graco		Machinery
Air Operated Drum Pumps	Graco		Machinery
Band Saw			Machinery
Band Saw			Machinery
Bench Grinder			Machinery
Broach Set	Minute Man		Machinery
Circular Saw	Skil		Machinery
Conduit Bender QTY: 3	Klein		Machinery
Cordless Drill QTY: 4	Dewalt		Machinery
Drill Bit Sharpener	Darex		Machinery
Drum Lift Device			Machinery
Extension Ladder			Machinery
File Cabinets QTY: 3			Machinery

Asset Description	Manufacturer	Serial #	Group
Flammable Materials Storage Locker QTY: 2			Machinery
Forklift Boom			Machinery
Forklift Jack	Simplex		Machinery
Hole Saw set	Milwaukee	WI-125	Machinery
Jigsaw	Skil		Machinery
Lathe			Machinery
Lifting Slings - Various sizes QTY: 10			Machinery
Metal Work Table QTY: 2	Charles		Machinery
Oxy-Acetylene Torch	Victor		Machinery
Pallet Racks QTY: 2			Machinery
Plasma Cutter	Miller		Machinery
Plasma Cutter		1WD61	Machinery
Portable Air Compressor	Porter Cable		Machinery
Precision Machinist Level	Moor & Wright		Machinery
Reciprocating Saw	Porter Cable		Machinery
Sets of Hand Tools QTY: 2	Craftsman		Machinery
Shelf Units for Parts Storage QTY: 8		WH1/400	Machinery
Shop Vacuum (4 gallon) QTY: 2	Rigid		Machinery
Slug Buster Hole Punch Set QTY: 2	Greenlee	20XE1.25AE2	Machinery
Snap Ring Pliers Set	ATD	M1D-5AR-SP	Machinery
Step Ladders QTY: 4			Machinery
Tool Bag QTY: 3	Husky		Machinery
Tool Bench Grinder			Machinery
Tool Box QTY: 3	Craftsman		Machinery
Welding Helmet QTY: 2	Miller		Machinery
Casting Machine	MJL		Membrane Product
Dryer	E J Callahan		Membrane Product
Floor Scale	Weigh-Tronics		Membrane Product
Large Mixer	Myers		Membrane Product
12 Gallon Shop Vacuum			Membrane Product
55 Gallon Drum Overpack Drum QTY: 3			Membrane Product
8" Bypass Seal		Imperial IV 3490M	Membrane Product
9.3" ATD Mould			Membrane Product
9.3" ATD Mould			Membrane Product
ABC Fire Extinguishers QTY: 5	Amerex		Membrane Product
Air Compressor	Speedair		Membrane Product
Air Conditioner QTY: 2			Membrane Product
Ball Mill			Membrane Product
Bench Scale QTY: 2			Membrane Product
Best Air Control Catalytic Oxidizer	Catalytic Products		Membrane Product
Boiler for Casting	Raypak		Membrane Product
Bookcase			Membrane Product
Branson 20XE1.25AE2 Special 2000X	Branson		Membrane Product
Chiller for old Casting Machine	Advantage Engineering		Membrane Product
Deep Sink			Membrane Product



Asset Description	Manufacturer	Serial #	Group
Dehumidifier Assembly	Comfort Aire		Membrane Product
Dessicator		0464 1983-12	Membrane Product
Drum Dolly			Membrane Product
Flammable Materials Storage Locker QTY: 8			Membrane Product
Floor Scale			Membrane Product
Grainger Hydraulic Platform Lifter	Dayton	V775A-15-3215	Membrane Product
Hand Dolly		V775A-7.5-3214	Membrane Product
Hand Dolly		550A-15-1478	Membrane Product
Hydraulic Lift	Presto		Membrane Product
Hydraulic Lift	Dayton	M1D-5AR	Membrane Product
Lab Oven	Lab Line Instruments Inc.	DH-2000	Membrane Product
Laser Tonics	LaserTronics		Membrane Product
Laser-Tronics Casting Trough	LaserTronics		Membrane Product
Lift System			Membrane Product
Machinery (initial membrane casting equip.)			Membrane Product
Manufacturing equipment (initial membrane casting equip.)			Membrane Product
McMaster-Carr Capital Improvements			Membrane Product
Membrane Rewind Station	Charles		Membrane Product
Membrane Roll Racks QTY: 20			Membrane Product
Metal Storage Locker QTY: 2			Membrane Product
Metal Water Storage Tank (1500 Gallons)			Membrane Product
Mey Water Solution Tank 304SS	Mey	3.0+	Membrane Product
Mey Water Solution Tank 304SS	Mey		Membrane Product
Mey Water Solution Tank 304SS	Mey		Membrane Product
Mey Water Solution Tank 304SS Half Size	Mey		Membrane Product
Milling Machine	ENCO		Membrane Product
Mix Room Exhaust Fan QTY: 2			Membrane Product
Mould for ATD(A-120-2375AB)			Membrane Product
Mould for ATD(CIM1125-590PS)			Membrane Product
Myers Engineering V775A-15-3215 Tank	Myers	HRB200	Membrane Product
Myers Engineering 775A-7.5-3214 Tank	Myers		Membrane Product
Myers Ssoa Ser-Dispenser	Myers		Membrane Product
Netstar Int'L Trading		Sepro-SM-60-SMZ	Membrane Product
NF Chiller	Advantage Engineering		Membrane Product
Ocean Optics	Ocean Optics		Membrane Product
Pallet Jack			Membrane Product
Pallet Racks QTY: 8			Membrane Product
Plastic Water Storage Tank (100 Gallons)			Membrane Product
Plastic Water Storage Tank (100			Membrane Product

Asset Description	Manufacturer	Serial #	Group
Gallons)			
Plastic Water Storage Tank (100 Gallons)			Membrane Product
Plastic Water Storage Tank (1500 Gallons)		M1D-.25AR	Membrane Product
Plastic Water Storage Tank (1500 Gallons)			Membrane Product
Plastic Water Storage Tank (1500 Gallons)			Membrane Product
PO 4003/ATD			Membrane Product
PO 4008/Dies			Membrane Product
PO 4325 / Zeta-Meter	Zeta-Meter Inc,		Membrane Product
PO 4372 / Glycerine Application System	Vortex		Membrane Product
PO 4498 / Solution Tanks	Mey		Membrane Product
Pump - PES 5	Graco		Membrane Product
Push Back Racking- Membrane Production	Silcon Valley Shelving		Membrane Product
Quarts Room Heaters QTY: 2	Fostoria		Membrane Product
Regenerative Blower	Republic		Membrane Product
Regenerative Blower	Gast	Neslab RTE7	Membrane Product
Republic Blower Regen 3 Phase	Republic Blowers		Membrane Product
RO Water System		TOC-VCSN	Membrane Product
Rolling Stairs QTY: 2			Membrane Product
Rosenthal Mfg. Sepro-SM-60-SMZ	Rosenthal Manufacturing		Membrane Product
S4000CH Gas Sensor		T79806-3	Membrane Product
Saw Horses QTY: 10		3FEY075ST	Membrane Product
Secondary Containment Sump QTY: 3		3FEY075ST	Membrane Product
Shop Engine Hoist	Kaydee 1500		Membrane Product
Shop Engine Hoist	Kaydee 1501	RVDV-1 Prime	Membrane Product
Shop Fans			Membrane Product
Small Benchtop Mixer			Membrane Product
Small Chiller	Advantage Engineering		Membrane Product
Solution Delivery Systems QTY: 20			Membrane Product
Solution Tank #1			Membrane Product
Solution Tank #2			Membrane Product
Solution Tank #3		SD180	Membrane Product
Solution Tank 304SS	Mey		Membrane Product
Solution Tank 304SS	Mey	BCM50	Membrane Product
Solution Tank 604SS	Mey		Membrane Product
Storage Racks QTY: 2			Membrane Product
Strapping Tools			Membrane Product
Tap Water Booster Pump	Grundfos		Membrane Product
Tape Dispensing Machine			Membrane Product
Temperature Controlled Bath	Thermo Scientific		Membrane Product
Test Cell			Membrane Product
TOC-VCSN	Shimadzu		Membrane Product

Asset Description	Manufacturer	Serial #	Group
Transformer (Mix Room) (V48M28T75EE)	Cutler Hammer		Membrane Product
Transformer (Wet Test)			Membrane Product
Transformer H2	Acme		Membrane Product
Transformer T3	Seimens		Membrane Product
Transformer X	Seimens		Membrane Product
Vacuum Pump QTY: 2	Gast		Membrane Product
Viscometer	Brookfield	C3000	Membrane Product
Vortex - On rise		T80DSTR	Membrane Product
Vortex Casting Machine	Vortex	2001 CY	Membrane Product
Vortex Coating Machine	Vortex		Membrane Product
Vortex Heating Skid	Vortex		Membrane Product
Vortex Rinse Ln Mach Pnd	Vortex		Membrane Product
Vortex Roller	Vortex		Membrane Product
Welder	Miller Electric		Membrane Product
Work Tables QTY: 7			Membrane Product
ATT New Phone System	Nortel		Office Equipment
Copier/ Printer QTY: 5			Office Equipment
Copier/ Printer QTY:2			Office Equipment
Fax QTY: 1			Office Equipment
Flat Screen TV QTY: 1			Office Equipment
Gestner Printer QTY:1			Office Equipment
Label Printer QTY: 4			Office Equipment
Paper Shredder QTY: 1			Office Equipment
Peachtree Quantum RT			Office Equipment
Phones QTY:6			Office Equipment
Ricoh Printer QTY: 1			Office Equipment
Shelf Unit QTY:8			Office Equipment
Shelf Units for Document Storage QTY: 20			Office Equipment
Whiteboards QTY: 2			Office Equipment
Whiteboards QTY: 5			Office Equipment
Forklift	Caterpillar		Vehicles
Forklift	Caterpillar		Vehicles
Used 2001 Box Van	Chevrolet		Vehicles

Exhibit 2.1(a)(iv)

Contracts

Counterparty	Contract Description	Cure Amount
3605 Long Beach Boulevard, LLC Donald Lam, Managing Member 3605 Long Beach Blvd., Ste 405 Long Beach, CA 90807	Standard Multi-Tenant Office Lease - Gross Air Commercial Real Estate Association for premises located at 3605 Long Beach Blvd., Suite 201, Long Beach, CA	\$0.00
Professor D. Bhattacharyya (DB) Dept of Chemical & Materials Engineering University of Kentucky Lexington, KY 40506	Employment Agreement Letter	\$0.00
RIF III – Impala, L LC Howard Schwimmer 11620 Wilshire Blvd. Suite 1000 Los Angeles, CA 90025	Air commercial Real Estate Association Standard Industrial/Commercial Multi-Tenant Lease – Net for premises located at 2463 Impala Dr. Carlsbad, CA 92010	\$0.00
Ultura RO Property GmbH Seegelkenkehre 3 21107 Hamburg Germany	Patent License Agreement	\$0.00
University of Kentucky Research Foundation 144 ASTeCC Building Lexington, KY 40506-0286  University Legal Counsel 2 Administration Building Lexington, KY 40506-0032	License Agreement dated Jan 2013	\$0.00

Exhibit 2.1(a)(v)

Assigned Intellectual Property

**Patents:**

Patent number	Subject	Summary detail	Application
EP1440727	Membrane Flux Enhancement	Treatment of UF and MF membranes with a water soluble linear polymer of PEG	Increase membranes flux
US6544418/US6544419	Making chemically activated microfiltration membranes	The method of chemically attaching polyamino acids to microfiltration membrane surface and within the pores	Creates a membrane with high capacity for metal and ion capture compared to conventional technologies
US6,306,301	Making chemically activated microfiltration membranes	Development of a chemically activated microfiltration/ultrafiltration membrane characterized by significantly enhanced surface entrapment capacity	Creates a membrane with high capacity for metal and ion capture compared to conventional technologies
US6,139,742	Making chemically activated cellulose acetate membrane	Making membrane-based sorbents on a polyacetylated cellulosic material with enhanced binding activity that are particularly useful for heavy metal sequestration. Replace existing ion exchange resins with membrane technology	Metal removal from wastewater applications such as mining drainage, chemical industry, and ground water treatment
US6,103,121	Making chemically activated microfiltration/ultrafiltration membranes	Making membrane-based sorbents with enhanced binding activity that are particularly useful for heavy metal sequestration membrane. Replace existing ion exchange resins with membrane technology	Metal removal from wastewater applications such as mining drainage, chemical industry, and ground water treatment
EP1445013, US6,984,321 503 05 169.1 20303013.3 4411464 1009801880000	ST Module design	The design of a membrane element constructed with UF, NF, or RO membrane that is centrally supported in the housing, with a feed spacer that has a rectangular shape	Allows the membrane element to operate with less fouling and higher overall system recovery
EP1731214 CA 2514162 102005 026 190.6	Membrane cushions	Plastic disc style spacer where membrane cushions are placed between each cushion	Allows the membrane element to operate with less fouling and higher overall system recovery

Patent number	Subject	Summary detail	Application
13/459,315	Green synthesis Nanocomposite Membranes	Porous polymer membranes, including metal nanoparticles synthesized, and immobilized in-situ within the pores of the membrane while simultaneously being reduced and capped with a green reducing and capping agent.	Efficient and effective reductive degradation of toxic chlorinated organic compounds and other contaminants in water.
13/459,323	Chemical Processing Cell With Nanostructured Membranes	A chemical processing cell that includes an upstream and a downstream membrane.	Chemical processing cells using stacked non-structure membranes where the catalysts associated with those membranes are tunable by operation of pH, ionic strength or pressure for reaction and separation selectivity for removal of metals or organics.
13/438,253	Water Purification Device and a Method of Decontaminating a Water Supply	A water purification device in a hydrogel matrix containing immobilized nanoparticles that are directly synthesized in-situ in the hydrogel matrix.	Decontaminating water supply contaminated with a target pollutant.
13/196,961 13/079,085	Spacer element for guiding flow media	Plastic disc style spacer where membrane cushions are placed between each cushion	Allows the membrane element to operate with less fouling and higher overall system recovery

**Domain Names:**

- [www.functionalizedmembranes.com](http://www.functionalizedmembranes.com)
- [www.functionalizedmembranesolutions.com](http://www.functionalizedmembranesolutions.com)
- [www.intelligentmembranes.asia](http://www.intelligentmembranes.asia)
- [www.intelligentmembranes.co.uk](http://www.intelligentmembranes.co.uk)
- [www.intelligentmembranes.com](http://www.intelligentmembranes.com)
- [www.intelligentmembranes.eu](http://www.intelligentmembranes.eu)
- [www.intelligentmembranes.info](http://www.intelligentmembranes.info)
- [www.intelligentmembranesolutions.com](http://www.intelligentmembranesolutions.com)
- [www.rochem.com](http://www.rochem.com)
- [www.rochem.de](http://www.rochem.de)
- [www.rochem.us](http://www.rochem.us)
- [www.rochem-marine.it](http://www.rochem-marine.it)
- [www.rochem-uf.de](http://www.rochem-uf.de)
- [www.sepromembranes.com](http://www.sepromembranes.com)
- [www.ulturawater.com](http://www.ulturawater.com)

**Trademarks:**

• ROCHEM	Germany	Registered	7, 1	974172
• ROCHEM	UK	Registered	1	UK00001175879
• ROCHEM	UK	Registered	11	UK00001497083
• ROCHEM	UK	Registered	7	UK00001175880
• ST MODULE	China P.R.	Pending	11	
• ST NF	China P.R.	Pending	11	
• ST RO	China P.R.	Pending	11	
• ULTURA	United States	Pending	11, 37, 40, 42	
• SEPRO <sup>TM1</sup>				
* Rochem Spacer Tube Module	Germany	Registered	11	30325423

**Misc.:**

- Technology, trade secrets and other confidential information, know-how, proprietary technology, processes, formulae, methodologies, and all related documentation and media describing the manufacturing of membranes contained in formula books at its Oceanside facility and maintained on the Company's corporate computer servers.

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<sup>1</sup> The Company attempted to obtain a federal registration of the mark with the USPTO. The Company's registration of the mark was challenged by the holder of a registered mark in the same class. Subsequently, the Company abandoned its attempt to register the mark with the USPTO.

**EXHIBIT B**

**ASSIGNMENT AND ASSUMPTION AGREEMENT**



## ASSIGNMENT AND ASSUMPTION AGREEMENT

This ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Assumption Agreement"), is made as of December 11, 2014, by and between Ultura (Oceanside) Inc., a California corporation ("Seller"), and UAC Finance, Inc. (or its designee), a Delaware corporation ("Buyer"). All capitalized terms used herein and not defined herein shall have the respective meanings ascribed to such terms in that certain Asset Purchase Agreement dated as of December 3, 2014, by and between Seller and Buyer (the "Transfer Agreement").

WHEREAS, Buyer and Seller have concurrently herewith consummated the purchase by Buyer of the Acquired Assets pursuant to the terms and conditions of the Transfer Agreement; and

WHEREAS, pursuant to the Transfer Agreement, Buyer is acquiring from Seller the Acquired Assets and assuming and becoming responsible for the Assumed Liabilities;

NOW, THEREFORE, in consideration of the sale of the Acquired Assets and in accordance with the terms of the Transfer Agreement, Buyer and Seller agree as follows:

1. Seller hereby assigns to Buyer all of Seller's right, title and interest in and to the Assigned Contracts listed on Schedule A attached hereto, and Buyer hereby accepts all of Seller's right, title and interest in and to the Assigned Contracts and assumes the Assumed Liabilities as set forth on Schedule B attached hereto, which include the obligations for Seller's performance after the Closing Date under the Assigned Contracts. Except with respect to those liabilities expressly set forth on Schedule B Buyer assumes no other liabilities, claims or other obligations of any kind or nature of Seller.

2. This Assumption Agreement is, in all respects, subject to the provisions of the Transfer Agreement and is not intended in any way to supersede, limit or qualify any provision of the Transfer Agreement. In the event of any inconsistencies or ambiguities between this Assumption Agreement and the Transfer Agreement, the terms of the Transfer Agreement shall govern.

3. Seller does hereby irrevocably constitute and appoint Buyer, its successors and assigns, its true and lawful attorney, with full power of substitution, in its name or otherwise, and on behalf of Seller, or for its own use, to claim, demand, collect and receive at any time and from time to time any and all Assigned Contracts, properties, claims, accounts and other rights under the Assigned Contracts and to prosecute the same at law or in equity.

4. Seller and Buyer hereby covenant and agree that it will, at the request of other party, execute and deliver such other instruments of conveyance, assignment, transfer and assumption and take such other action, as such first party may reasonably request to vest in Buyer the entire right, title and interest in and to the Assigned Contracts and to evidence the assumption by Buyer of the Assumed Liabilities, in each case, as may be necessary or appropriate to fully carry out the intent of this Assumption Agreement.

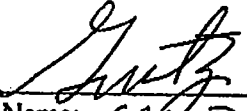
**5. THIS ASSUMPTION AGREEMENT SHALL BE GOVERNED BY, CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO THE CONFLICT OF LAW**

PRINCIPLES THEREOF. THIS ASSUMPTION AGREEMENT SHALL BE BINDING UPON AND INURE TO THE BENEFIT OF SELLER, BUYER AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS. THIS ASSUMPTION AGREEMENT MAY BE EXECUTED IN ONE OR MORE COUNTERPARTS, EACH OF WHICH SHALL BE DEEMED AN ORIGINAL, BUT ALL OF WHICH SHALL CONSTITUTE ONE AND THE SAME INSTRUMENT. FACSIMILE SIGNATURES SHALL BE DEEMED ORIGINALS FOR ALL PURPOSES HEREUNDER.

*{REMAINDER OF PAGE LEFT INTENTIONALLY BLANK. SIGNATURE PAGE(S) TO FOLLOW.}*

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

ULTURA (OCEANSIDE) INC.

By:   
Name: ROBERT LYOO  
Title CEO

UAC FINANCE, INC.

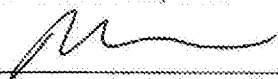
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title \_\_\_\_\_

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

ULTURA (OCEANSIDE) INC.

By: \_\_\_\_\_  
Name:  
Title

UAC FINANCE, INC.

By:  \_\_\_\_\_  
Name: Matthew Ahearn  
Title Director

Schedule A

**ASSUMED AND ASSIGNED TO UAC AND  
APPLICABLE CURE AMOUNTS**

<b>Counterparty</b>	<b>Contract Description</b>	<b>Cure Amount</b>
3605 Long Beach Boulevard, LLC Donald Lam, Managing Member 3605 Long Beach Blvd., Ste 405 Long Beach, CA 90807	Standard Multi-Tenant Office Lease - Gross Air Commercial Real Estate Association for premises located at 3605 Long Beach Blvd., Suite 201, Long Beach, CA	\$0.00
Professor D. Bhattacharyya (DB) Dept of Chemical & Materials Engineering University of Kentucky Lexington, KY 40506	Employment Agreement Letter	\$0.00
RIF III – Impala, L LC Howard Schwimmer 11620 Wilshire Blvd. Suite 1000 Los Angeles, CA 90025	Air commercial Real Estate Association Standard Industrial/Commercial Multi-Tenant Lease – Net for premises located at 2463 Impala Dr. Carlsbad, CA 92010	\$0.00
Ultura RO Property GmbH Seegelkenkehre 3 21107 Hamburg Germany	Patent License Agreement	\$0.00
University of Kentucky Research Foundation 144 ASTecc Building Lexington, KY 40506-0286  University Legal Counsel 2 Administration Building Lexington, KY 40506-0032	License Agreement dated Jan 2013	\$0.00

## **SCHEDULE B**

(a) All obligations of Seller existing as of the Closing under Assigned Contracts or arising or accruing thereafter, including any cure amounts owed in connection with the assumption and assignment of the Assigned Contracts (the “**Cure Amounts**”). Purchaser shall be exclusively responsible for (i) payment of any Cure Amounts for any Assigned Contracts assumed by the Seller and assigned to the Purchaser under the Transfer Agreement as such Cure Amounts are established in accordance with the terms and conditions of the Sale Motion; and (ii) providing evidence of adequate assurances of future performance under section 365(b)(1)(C) of the Bankruptcy Code, to the extent required, with respect to the Assigned Contracts.

(b) All trade payables of the Business (a) incurred prior to the Petition Date, including without limitation, the trade payables set forth on Exhibit 2.2(b)(i), not to exceed the aggregate sum of \$635,000; and (b) incurred subsequent to the Petition Date (A) to the extent that such trade payables remain unpaid as of the Closing Date; and (B) subject to the amounts set forth under the DIP Budget, as set forth on Exhibit 2.2(b)(ii).

(c) All amounts to be funded pursuant to the terms of the Wind-down Budget for those designated expenses therein.

Exhibit 2.2(b)(i)

Oceanside AP and Vendor Claims as of 11/03/14

Vendor	Balance
3M Purification, Inc.	\$2,123.15
ADT	\$262.72
ADT Security Services, Inc	\$198.57
Airgas - West	\$94.88
Allstate Moving Systems	\$1,155.00
Amidi Ocean Lofts, LLC	\$2,210.00
AT&T	\$4,794.71
B&H Tedford Machining	\$333.35
Badger Plug	\$0.00
Brenntag Pacific, Inc.	\$28,121.90
City of Oceanside	\$76.00
Cole-Parmer Instrument Company	\$915.97
Copycare	\$207.80
Cox Business	\$838.18
Custom Cutting Tools, Inc	\$150.00
DelStar Technologies, Inc.	\$83,618.74
Dibakar Bhattacharyya	\$7,000.00
Dichtomatik	\$10,624.82
Dukane Ultrasonics	\$33,455.12
Environmental Spray Systems, Inc.	\$159.30
Ernest Packaging	\$49,906.14
Express Services, Inc	\$18,949.82
FastSigns Vista	\$2,577.82
FEDERAL EXPRESS	\$1,704.68
FedEx Freight	\$2,534.72
Festo Corporation	\$6,454.26
First Bankcard	\$16,430.65
Fisher Scientific	\$260.16
Full Spectrum Analytics, Inc.	\$3,991.68
GE	\$523.18
General Atomics	\$2,299.50
Glen Raven Technical Fabrics, LLC	\$10,405.56
Global Equipment Company	\$814.47
Gorilla Pallets	\$857.98
Grainger	\$1,267.97
Guilford Mills, Inc.	\$7,528.96
H.B.Fuller Company	\$21,769.92
Harrington Industrial Plastics, Inc.	\$7,817.15
Industrial Netting Inc.	\$8,848.02

<b>Vendor</b>	<b>Balance</b>
Infinisource, Inc.	\$1,125.25
J R Transportation, Inc.	\$514.70
Keifer & Keifer	\$2,099.14
Medco	\$2,888.57
Medico Linen Service	\$1,460.83
Membrane Process & Controls	\$696.25
Mobile Mini, LLC	\$548.44
Office Depot	\$1,227.25
Pacific Coast Water & Filtration, LLC	\$2,305.00
Parco, Inc.	\$689.26
Phoenix Vessel Technology Ltd	\$38,831.00
Pilot Freight Services	\$8,363.42
Pitney Bowes Global Financial Services LL	\$263.06
PMI/Porous Materials Inc.	\$19,662.80
Poplar Consulting	\$23,785.32
Reyher Nchfg. GMBH & Co. KG	\$440.18
Royal Wholesale Electric Supply	\$2,100.06
S D G & E	\$18,928.76
San Diego Building Maintenance	\$4,232.00
SBA Global Logistic Services	\$6,115.72
Select Staffing	\$2,116.93
Shimadzu	\$2,886.00
Sigma-Aldrich Corporation	\$7,094.93
Summit Steel	\$108.00
TNT USA	\$65.76
Tryplex Technologies	\$375.00
ULINE	\$334.10
Unicargo Express Inc	\$451.03
United States Plastic Corp.	\$258.75
Univar USA Inc	\$0.00
UPS	\$5,634.77
UPS Freight	\$942.76
UPS Supply Chain Solutions, Inc	\$209.47
Vail Dunlap & Associates	\$1,778.30
Vortex	\$108,155.00
Waste Management of North County	\$1,165.21
WestAir Gases and Equipment	\$896.07
<b>Grand Total</b>	<b>\$610,031.94</b>



Exhibit 2.2(b)(ii)  
Estimated Trade Payables Incurred Subsequent to Petition Date  
and Unpaid as of the Closing Date

Purchaser shall be responsible for all trade payables of the Business incurred subsequent to the Petition Date and unpaid as of the Closing Date as provided under the Transfer Agreement including, but not limited to, those trade payables identified below. For avoidance of doubt, the trade payables listed below constitute the Debtors' current estimate of known outstanding, but unpaid, postpetition trade payables and shall not constitute any modification of Purchaser's obligations to pay accrued but unpaid pre-Closing liabilities as provided under section 2.2(b) of the Transfer Agreement, subject to the amounts set forth in the DIP Budget.

<b>Vendor</b>	<b>Balance</b>
Arrowhead	\$432.36
AT&T	\$1,934.88
Avista Technologies	392.30
City of Oceanside	\$8,142.58
Cox Business	\$1,879.79
DelStar Technologies, Inc.	\$22,131.42
Ernest Packaging	\$4,185.22
Expeditors Int'l	\$8,451.59
Express Services, Inc.	\$596.00
Glen Raven Technical Fabrics, LLC	\$8,800.44
Guilford Mills, Inc.	\$21,201.84
H.B. Fuller Company	\$19,070.64
Industrial Netting Inc.	\$7,885.50
Medico Linen Service	\$367.01
Royal Wholesale Electric Supply	\$126.50
SDG&E	\$8,901.38
Select Staffing	\$574.40
Unicargo Express Inc.	\$471.33
Waste Management	\$2,065.21

**EXHIBIT C**

**ASSIGNMENT OF INTANGIBLE PROPERTY AGREEMENT**

ASSIGNMENT OF INTANGIBLE PROPERTY AGREEMENT

DATE: December 11, 2014

ASSIGNOR: Ultura (Oceanside) Inc., a California corporation

ASSIGNEE: UAC Finance, Inc., a Delaware corporation

A. Assignor and Assignee have entered into that certain Asset Purchase Agreement dated as of December 3, 2014 (the "Transfer Agreement"), wherein Assignor agreed to sell and Assignee agreed to buy the Acquired Assets (as defined in the Transfer Agreement); and

B. Assignor desires to sell the Acquired Assets to Assignee, and, in connection therewith, Assignor desires to assign to Assignee and Assignee desires to acquire Assignor's interest, if any, in and to the following described rights, interests and property inuring to the benefit of Assignor and relating to the Acquired Assets.

FOR VALUABLE CONSIDERATION, the receipt and adequacy of which are hereby acknowledged, Assignor agrees as follows

1. *Assignment.* Assignor assigns, transfers, sets over, and conveys to Assignee, to the extent the same are assignable, all of Assignor's right, title, and interest, if any, in and to all intangible assets of any nature relating to the Acquired Assets, including, without limitation, all of Assignor's right, title and interest in all goodwill of the Business (as defined in the Transfer Agreement), catalogues, customer lists and other customer information, correspondence with present and prospective customers and suppliers, advertising materials and telephone exchange numbers identified with the Business including, but not limited to, those intangible assets listed on Schedule A.

2. *Binding Effect.* This Assignment shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

3. *Definitions.* Capitalized terms used and not otherwise defined herein shall have the meanings given to such terms in the Transfer Agreement.

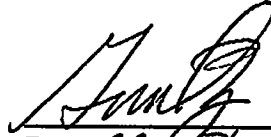
4. *Construction.* **THIS ASSIGNMENT OF INTANGIBLE PROPERTY AGREEMENT SHALL BE GOVERNED BY, CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO THE CONFLICT OF LAW PRINCIPLES THEREOF. THIS INTANGIBLE PROPERTY AGREEMENT SHALL BE BINDING UPON AND INURE TO THE BENEFIT OF SELLER, BUYER AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS. THIS INTANGIBLE PROPERTY AGREEMENT MAY BE EXECUTED IN ONE OR MORE COUNTERPARTS, EACH OF WHICH SHALL BE DEEMED AN ORIGINAL, BUT ALL OF WHICH SHALL CONSTITUTE ONE AND THE SAME INSTRUMENT. FACSIMILE SIGNATURES SHALL BE DEEMED ORIGINALS FOR ALL PURPOSES HEREUNDER.**

*SIGNATURE APPEARS ON FOLLOWING PAGE*

DATED as of the day and year first above written.

ASSIGNOR:

ULTURA (OCEANSIDE) INC.



By: *[Signature]*  
Title: *CEO*

ASSIGNEE:

UAC FINANCE, INC.

By: \_\_\_\_\_  
Title:

Active 33849405v.1

DATED as of the day and year first above written.

ASSIGNOR:

ULTURA (OCEANSIDE) INC.

\_\_\_\_\_  
By:

Title:

ASSIGNEE:

UAC FINANCE, INC.

  
\_\_\_\_\_  
By: Matthew Ahearn  
Title: Director

Active 33849405v.1

**EXHIBIT D**

**ASSIGNMENT OF INTELLECTUAL PROPERTY AGREEMENT**

## ASSIGNMENT OF INTELLECTUAL PROPERTY

Ultura (Oceanside) Inc., a California corporation ("Assignee"), owns certain trademark and trademark applications, patent and patent applications, copyright registrations and applications and domain name registrations which are listed on attached Schedule A ("Intellectual Property"), attached hereto and incorporated herein by reference.

Assignor is party to that certain Asset Purchase Agreement, dated as of December 3, 2014 (the "Transfer Agreement") pursuant to which Assignor has agreed to sell to UAC Finance, Inc. ("Assignee"), and Assignee has agreed to purchase from Assignor, the Acquired Assets (as defined in the Transfer Agreement), including, without limitation, the Assigned Intellectual Property (as defined in the Transfer Agreement);

Assignee wishes to acquire all right, title, and interest in and to the Assigned Intellectual Property and the goodwill associated with the Assigned Intellectual Property throughout the world, including the right to sue and recover for past infringement thereof.

In return for valuable consideration received and acknowledged by Assignor, Assignor does hereby assign unto Assignee all of the Assignor's rights, title, and interest in and to the Assigned Intellectual Property, including, with respect to any trademarks included within the Assigned Intellectual Property, any registrations or applications and any common law rights in connection with the Assigned Intellectual Property, together with the associated goodwill throughout the world, including the right to sue and recover for past infringement thereof and, with respect to any granted, expired, and pending patent applications included in the Assigned Intellectual Property (the "Patents"), (1) all rights, title, and interest for the United States and in all countries, in and to any and all inventions, discoveries and applications which are disclosed in the Patents including any subsequently filed utility applications, which claim priority to the Patents included in the Assigned Intellectual Property, including any renewals, revivals, reissues, reexaminations, extensions, continuations and divisions thereof and any substitute applications therefor; (2) the full and complete right to file patent applications in the name of the Assignee, designee, or its designee's election, on the aforesaid inventions, discoveries and applications in all countries of the world; (3) the entire right, title and interest in and to any Patent which may issue thereon in the United States or in any country, and any renewals, revivals, reissues, reexaminations and extensions thereof, and any patents of confirmation, registration and importation of the same; and (4) the entire right, title and interest in all convention and treaty rights of all kinds thereon, including without limitation all rights of priority in any country of the world, in and to the above inventions, discoveries and applications.

To the extent allowed by law, Assignor's assignment of the copyrights included in the Assigned Intellectual Property includes all of Assignor's rights, if any, of paternity, integrity, disclosure and withdrawal and Assignor's other rights, if any, that may be known as or referred to as "moral rights," "artist's rights," "droit moral" or the like (collectively "Moral Rights"). To the extent Assignor retains any such Moral Rights under applicable law and to the extent allowed by law, Assignor hereby ratifies and consents to, and provides all necessary ratifications and consents to, any action that may be taken with respect to such Moral Rights by or authorized by

Assignee, and Assignor agrees not to assert any Moral Rights with respect thereto. Assignor will confirm any such ratifications, consents and agreements from time to time as requested by Assignee.

Assignor agrees to cooperate fully with Assignee and to use its best reasonable efforts to evidence and perfect the assignment and transfer of and to record this assignment of the Assigned Intellectual Property at no additional expense to Assignee. Assignor will execute, or cause to be executed, all documents Assignee may reasonably request after Closing (as defined in the Transfer Agreement) for such purposes, including without limitation short form assignments for filing in any Copyright Office worldwide at Assignee's expense.

In order to give full force and effect to this assignment, Assignor further agrees and hereby irrevocably appoints Assignee, and its successors and assigns, and their respective duly authorized officers and agents as its agent and attorney in fact, to act in Assignor's stead to execute, acknowledge, verify, and deliver any formal assignment recordation documents for the U.S. Patent and Trademark Office and any foreign equivalent, (as applicable) with the same legal force and effect as if done by Assignor.

**THIS ASSIGNMENT OF INTELLECTUAL PROPERTY AGREEMENT SHALL BE GOVERNED BY, CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO THE CONFLICT OF LAW PRINCIPLES THEREOF. THIS ASSIGNMENT OF INTELLECTUAL PROPERTY AGREEMENT SHALL BE BINDING UPON AND INURE TO THE BENEFIT OF SELLER, BUYER AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS. FACSIMILE SIGNATURES SHALL BE DEEMED ORIGINALS FOR ALL PURPOSES HEREUNDER.**

*SIGNATURE APPEARS ON FOLLOWING PAGE*



DATED this 4 day of December 2014

ULTURA (OCEANSIDE) Inc.

By: [Signature]  
Name: Garrett Lyon  
Title: PRESIDENT / CEO

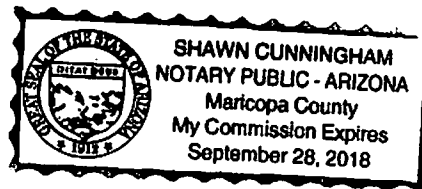
State of Arizona )

) ss.

County of Maricopa )

I certify that I know or have satisfactory evidence that Garrett Lyon is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument, and acknowledged it as the president of Ultura (Oceanside) Inc. to be the free and voluntary act of such party for the uses and purposed mentioned in the instrument.

Shawn Cunningham  
[Signature]



## Schedule A

### Assigned Intellectual Property

#### Patents:

Patent number	Subject	Summary detail	Application
EP1440727	Membrane Flux Enhancement	Treatment of UF and MF membranes with a water soluble linear polymer of PEG	Increase membranes flux
US6544418/US6544419	Making chemically activated microfiltration membranes	The method of chemically attaching polyamino acids to microfiltration membrane surface and within the pores	Creates a membrane with high capacity for metal and ion capture compared to conventional technologies
US6,306,301	Making chemically activated microfiltration membranes	Development of a chemically activated microfiltration/ultrafiltration membrane characterized by significantly enhanced surface entrapment capacity	Creates a membrane with high capacity for metal and ion capture compared to conventional technologies
US6,139,742	Making chemically activated cellulose acetate membrane	Making membrane-based sorbents on a polyacetylated cellulosic material with enhanced binding activity that are particularly useful for heavy metal sequestration. Replace existing ion exchange resins with membrane technology	Metal removal from wastewater applications such as mining drainage, chemical industry, and ground water treatment
US6,103,121	Making chemically activated microfiltration/ultrafiltration membranes	Making membrane-based sorbents with enhanced binding activity that are particularly useful for heavy metal sequestration membrane. Replace existing ion exchange resins with membrane technology	Metal removal from wastewater applications such as mining drainage, chemical industry, and ground water treatment
EP1445013, US6,984,321 503 05 169.1 20303013.3 4411464 1009801880000	ST Module design	The design of a membrane element constructed with UF, NF, or RO membrane that is centrally supported in the housing, with a feed spacer that has a rectangular shape	Allows the membrane element to operate with less fouling and higher overall system recovery
EP1731214 CA 2514162 102005 026 190.6	Membrane cushions	Plastic disc style spacer where membrane cushions are placed between each cushion	Allows the membrane element to operate with less fouling and higher overall system recovery

Patent number	Subject	Summary detail	Application
13/459,315	Green synthesis Nanocomposite Membranes	Porous polymer membranes, including metal nanoparticles synthesized, and immobilized in-situ within the pores of the membrane while simultaneously being reduced and capped with a green reducing and capping agent.	Efficient and effective reductive degradation of toxic chlorinated organic compounds and other contaminants in water.
13/459,323	Chemical Processing Cell With Nanostructured Membranes	A chemical processing cell that includes an upstream and a downstream membrane.	Chemical processing cells using stacked non-structure membranes where the catalysts associated with those membranes are tunable by operation of pH, ionic strength or pressure for reaction and separation selectivity for removal of metals or organics.
13/438,253	Water Purification Device and a Method of Decontaminating a Water Supply	A water purification device in a hydrogel matrix containing immobilized nanoparticles that are directly synthesized in-situ in the hydrogel matrix.	Decontaminating water supply contaminated with a target pollutant.
13/196,961 13/079,085	Spacer element for guiding flow media	Plastic disc style spacer where membrane cushions are placed between each cushion	Allows the membrane element to operate with less fouling and higher overall system recovery

**Domain Names:**

- [www.functionalizedmembranes.com](http://www.functionalizedmembranes.com)
- [www.functionalizedmembranesolutions.com](http://www.functionalizedmembranesolutions.com)
- [www.intelligentmembranes.asia](http://www.intelligentmembranes.asia)
- [www.intelligentmembranes.co.uk](http://www.intelligentmembranes.co.uk)
- [www.intelligentmembranes.com](http://www.intelligentmembranes.com)
- [www.intelligentmembranes.eu](http://www.intelligentmembranes.eu)
- [www.intelligentmembranes.info](http://www.intelligentmembranes.info)
- [www.intelligentmembranesolutions.com](http://www.intelligentmembranesolutions.com)
- [www.rochem.com](http://www.rochem.com)
- [www.rochem.de](http://www.rochem.de)
- [www.rochem.us](http://www.rochem.us)
- [www.rochem-marine.it](http://www.rochem-marine.it)
- [www.rochem-uf.de](http://www.rochem-uf.de)
- [www.sepromembranes.com](http://www.sepromembranes.com)
- [www.ulturawater.com](http://www.ulturawater.com)

**Trademarks:**

• ROCHEM	Germany	Registered	7, 1	974172
• ROCHEM	UK	Registered	1	UK00001175879
• ROCHEM	UK	Registered	11	UK00001497083
• ROCHEM	UK	Registered	7	UK00001175880
• ST MODULE	China P.R.	Pending	11	
• ST NF	China P.R.	Pending	11	
• ST RO	China P.R.	Pending	11	
• ULTURA	United States	Pending	11, 37, 40, 42	
• SEPRO <sup>TM1</sup>				
* Rochem Spacer Tube Module	Germany	Registered	11	30325423

**Misc.:**

- Technology, trade secrets and other confidential information, know-how, proprietary technology, processes, formulae, methodologies, and all related documentation and media describing the manufacturing of membranes contained in formula books at its Oceanside facility and maintained on the Company's corporate computer servers.

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<sup>1</sup> The Company attempted to obtain a federal registration of the mark with the USPTO. The Company's registration of the mark was challenged by the holder of a registered mark in the same class. Subsequently, the Company abandoned its attempt to register the mark with the USPTO.

**EXHIBIT E**

**SALE PROCEDURES**

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:	) Chapter 11
	)
ULTURA (LA) INC., et al., <sup>1</sup>	) Case No. 14-12382 (____)
	)
Debtors.	) (Joint Administration Requested)

**BIDDING PROCEDURES  
FOR THE SALE OF ASSETS**

Set forth below are the bidding procedures (the “Bidding Procedures”) to be employed with respect to the sale (the “Sale”) of all of all the assets (the “Acquired Assets”) of Ultura (Oceanside) Inc. (“Oceanside” or the “Seller”), which is a debtor and debtor-in-possession in the above-captioned chapter 11 case pending in the Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) under Case No. 14-12382. Pursuant to the Bidding Procedures Order (defined below), the Bankruptcy Court has approved UAC Finance, Inc. (“UAC”) as the stalking horse bidder (the “Stalking Horse Bidder”) for the Acquired Assets, as set forth more fully in that certain Asset Purchase Agreement dated October \_\_, 2014 (the “Agreement”).<sup>2</sup>

On October 20, 2014, the Seller filed its *Ultura (Oceanside) Inc.’s Motion For Order: (A) Approving Bid Procedures for the Sale of Substantially All Assets of Ultura (Oceanside) Inc. (B) Scheduling an Auction and Hearing to Consider the Sale and Approve the Form and Manner of Notice Related Thereto; (C) Approving Payment of a Break-Up Fee; and (D) Granting Related Relief* [Docket No. \_\_\_\_] (the “Bidding Procedures Motion”), and *Ultura (Oceanside) Inc.’s Motion for Order (A) Approving Asset Purchase Agreement and Authorizing the Sale of Assets Outside the Ordinary Course of Business; (B) Authorizing the Sale of Assets Free and Clear of All Liens, Claims, Rights, Encumbrances and Other Interests Pursuant to Bankruptcy Code Sections 105, 363(b), 363(f) and 363(m); and (C) Assuming and Assigning Certain Executory Contracts and Unexpired Leases, and (D) Granting Related Relief* [Docket No. \_\_\_\_] (the “Sale Motion”). On \_\_\_\_, 2014, the Bankruptcy Court entered an order approving the Bidding Procedures set forth herein (the “Bidding Procedures Order”). The Bidding Procedures Order also set \_\_: \_\_.m. (prevailing Eastern Time) on December \_\_, 2014 as the date the Bankruptcy Court will conduct a sale hearing (the “Sale Hearing”). At the Sale Hearing, the Seller shall seek entry of an order from the Bankruptcy Court authorizing and approving the sale of the Assets to the Stalking Horse Bidder or another Qualified Bidder (as defined below) that the Seller determines to have made the highest or best offer for the Assets (the “Successful Bidder”).

<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification numbers are: Ultura (LA) Inc. (9624) and Ultura (Oceanside) Inc. (6429). The mailing address for each of the Debtors is: 3605 Long Beach Blvd., Suite 201, Long Beach, CA 90807.

<sup>2</sup> The Agreement, without schedules and exhibits, is attached as Exhibit A to the Sale Motion (as defined herein). All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

**Assets to Be Sold**

The Seller is offering for sale substantially all of its assets of its business (the "Acquired Assets"). A bidder's offer should propose a contemplated transaction involving the acquisition of all or substantially all of the Acquired Assets. Except as otherwise provided in the Agreement or another Successful Bidder's purchase agreement all of the Seller's right, title and interest in and to the Acquired Assets subject thereto shall be sold free and clear of any Liens, Claims, interests and encumbrances (collectively, the "Liens, Claims and Encumbrances") to the maximum extent permitted by section 363 of the Bankruptcy Code, with such Liens, Claims and Encumbrances to attach to the net proceeds of the sale of the Acquired Assets with the same validity and priority as such Liens, Claims and Encumbrances applied against the Acquired Assets.

**The Bidding Process**

The Seller and its advisors shall (i) determine whether any person is a Qualified Bidder, (ii) coordinate the efforts of Qualified Bidders in conducting their due diligence investigations, (iii) receive offers from Qualified Bidders, and (iv) negotiate any offers made to purchase the Acquired Assets (collectively, the "Bidding Process").

**Participation Requirements**

Any person that may be interested in all of the Acquired Assets (a "Potential Bidder") must deliver to the Seller, at the addresses specified below (unless a particular document has been previously delivered or the Seller waives a particular requirement), not later than five (5) business days before the Bid Deadline (defined below):

- i. An executed confidentiality agreement ("Confidentiality Agreement") in form and substance acceptable to the Seller;
- ii. identification of the Potential Bidder, its principals, and the representatives thereof who are authorized to appear and act on its behalf for all purposes regarding the contemplated transaction;
- iii. written disclosure of any connections or agreements with the Seller, the Stalking Horse Bidder, any other known Potential Bidder or Qualified Bidder (defined below), and/or any officer, director, manager or direct or indirect equity security holder of the Seller;
- iv. a letter of indication stating that such bidder is prepared to enter into a legally binding share purchase agreement or similar agreement for the acquisition of the Acquired Assets on or prior to the date of the Bid Deadline on terms and conditions no less favorable in the aggregate to the Seller than the terms and conditions contained in the Agreement, indicating (a) that such bidder will post the required Bid Deposit (defined below), (b) total cash consideration expected to be provided to the Seller at Closing is at least equal to \$25,415,000 (plus the

assumption of up to \$585,000 in Assumed Liabilities under the Agreement);<sup>3</sup> and (c) the closing of the transaction will occur not later than December 12, 2014;<sup>4</sup> and

- v. sufficient information, as may be requested by the Seller in its discretion, to allow the Seller to determine that the Potential Bidder has the operational and financial capability to close a sale of the Acquired Assets (which may include, but is not limited to, a bank account statement showing the ability of a Potential Bidder to pay cash for the Acquired Assets, current audited financial statements (or such other form of financial disclosure and credit-quality support or enhancement acceptable to the Seller) of the Potential Bidder or those entities that will guarantee in full the payment obligations of the Potential Bidder, proof of any debt or equity funding commitments that are needed to close the contemplated transaction, and/or operational information).

As provided below, only Potential Bidders who satisfy the foregoing requirements may participate in the due diligence process.

A “Qualified Bidder” is a Potential Bidder that delivers the documents and information described in subparagraphs (i) – (v) above and who satisfies the following additional requirement, as to be determined by the Seller in its discretion:

- The Seller has determined the Potential Bidder is reasonably likely (based on, among other things, operational and financial information submitted by the Potential Bidder, the Potential Bidder’s operational and financial capability to close a sale of the Acquired Assets, experience, and other non-monetary considerations, such as ability to obtain any required regulatory approvals, to submit a bona fide offer, and be able to consummate a sale if selected as the Successful Bidder (as defined below).

As set forth further below, only a Qualified Bidder may submit a Qualified Bid (defined below), and the Qualified Bidder’s bid must meet certain requirements as described below to constitute a Qualified Bid. So long as it is not in breach of the Agreement, the Stalking Horse Bidder shall be deemed a Qualified Bidder.

Not later than three (3) business days after a Potential Bidder delivers all of the materials and information that may be required by the Seller in preceding subparagraphs (i) through (v) above, the Seller shall determine, and shall notify the Potential Bidder upon such determination, if such Potential Bidder is a Qualified Bidder.

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<sup>3</sup> The \$25,415,000 cash consideration includes payment of \$750,000 Break Up Fee (defined below) and \$250,000 Minimum Bid Amount (defined below).

<sup>4</sup> Under the Agreement, the Purchaser has the right, in its sole discretion, to extend the deadline through December 23, 2014 to the extent it requires the sale order to become final.



**Due Diligence**

Except as otherwise permitted by the Seller, only Qualified Bidders are eligible to receive due diligence access and/or certain non-public information. If the Seller determines that a Potential Bidder no longer constitutes a Qualified Bidder, then such Potential Bidder's access to due diligence or other non-public information shall terminate. The Seller is not responsible for, and will bear no liability with respect to, any information obtained by Potential Bidders or Qualified Bidders in connection with the sale of the Acquired Assets.

Notwithstanding the foregoing, neither the Seller nor its representatives shall be obligated to furnish information of any kind to any person that the Seller determines not to be a Qualified Bidder. The Seller will afford any Qualified Bidder the time and opportunity to conduct reasonable due diligence; provided, however, that the Seller shall not be obligated to furnish any due diligence information after the Bid Deadline. The Seller will designate an employee or other representative to coordinate all reasonable requests for additional information and due diligence access from Qualified Bidders.

**Bid Deadline**

A Qualified Bidder that desires to make a bid shall deliver written copies of its bid and the Required Bid Materials (defined below) to (i) the Seller, Ultura (Oceanside) Inc., c/o Grant Lyon, Managing Director, KRyS Global USA, 57W 57th St., Ste. 330, New York, NY 10019, grant.lyon@krysglobalusa.com and Jonathan Wright, General Counsel and Chief Compliance Officer, Ultura Inc., 100 West Broadway, Suite 200, Long Beach, CA 90802, jwright@ulturawater.com; (ii) counsel to the Seller, Pachulski Stang Ziehl & Jones LLP, 10100 Santa Monica Blvd., 13<sup>th</sup> Floor, Los Angeles, California, facsimile: 310-201-0760 (Attn: Jeffrey N. Pomerantz, jpomerantz@pszjlaw.com and Joshua M. Fried, jfried@pszjlaw.com); and (iii) investment banker to the Seller, Wedbush Securities Inc. Two Embarcadero Center, Suite 600, San Francisco, CA 94111, facsimile: (415) \_\_\_\_ - \_\_\_\_ (Attn: Duncan Williams, duncan.williams@wedbush.com), not later than 4:00 p.m. (prevailing Eastern Time) on November 25, 2014 (the "Bid Deadline").

**Bid Requirements**

All bids, other than the Stalking Horse Bid, shall be in writing and include the following terms, conditions, information and documents (the "Required Bid Materials"):

- i. A Qualified Bid must have similar or better terms and conditions as the Stalking Horse Bid (as determined by the Seller in its business judgment), with higher consideration by having an aggregate value of not less than the sum of (i) \$25,000,000 (which is comprised of a cash bid of \$24,415,000 plus the assumption of up to \$585,000 in Assumed Liabilities under the Agreement), plus (ii) \$750,000 in cash (which amount is the Break-Up Fee (defined below), plus (iii) an initial bid increment of \$250,000 in cash. Additional bid increments shall be in the amount of \$100,000, provided, however, that each Qualified Bid must provide for the payment of the Break-Up Fee in cash upon the closing of the applicable transaction (the "Minimum Bid Amount"). A Qualified Bid must

propose a contemplated transaction involving all or substantially of the Acquired Assets.

- ii. A letter stating and agreeing that the Qualified Bidder's offer is irrevocable until the earlier of (i) the second business day after the Acquired Assets on which the Qualified Bidder is submitting a bid have been sold pursuant to the closing of the sale or sales or (ii) up to and including the close of business on the date that is three (3) Business Days after the Termination Date, and that such offer will serve as a Backup Bid (as defined below).
- iii. An executed copy of an asset purchase agreement and a redline of a Qualified Bidder's proposed asset purchase agreement reflecting variations from the Agreement (the "Marked Agreement"). All Qualified Bids must provide (a) a commitment to close within the same (or shorter) time period set forth in the Agreement; (b) a representation that the Qualified Bidder will, if applicable, (1) make all necessary filings under any applicable regulatory filing, and pay the fees associated with such filings and (2) submit all necessary regulatory filings within the same (or shorter) time period, if any, set forth in the Agreement.
- iv. A cash deposit in the amount of ten percent (10%) of the Qualified Bid, in the form of a wire transfer, certified check or such other form acceptable to the Seller (the "Bid Deposit"), which shall be placed in an escrow account or other segregated account acceptable to the Seller (the "Escrow Account").
- v. A representation of the Qualified Bidder and written evidence acceptable to the Seller that the bidder has the financial wherewithal to consummate the proposed transaction, provided that if a bid is based partly or completely on financing, (provided such financing shall not be a condition to Closing) written evidence of the commitment for financing and the appropriate contact information for such financing source must be provided.
- vi. The Qualified Bid shall not request or entitle the bidder to any transaction or break-up fee, expense reimbursement, termination or similar type of fee or payment, and shall include an acknowledgement and representation of the Qualified Bidder that it has had an opportunity to conduct any and all due diligence regarding the Acquired Assets prior to making its offer, that it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Acquired Assets in making its bid, and that it did not rely upon any written or oral statements, representations, warranties, or guarantees, express, implied, statutory or otherwise, regarding the Acquired Assets, the financial performance of the Acquired Assets, or the completeness of any information provided in connection therewith or the Auction, except as expressly stated in these Bidding Procedures or the Marked Agreement.
- vii. The Qualified Bid shall not contain any due diligence, financing, or regulatory contingencies of any kind (other than a condition that any applicable waiting period under any regulatory agency (if applicable) shall have expired or been

terminated), though the bid may be subject to the satisfaction of specific conditions in all material respects at Closing.

- viii. The Qualified Bid shall fully disclose the identity of each entity that will be bidding for the Acquired Assets or otherwise participating in connection with such bid, and the complete terms of any such participation.
- ix. The Qualified Bid shall state that the offering party consents to the core jurisdiction of the Bankruptcy Court and waives any right to a jury trial in connection with any disputes relating to the Auction and the construction and enforcement of the Qualified Bidder's contemplated transaction documents.
- x. The Qualified Bid shall provide that the Qualified Bidder shall be bound as a "Backup Bidder" as provided below.
- xi. The Qualified Bid shall include evidence of authorization and approval from the Qualified Bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the submitted purchase agreement of the bidder.

A Qualified Bid received from a Qualified Bidder that includes all of the Required Bid Materials to the satisfaction of the Seller in its discretion, and is received by the Bid Deadline is a "Qualified Bid." The Seller reserves the right to determine the value of any Qualified Bid, and which Qualified Bid constitutes the highest or best offer (subject to Bankruptcy Court approval). The Seller shall notify the Stalking Horse Bidder within twelve (12) hours of receipt of any bids, the identity of the bidders, shall provide the Stalking Horse Bidder with a copy of any Marked Agreement, and indicate whether such bid constitutes a Qualified Bid.

### **Backup Bidder**

Upon a determination that the Seller that the Successful Bidder either fails to consummate the purchase of the Acquired Assets pursuant to its Marked Agreement (or the Agreement in the case of the Stalking Horse Bidder) on or before the Closing Deadline, breaches its Marked Agreement (or the Agreement in the case of the Stalking Horse Bidder), or otherwise fails to perform, the Seller may, without further order of the Court, deem such Successful Bidder a "Defaulting Purchaser". In such event, the Seller will be authorized, but not required, to consummate a sale transaction with the party (the "Backup Bidder") submitting the next highest and best Qualified Bid (the "Backup Bid") on the terms and conditions set forth in the Backup Bid without further order of the Court (the "Backup Purchase"). On an as-needed basis, the Seller will determine an alternative closing deadline for the consummation of the Backup Purchase. Purchaser consents to serve as a Backup Bidder.

Subject to the Purchaser's rights to these Bidding Procedures, the Seller shall be entitled to (i) retain the Deposit of the Defaulting Purchaser as part of its damages resulting from the breach or failure to perform by the Defaulting Purchaser and (ii) seek all available damages from such Defaulting Buyer occurring as a result of such Defaulting Purchaser's failure to perform, up to the same damage amounts provided under the Agreement.

**No Qualified Bids**

If no Qualified Bid is submitted by the Bid Deadline, no Qualified Bid is deemed by the Seller as a higher or otherwise better bid than the Stalking Horse Bid or all Qualified Bids that have been submitted have been withdrawn by the Bid Deadline or prior to the Auction Date (defined below), then the Seller may, in its discretion, cancel the Auction and accept the Stalking Horse Bid (in which case, the Successful Bid shall be the Stalking Horse Bid, and the Successful Bidder shall be the Stalking Horse Bidder).

**The Auction**

If a Qualified Bid other than that submitted by the Stalking Horse Bidder has been received by the Seller by the Bid Deadline, the Seller may conduct an auction (the "Auction") of the Assets. The Seller shall provide the Qualified Bidders that submitted Qualified Bids with a copy of the asset purchase agreement(s) relating to the other Qualified Bids at least twenty-four (24) hours prior to the Auction. The Auction shall be conducted at the offices of Pachulski, Stang, Ziehl & Jones LLP, 919 North Market Street, 17<sup>th</sup> Floor, Wilmington, Delaware 19899 (the "Auction Site") at 10:00 a.m. (prevailing Eastern Time) on December 3, 2014 (the "Auction Date"), or upon the consent of the Purchaser, at such other place and time as the Seller shall notify all Qualified Bidders who have submitted Qualified Bids and expressed their intent to participate in the Auction as set forth above.

The Auction shall be governed by the following procedures:

- i. All Qualified Bids made at the Auction shall be made and received on an open basis, and all material terms of each subsequent bid shall be fully disclosed to all other Qualified Bidders. The Seller shall maintain a transcript of all bids made and announced at the Auction, including the opening bid, all subsequent bids, and the Successful Bid.
- ii. The Stalking Horse Bidder and each Qualified Bidder shall appear in person at the Auction, or through a duly authorized representative.
- iii. Representatives of (1) the Seller, (2) the Stalking Horse Bidder and (3) other Qualified Bidders, shall be entitled to be present at the Auction. Creditors of the Seller may attend the Auction pursuant to Local Rule 6004(c)(ii)(C). Creditors wishing to attend the Auction should provide written notice of intent to attend to the Seller no later than 12:00 p.m. on the day preceding the Auction.
- iv. Only the Stalking Horse Bidder and Qualified Bidders shall be entitled to make any subsequent bids at the Auction. Pursuant to Local Rule 6004-1 (c)(A)(B), the Stalking Horse Bidder and each Qualified Bidder participating at the auction will be required to confirm that it has not engaged in any collusion with respect to the bidding or the sale.
- v. Bidding shall commence at the amount of the Qualified Bid deemed by the Seller to be the highest or otherwise best bid submitted by the Qualified Bidders prior to

the Auction, which Qualified Bid shall be provided to all Qualified Bidders prior to the Auction.

- vi. Subsequent bids shall be in increments of \$100,000, and such incremental consideration for each overbid must be in cash or other value acceptable to the Seller in its reasonable discretion provided, however the Stalking Horse Bid may credit bid any further amount owed under the Senior Secured Indebtedness towards a counterbid (the "Minimum Bid Increment"). The Seller will take into account the Break-Up Fee (defined below) in each round of bidding by the Stalking Horse Bidder.
- vii. The Auction shall continue until the Seller determines, and subject to Bankruptcy Court approval, that the Seller has received (a) the highest or otherwise best Qualified Bid or Bids for the Acquired Assets (as determined by the Seller) from among the Qualified Bidders (including the Stalking Horse Bidder) submitted at the Auction (the "Successful Bid"), and (b) the Backup Bid.

The Seller may employ and announce at the Auction additional procedural rules that are reasonable under the circumstances for conducting the Auction; provided that such rules are not inconsistent with these Bidding Procedures, the Bankruptcy Code, or any order of the Bankruptcy Court entered in connection herewith and provided no substantive changes shall be made without the prior approval of the Stalking Horse Bidder. After closing of the Auction, but prior to the Sale Hearing, the Successful Bidder shall complete and execute all agreements, contracts, instruments or other documents evidencing and containing the terms and conditions upon which the Successful Bid was made. Bids made after the close of the Auction shall not be considered by the Seller. At the Sale Hearing, the Seller shall present the Successful Bid and Backup Bid to the Bankruptcy Court for approval.

### **Break-Up Fee**

To compensate the Stalking Horse Bidder (i) for performing the substantial due diligence and incurring the expenses necessary and (ii) entering into the Agreement with the knowledge and risk that arises from participating in the sale and subsequent bidding process and (iii) to provide an incentive to participate in a competitive process, subject to the terms of the Agreement, the Seller has agreed to pay the Stalking Horse Bidder a break-up fee in the amount of \$750,000 pursuant to the Agreement (the "Break-Up Fee"). The Seller will take into account the Break-Up Fee in each round of bidding.

The Break-Up Fee was a material inducement for, and a condition of, the Stalking Horse Bidder's entry into the Agreement. The Break-Up Fee shall be payable as set forth herein, in the Bidding Procedures Order, and in the Agreement.

### **Acceptance of Qualified Bids**

The Seller shall sell the Acquired Assets to any Successful Bidder (or the party who submitted the Backup Bid ("Backup Bidder") should such bidder become the Successful Bidder as described below) only upon the approval of such bidder's bid by the Bankruptcy Court after

the Sale Hearing. The Seller's presentation of a particular Qualified Bid to the Bankruptcy Court for approval does not constitute the Seller's acceptance of the Qualified Bid. The Seller will be deemed to have accepted a Qualified Bid only when the Qualified Bid has been approved by the Bankruptcy Court at the Sale Hearing.

### **Sale Hearing**

A Sale Hearing is scheduled for \_\_:\_\_.m. (prevailing Eastern Time) on December 4, 2014, in the Bankruptcy Court. Objections to the Sale must be filed on or before November 25, 2014 at 4:00 p.m. (prevailing Eastern Time). Following the approval of the sale of all or substantially all of the Acquired Assets to any Successful Bidder at the Sale Hearing, if the Successful Bidder fails to consummate an approved sale within the time period set forth in the applicable asset purchase agreement, the Seller shall be authorized, but not required, to deem the Backup Bid, as identified at the Sale Hearing, the Successful Bid, and the Seller shall be authorized to consummate the sale with the Backup Bidder submitting such bid without further order of the Bankruptcy Court. The Backup Bid shall remain open until three (3) business days after the date upon which the Agreement is terminated.

### **Return of Bid Deposits**

The Bid Deposits shall not be subject to the claims, liens, security interests, or encumbrances of Seller's creditors. The Bid Deposits of Qualified Bidders (others than the Stalking Horse Bidder) shall be disbursed from the Escrow Account only as follows: (i) if the Qualified Bidder becomes the Successful Bidder, its Bid Deposit will be released to the Seller or applied as provided under any asset purchase agreement between the Seller and such Successful Bidder, and (ii) if such Qualified Bidder is not the Successful Bidder at the Auction, then its Bid Deposit shall be treated as set forth below.

Other than the Bid Deposits of the Successful Bidder and the Backup Bidder(s), Bid Deposits of all other Qualified Bidders shall be returned as soon as practicable after entry of the order approving the sale of the Acquired Assets. In addition to any other remedies available to the Seller, the Seller may retain the Bid Deposit of any Qualified Bidder who breaches or fails to perform any of its obligations pursuant to these Bidding Procedures or its Qualified Bid.

### **"As Is, Where Is"**

The sale of the Assets shall be on an "as is, where is" basis and without representations or warranties of any kind, nature, or description by the Seller, its agents or its estate except to the extent set forth in the Agreement or the purchase agreement of another Successful Bidder.

### **Free and Clear of Liens**

To the extent provided in the Agreement or another Successful Bidder's asset purchase agreement and pursuant to the order entered by the Bankruptcy Court approving the sale, all of the Seller's right, title and interest in and to the Acquired Assets subject thereto shall be sold free and clear of Liens, Claims and Encumbrances in accordance with Bankruptcy Code § 363(f), with such Liens, Claims and Encumbrances to attach to the net proceeds of the sale of the Acquired Assets.

### **Modifications**

Notwithstanding anything to the contrary provided herein, the Seller shall have the right to amend the rules set forth herein for the bidding/auction process or impose such other terms and conditions for the bidding/auction process which the Seller determines, in its business judgment, will better promote the goals of the bidding/auction process and the discharge of the Seller's fiduciary duties and which are not inconsistent with any Bankruptcy Court order, including the Bidding Procedures Order; provided, however, that nothing in these Bidding Procedures should be construed to permit the Seller to (i) accept any Qualified Bid that does not, subject to the terms hereof, equal or exceed the Minimum Bid Amount, (ii) impose any terms and conditions upon the Stalking Horse Bidder that are contradictory to or in breach of the terms of the Agreement, or (iii) amend the bidding procedures in a substantive manner without prior approval of the Stalking Horse Bidder.

### **Miscellaneous**

The Auction and Bidding Procedures are solely for the benefit of the Seller's estate and the Stalking Horse Bidder, and nothing contained in the Bidding Procedures Order or Bidding Procedures shall create any rights in any other person or bidder (including without limitation rights as third party beneficiaries or otherwise) other than the rights expressly granted to a Successful Bidder under the Bidding Procedures Order.

Except as provided in the Bidding Procedures Orders and Bidding Procedures, the Bankruptcy Court shall retain jurisdiction to hear and determine all matters arising from or relating to the implementation of the Bidding Procedures Order.

**EXHIBIT F**

**APPROVAL ORDER**



IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re: ) Chapter 11  
ULTURA (LA) INC., et al.,<sup>1</sup> )  
Debtors. ) Case No. 14-12382 (KG)  
)  
) (Jointly Administered)  
RE: Docket No. 140

**ORDER GRANTING ULTURA (OCEANSIDE) INC.'S MOTION FOR ORDER (A) APPROVING ASSET PURCHASE AGREEMENT AND AUTHORIZING THE SALE OF SUBSTANTIALLY ALL ASSETS OF ULTURA (OCEANSIDE) INC. OUTSIDE THE ORDINARY COURSE OF BUSINESS; (B) AUTHORIZING THE SALE OF ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, RIGHTS, ENCUMBRANCES AND OTHER INTERESTS PURSUANT TO BANKRUPTCY CODE SECTIONS 105, 363(b), 363(f) AND 363(m); (C) ASSUMING AND ASSIGNING CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES; AND (D) GRANTING RELATED RELIEF**

This matter came before the Court on the *Ultura (Oceanside) Inc.'s Motion for Order (a) Approving Asset Purchase Agreement and Authorizing the Sale of Substantially All Assets of Ultura (Oceanside) Inc. Outside the Ordinary Course of Business; (b) Authorizing the Sale of Assets Free and Clear of All Liens, Claims, Rights, Liens and Other Interests Pursuant to Bankruptcy Code Sections 105, 363(b), 363(f) and 363(m); (c) Assuming and Assigning Certain Executory Contracts and Unexpired Leases; and (d) Granting Related Relief* filed on November 19, 2014 [Docket No. 140] (the "Sale Motion"), pursuant to which Ultura (Oceanside) Inc. ("Oceanside" or "Seller") seeks an order, among other things, (i) approving the *Asset Purchase Agreement*, dated as of November 19, 2014, substantially in the form attached to the Sale Motion as Exhibit A (the "Agreement") between Oceanside and UAC Finance, Inc. ("UAC" or "Purchaser"), (ii) authorizing the transaction provided for in the Agreement pursuant to a private

<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification numbers are: Ultura (LA) Inc. (9624) and Ultura (Oceanside) Inc. (6429). The mailing address for each of the Debtors is: 3605 Long Beach Blvd., Suite 201, Long Beach, CA 90807.

sale pursuant to the Bankruptcy Rule 6004 (the “Sale”), including Oceanside’s transfer of the Acquired Assets<sup>2</sup> free and clear of all liens, claims, encumbrances and other interests of any kind or nature, whether imposed by agreement, understanding, law, equity or otherwise (collectively the “Liens”) and assumption, assignment and transfer to UAC of the designated Assigned Contracts pursuant to the Agreement, and (iii) granting other related relief; and notice of the hearing on the Sale Motion (the “Sale Notice”) having been served on (1) the United States Trustee for the District of Delaware; (2) counsel to the Committee; (3) all known creditors of Oceanside; (4) UAC and its counsel; (5) all persons or entities known to Oceanside that have asserted a lien on, or security interest in, all or any portion of the Acquired Assets; and (6) all parties who have requested special notice in this chapter 11 case. The *Notice of Counterparties to Executory Contracts and Unexpired Leases That May Be Assumed and Assigned* (the “Cure Notice”) having been served on all counterparties to executory contracts and unexpired leases that may be assumed by Oceanside and assigned to UAC pursuant to the Agreement; and it appearing that the Sale Notice and Cure Notices were each sufficient under the circumstances and that no other or further notice is required; UAC having submitted the highest and best offer to purchase the Acquired Assets; the Court having jurisdiction over this matter; the Court having considered the Sale Motion, any objections thereto, and the statements of counsel and evidence presented at a hearing before this Court on December 4, 2014 (the “Sale Hearing”); it further appearing that the legal and factual issues set forth in the Sale Motion and at the Sale Hearing establish just cause for granting the relief herein; and after due deliberation,

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<sup>2</sup> Unless otherwise stated, (a) all capitalized terms not defined herein shall have the same meaning as set forth in the Sale Motion or Agreement, as applicable, and (b) all non-capitalized terms defined in the United States Bankruptcy Code shall have the same meaning when used in this Order.

**THE COURT HEREBY FINDS AND RULES THAT:<sup>3</sup>**

**Jurisdiction/Statutory and Procedural Bases<sup>4</sup>**

A. This Court has jurisdiction over the Sale Motion pursuant to 28 U.S.C. §§ 157 and 1334. This proceeding is a core proceeding within the meaning of 28 U.S.C. §§ 157(b)(2)(A), (M), (N) and (O). Venue of these proceedings and the Sale Motion is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.

B. This Order constitutes a final order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Federal Rules of Bankruptcy Procedure 6004(h) and 6006(d), and to any extent necessary under Federal Rule of Bankruptcy Procedure 9014 and Federal Rule of Civil Procedure 54(b) as made applicable by Federal Rule of Bankruptcy Procedure 7054, this Court expressly finds that there is no just reason for delay in the implementation of this Order, expressly directs entry of judgment as set forth herein, and determines that this Order shall take effect immediately.

C. The statutory predicates for the relief sought herein are sections 105, 362, 363, 364, 365, 1107 and 1108 of title 11 of the United States Code (the “Bankruptcy Code”), Rules 2002, 6004, 6006, and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rules 2002-1(b) and 6004-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”).

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<sup>3</sup> The findings and conclusions set forth herein constitute the Court’s findings of fact and conclusions of law pursuant to Federal Rule of Bankruptcy Procedure 7052, made applicable to this proceeding pursuant to Federal Rule of Bankruptcy Procedure 9014. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

<sup>4</sup> Headings are included solely for convenience and shall not be utilized in construing this Order.

**Notice of the Sale and Cure Amounts**

D. The Sale Notice was served on (1) the United States Trustee for the District of Delaware; (2) counsel to the Committee; (3) all known creditors of Oceanside; (4) UAC and its counsel; (5) all persons or entities known to Oceanside that have asserted a lien on, or security interest in, all or any portion of the Acquired Assets; (6) all counterparties to executory contracts and leases; and (7) all parties who have requested special notice in this chapter 11 case. The Cure Notice was served on the counterparties (the "Counterparties") of those executory contracts and unexpired leases that may be assumed by Oceanside and assigned to UAC pursuant to the Agreement (the "Assigned Contracts").

E. The Sale Notice and the Cure Notice (together, the "Notices") were served as required by applicable law, as evidenced by the certificates of service filed on the docket.

F. The Notices provided timely, adequate, sufficient and proper notice of the Sale Motion and of the Sale Hearing under the circumstances, and no other or further notice need be provided. The Notices complied with Local Rule 6004-1, and adequately and accurately disclosed the full terms of the Sale and the justification for the Sale. A reasonable opportunity to be heard with respect to the Sale Motion and the relief requested therein has been afforded to all parties in interest.

G. The Cure Notice and the terms of the proposed assumption and assignment of the Assigned Contracts, including the proposed amounts required to be cured (if any), in order to assume and assign the Assigned Contracts to the Purchase (the "Cure Amounts"), provided timely, adequate, sufficient notice to all Counterparties to the Assigned Contracts. All Counterparties have been afforded reasonable notice and opportunity to be heard with respect to

the potential assumption and assignment of its executory contracts and unexpired leases and the Cure Amounts under the Assigned Contracts, which are set forth on Exhibit A to this Order.

H. Based on the Debtors' prepetition and postpetition marketing efforts, all parties and entities have been afforded a reasonable opportunity to submit bids for the Acquired Assets.

**Exercise of Business Judgment**

I. The record establishes that there are good, valid and sound business purposes for the Sale, entry into the Agreement and the consummation of the transactions contemplated thereby, pursuant to sections 363 and 365 of the Bankruptcy Code, prior to the confirmation of a chapter 11 plan.

J. Oceanside proposed the Sale after thorough consideration of all viable alternatives and has concluded that the Sale is supported by many sound business reasons. The Sale will allow Oceanside to emerge as a viable going concern post-Sale. Oceanside is currently dependent on external funding by UAC in order to maintain operations due to a lack of cash liquidity. The Sale of the Acquired Assets to UAC will eliminate the need for the continued piecemeal funding of Oceanside's operations and allow it to emerge with a stronger balance sheet.

K. Oceanside extensively marketed the Acquired Assets as described in the Sale Motion were designed to maximize the purchase price realized from the sale of the Acquired Assets.

L. The Sale is also an integral part of a global settlement agreement reached by various parties as set out in the *Motion for Order Granting Joint Motion of the Debtors and Committee for an Order Pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure Approving Global Settlement Agreement Between and Among the Debtors, the Committee, Dr.*

*Hans J. Rohrer, UAC Finance, Inc., True North Venture Partners, L.P. and Those Additional Parties to the Global Settlement Agreement* [Docket No. 141] (the “Global Settlement”).

Without the approval of the Global Settlement the Sale could not go forward.

M. Given all of the circumstances faced by Oceanside and the resolution of various disputes as set out in the Global Settlement, its decision to execute the Agreement, to prosecute the Sale Motion and to consummate the Sale constitutes a valid and reasonable exercise of Oceanside’s business judgment.

N. Approval of the Sale Motion and the Agreement, as well as consummation of the transactions contemplated thereby, is in the best interests of Oceanside, its estate, its creditors and other parties in interest.

O. As set forth in the Sale Motion, Oceanside retained Wedbush Securities Inc. (“Wedbush”) prior to the bankruptcy filing to market the Acquired Assets and to assist Oceanside in identifying potential buyers. In connection with its services, Wedbush prepared a data room and marketing materials, facilitated site visits, responded to diligence requests and provided other related services with respect to the sale process. Wedbush has extensive expertise and experience in financial matters, advises on mergers, acquisitions and divestitures, and provides a broad range of corporate finance services across a number of industries.

P. As further set forth in the Sale Motion, Oceanside’s sale effort began with the retention of Wedbush in July 2014, more than three months before Oceanside filed this bankruptcy case. The pre-bankruptcy marketing effort consisted of (i) preparation of marketing materials, including an executive summary (“Teaser”) and a management presentation; (ii) creation of an online data site with diligence materials; and (iii) identification of potential buyers. Wedbush contacted approximately 175 industry participants, strategic and financial investors and

other potential buyers, of which approximately 60 returned executed confidentiality agreements and were provided access to the online data site. In addition, the potential sale of Oceanside's assets was brought to the attention of the market by the article in *Global Water Intelligence* on July 14, 2014. Oceanside began an extensive negotiation with UAC relating to the potential sale and beginning in late September 2014, Wedbush also re-approached 19 of the potential strategic buyers that had indicated the most interest in the Acquired Assets. No party submitted an offer for the Acquired Assets at that time. Wedbush continued to market the Acquired Assets postpetition to parties who still maintained an interest in the potential purchase of such assets. After extensive review and consideration, and after agreeing to the terms of the Global Settlement, Oceanside selected UAC's offer as set forth in the Agreement, as the highest and best offer for the Acquired Assets received in consideration for the sale of the Acquired Assets.

Q. The Purchase Price represents a reasonable, fair and best offer to purchase the Acquired Assets under the circumstances of this chapter 11 case. No other person or entity or group of entities has offered to purchase the Acquired Assets for greater economic value.

R. Approval of the Sale Motion and the Purchase Price for the Acquired Assets and the consummation of the transactions contemplated in the Agreement and herein is in the best interests of Oceanside, its creditors and estate and other parties in interest.

#### **Good Faith of UAC**

S. UAC is not an "insider" of any of Oceanside, as that term is defined in Bankruptcy Code Section 101(31).

T. UAC is purchasing the Acquired Assets in good faith, is a good faith purchaser within the meaning of Bankruptcy Code Section 363(m), and is therefore entitled to the full protection of that provision. UAC has demonstrated good faith by, *inter alia*: (i) negotiating the

Agreement at arms' length and without coercion; (ii) recognizing that Oceanside was free to deal with any other party interested in acquiring the Acquired Assets or proposing retention or disposition of the Acquired Assets pursuant to a chapter 11 plan; (iii) refraining from any action that would violate Bankruptcy Code Section 363(n); (iv) disclosing all payments to be made by UAC, as well as all other agreements or arrangements of UAC in connection with the Sale; and (v) disclosing its connections with Oceanside such that this Court was able to make its finding concerning lack of "insider" status.

### **No Fraudulent Transfer**

U. The Purchase Price for the Acquired Assets constitutes (i) reasonably equivalent value under the Bankruptcy Code and the Uniform Fraudulent Transfer Act, (ii) fair consideration as such term was used under the Uniform Fraudulent Conveyance Act, and (iii) reasonably equivalent value, fair consideration and fair value under any other applicable law of the United States, any state, territory or possession thereof, or the District of Columbia.

V. The consideration provided by UAC pursuant to the Agreement will provide a greater recovery for Oceanside's estate and its creditors than would be provided by any other available alternative. Approval of the Sale Motion and the Agreement, and the consummation of the transactions contemplated thereby, is in the best interests of Oceanside, its estate, its creditors and other parties in interest.

### **No Successor Liability**

W. UAC is not a successor to Oceanside or its estate for any purpose, nor shall UAC have any successor, successor-in-interest, transferee or vicarious liabilities of any kind or character, including but not limited to, any theory of antitrust, environmental, successor or transfer liability, labor or employment law, *de facto* merger or substantial continuity, whether



known or unknown as of the Closing, now existing or hereafter arising, whether fixed or contingent, with respect to Oceanside, the Acquired Assets or any obligations of Oceanside arising or accruing prior the Closing Date other than the Assumed Liabilities (the “Successor Liabilities”).

X. The Sale does not amount to a consolidation, merger or *de facto* merger of UAC and Oceanside.

**Sale Free and Clear**

Y. Oceanside has full corporate power and authority to execute and deliver the Agreement and all other documents reasonably necessary to sell, transfer, assign and convey the Acquired Assets. No further consents or approvals are required for Oceanside to consummate the transactions contemplated by the Agreement, except as otherwise set forth in the Agreement.

Z. The conditions of Section 363(f) of the Bankruptcy Code have been satisfied in full; therefore, Oceanside may sell the Acquired Assets free and clear of any Liens, other than Assumed Liabilities, with such Liens to attach to the Sale proceeds with the same priority as applied to the Acquired Assets prior to the Sale.

AA. With respect to any and all entities and persons asserting any options, pledges, liens, security interests, interests, claims, equities, reservations, rights of first refusal or any other third party rights of any kind or nature, voting trusts or similar agreements (other than easements, restrictive covenants, leases and licenses encumbering property owned by Oceanside), charges or other encumbrances or restrictions on or conditions to transfer or assignment of any kind (including, without limitation, restrictions or conditions on or to the transfer, assignment or renewal of licenses, permits registrations and authorizations or approvals of or with respect to governmental units and instrumentalities), whether direct or indirect, absolute or contingent,

matured or unmatured, liquidated or unliquidated on or against, arising out of, or related to the Acquired Assets or Oceanside (individually or collectively, a "Lien"), either (i) such person or entity has consented to the sale and transfer, license and assignment as applicable, free and clear of its Lien, with such Lien to attach to the net proceeds of such Sale and transfer, license and assignment, as applicable, respectively, (ii) applicable non-bankruptcy law permits sale of the assets free and clear of such Lien, (iii) such Lien is in bona fide dispute, (iv) such person or entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such Lien, or (vi) the aggregate value to be received in consideration of the sale of the Acquired Assets exceeds the value of any Lien.

BB. To the extent that any person or entity that holds or asserts a Lien has or is deemed to have objected to the transfer of the Acquired Assets free and clear such Lien, such objection is overruled.

CC. UAC would not have entered into the Agreement and would not consummate the transactions contemplated thereby if the Acquired Assets, including the Assigned Contracts, were not to be transferred to UAC free and clear of all Liens, or if UAC would (or in the future could) be liable for any Lien.

DD. UAC shall not, by reason of the transfer of the Acquired Assets to UAC or otherwise, have any liability or obligation for any Liens, or for any other obligation of or claim against Oceanside except for Assumed Liabilities.

**Assumption, Assignment and/or Transfer of the Assigned Contracts**

EE. Oceanside's assumption, assignment and/or transfer of the designated Assigned Contracts to UAC pursuant to the terms of this Order is integral to the Asset Purchase Agreement, and the Assigned Contracts are and shall be deemed included in the Acquired Assets

for all purposes under this Order. A copy of such Assigned Contracts to be assumed and assigned along with the Cure Amounts are set forth on Exhibit A.

FF. Oceanside may assume the Assigned Contracts, as identified on Exhibit A to this Order, and transfer and assign each of them to UAC pursuant to sections 363 and 365 of the Bankruptcy Code, free and clear of all Liens, and notwithstanding any anti-assignment clause, as provided in Section 365(f) of the Bankruptcy Code. The assumption and assignment of the Assigned Contracts pursuant to the terms of this Order is integral to the transaction and is in the best interests of Oceanside and its estate, creditors and other parties in interest, and represents the reasonable exercise of sound and prudent business judgment by Oceanside.

GG. The respective Cure Amounts set forth on Exhibit A hereto are the sole amounts, if any, necessary under sections 365(b)(1)(A) and (B) and 365(f)(2)(A) of the Bankruptcy Code to cure all defaults and pay all actual pecuniary losses under the Assigned Contracts. UAC shall be responsible for paying the Cure Amounts, if any, directly to the Counterparties.

HH. UAC has provided adequate assurances of its future performance under the Assigned Contracts within the meaning of sections 365(b)(1)(C), 365(b)(3) (to the extent applicable) and 365(f)(2)(B) of the Bankruptcy Code.

**NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED  
THAT:**

1. The Sale Motion is granted in its entirety, and the Sale contemplated thereby and by the Agreement is approved as set forth in this Order.

2. All objections to the Sale Motion or the relief requested therein that have not been withdrawn, waived or settled as announced to this Court at the Sale Hearing or by stipulation filed with this Court, and all reservations of rights asserted by any party concerning the Sale

Motion or the Sale, have been completely satisfied by the terms of this Order or are hereby overruled on the merits.

3. The Purchase Price for the Acquired Assets pursuant to the Agreement is hereby approved in all respects, and shall be deemed in full force and effect, binding and benefiting Oceanside and UAC.

4. The Agreement and all other ancillary documents, and all of the terms and conditions thereof, are hereby approved. Oceanside is authorized to execute such documents and take such actions as are necessary or appropriate to implement and consummate all of the transactions and perform all of the obligations contemplated hereunder, including, without limitation, to (a) consummate the Sale of the Acquired Assets to UAC pursuant to and in accordance with the terms and conditions of the Agreement, (b) assume, assign and sell the designated Assigned Contracts set forth on Exhibit A to UAC, without further application to or order of this Court and upon the terms and conditions of the Agreement, (c) perform any remaining obligations specified in the Agreement after the Closing, and (d) otherwise implement and provide UAC and Oceanside with the full benefit of the transactions contemplated by the Agreement, regardless of whether such documents or other actions are specifically required by the Agreement or this Order.

5. The Agreement and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto and in accordance with the terms thereof, without further order of this Court, provided that any such modification, amendment or supplement does not have a material adverse effect on Oceanside's estate.

6. From and after the Closing, the transactions authorized by this Order shall be of full force and effect, regardless of whether Oceanside is, has been or shall be (a) in good

standing in any jurisdiction in which it is formed or authorized to transact business, or (b) in compliance with any law, regulation, rule, order, agreement or other legal requirement of any nature whatsoever.

7. UAC may consummate the transactions contemplated under the Agreement at any time after entry of this Order by waiving any and all of its closing conditions set forth in the Agreement that have not been satisfied and by proceeding to close the transactions without any notice to the Court, any pre-petition or post-petition creditor of Oceanside or any other party in interest.

8. Oceanside is authorized to transfer the Acquired Assets on the Closing Date. Upon the Closing, UAC shall take title to and possession of the Acquired Assets free and clear of all Liens. Pursuant to 363(f) of the Bankruptcy Code, with the exception of Assumed Liabilities, the transfer, conveyance, assignment and sale of title to the Acquired Assets shall be free and clear of all Liens. Further, transfer of title and possession of the Acquired Assets shall be free and clear of any claims (other than Assumed Liabilities) of any kind or nature for Successor Liabilities or otherwise.

9. All persons and entities are hereby forever prohibited and enjoined from taking any action that would adversely affect or interfere with the ability of Oceanside to sell and transfer the Acquired Assets to UAC in accordance with the terms of the Agreement and this Order.

10. Because the transfer of the Acquired Assets to UAC shall be free and clear of any and all Liens, except Assumed Liabilities, or UAC and its employees, officers, directors, advisors, lenders, affiliates, owners, successors and assigns shall not be liable for any claim of any nature whatsoever against Oceanside, any of its predecessors or affiliates, or the Acquired

Assets, whether known or unknown as of the Closing Date, now existing or hereafter arising, asserted or unasserted, fixed or contingent, liquidated or unliquidated. Without limiting the generality of the foregoing, UAC and its employees, officers, directors, advisors, lenders, affiliates, owners, successors and assigns shall have (a) no successor or vicarious liabilities of any kind or character, whether pursuant to any theory of antitrust, environmental, successor or transferee liability, labor law, tax law, de facto merger or substantial continuity, or otherwise, with respect to Oceanside or any obligations of Oceanside arising prior to the Closing Date, (b) no liability for taxes on the Acquired Assets or relating to the operation of any of the Acquired Assets prior to the Closing, and (c) no liability for any bodily injury, death, property damage or other tort liability resulting from the Acquired Assets or the operation thereof prior to the Closing.

11. All Liens shall be released against the Acquired Assets as of the Closing and shall attach solely to the proceeds of the Sale (net of taxes which may include deed stamp taxes, fees and expenses incurred in effecting the Sale) with the same validity, priority, force and effect that they now have as against the Acquired Assets, subject to any claims and defenses Oceanside and its estate may possess with respect thereto.

12. Except as expressly permitted or otherwise specifically provided by the Agreement or this Order, any and all persons or entities holding or asserting a Lien of or against all or any portion of the Acquired Assets arising prior to the transfer of the Acquired Assets to UAC are forever barred, estopped and permanently enjoined from asserting such Lien against the Acquired Assets, UAC or its successors or assigns, or any of their property. On and after the Closing Date, (a) each such person or entity shall, upon request of UAC, execute such documents or take such other actions (such as, without limitation, filing discharges of mortgages, releases of

Uniform Commercial Code financing statements, and other such instruments) as are necessary to release such Lien and remove it of record, (b) UAC is authorized, on behalf of such person or entity, to execute any such document or take any such action, and (c) UAC is authorized to record a certified copy of this Order in any registry, agency or office where interests in any of the Acquired Assets may be recorded, and such recordation shall serve to cancel all Liens of or against the Acquired Assets arising prior to their transfer to UAC.

13. This Order is and shall be binding upon and govern the acts of all persons and entities, including all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, and all other officials and their employees or agents who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any lease. Each of the foregoing persons and entities is hereby directed to accept for filing, without regard to any otherwise applicable rule or restriction, any and all of the documents and instruments necessary and appropriate to consummate the transactions contemplated by the Agreement; provided, however, section 1146(a) of the Bankruptcy Code is inapplicable to the transfer of the Acquired Assets.

14. No bulk sales law or any similar law of any state or other jurisdiction applies in any way to the Sale.

15. Upon the Closing of the Sale and payment of the applicable Cure Amount, Oceanside is deemed to have assumed and assigned each of those Assigned Contracts set forth on Exhibit A to UAC. Such transfer shall be free and clear of all Liens as provided above. As to each Assigned Contract, the payment of the applicable Cure Amount to the Counterparty shall

(a) effect a cure or adequate assurance of cure of all defaults existing under the Assigned Contracts as of the Petition Date and (b) compensate for any actual pecuniary losses to such Counterparty resulting from such default, in each case satisfying in full Oceanside's obligations under Bankruptcy Code Section 365. After payment of the applicable Cure Amount in respect of each Assigned Contract, neither Oceanside nor UAC shall have any further liability to the Counterparty thereunder, except for UAC's obligations under the Assigned Contracts that accrue and become due and payable on or after the Closing Date.

16. Any provisions in any Assigned Contracts that restrict, prohibit or condition the assignment of Assigned Contracts or allow the party to such Assigned Contracts to terminate, recapture, impose any penalty, condition on renewal or extension or modify any term or condition upon the assignment of such Assigned Contract constitute unenforceable anti-assignment provisions that are void and of no force and effect. All other requirements and conditions under sections 363 and 365 of the Bankruptcy Code for the assumption by Oceanside and the assignment to UAC of the Assigned Contracts set forth as **Exhibit A** have been satisfied. Upon the Closing, and in accordance with sections 363 and 365 of the Bankruptcy Code, UAC shall be fully and irrevocably vested with all rights, title and interest of Oceanside under the Assigned Contracts set forth as **Exhibit A**.

17. Upon the Closing and the payment of the applicable Cure Amounts by UAC, UAC shall be deemed to be substituted for Oceanside as a party to the applicable Assigned Contract and Oceanside shall be relieved from all liability on such Assigned Contract arising after the Closing.



18. UAC has provided adequate assurance of its future performance under each Assigned Contract set forth as **Exhibit A** within the meaning of sections 365(b)(1)(C), 365(b)(3) (to the extent applicable) and 365(f)(2)(B) of the Bankruptcy Code.

19. There shall be no rent, royalty or payment accelerations, assignment fees, increases or any other fees or penalties charged to UAC as a result of the assumption and assignment of the Assigned Contracts set forth as **Exhibit A**.

20. Pursuant to Bankruptcy Code Sections 105(a), 363 and 365, the Counterparties are forever barred and permanently enjoined from raising or asserting against Oceanside or UAC any default, claim, or pecuniary loss arising under or related to the Assigned Contracts existing as of the Petition Date or resulting from assignment and transfer of such contracts or leases to UAC.

21. This Court having found and ruled that the transactions contemplated by the Agreement are undertaken by UAC without collusion and in good faith, as that term is defined in Bankruptcy Code Section 363(m), (a) UAC is entitled to, and is hereby granted, the full protection of Bankruptcy Code Section 363(m) and (n), and (b) the reversal or modification on appeal of the authorization provided herein to consummate the Sale shall not affect the validity of the Sale (including the assumption, assignment and transfer of the Assigned Contracts set forth as **Exhibit A**), unless this Order is duly stayed before consummation of the Sale.

22. This Order shall be binding in all respects upon Oceanside, its estate, all creditors, all holders of equity interests in Oceanside, all holders of any claim(s) (whether known or unknown) against Oceanside, any holders of Liens against or on all or any portion of the Acquired Assets, all Counterparties, any other parties in interest in this bankruptcy case, UAC, all successors and assigns of UAC, and all successors or assigns of Oceanside, including any

trustee appointed in this bankruptcy case or upon a conversion of this chapter 11 case to a case under chapter 7 of the Bankruptcy Code. This Order and the Agreement shall inure to the benefit of Oceanside, its estate and creditors, UAC and their respective successors and assigns.

23. Nothing contained in any chapter 11 plan, or in any order in this bankruptcy case or any subsequent chapter 7 case of Oceanside shall conflict with or derogate from the provisions of the Agreement or the terms of this Order. The provisions of this Order and any actions taken pursuant hereto shall survive the entry of any order which may be entered confirming any plan of reorganization or which may be entered converting Oceanside's case from chapter 11 to chapter 7. The terms and provisions of this Order shall be binding in all respects upon Oceanside, its estate, and any trustee thereof, and all creditors of Oceanside, all interested parties and their respective successors and assigns, including but not limited to, any creditor asserting a lien, claim, encumbrance or interest in the Acquired Assets.

24. Pursuant to Federal Rules of Bankruptcy Procedure 6004(h) and 6006(d), this Order shall be effective immediately upon entry and Oceanside and UAC are authorized to close the Sale immediately upon entry of this Order.

25. Effective upon the Closing, all persons and entities are forever prohibited and permanently enjoined from:

(a) commencing or continuing any action or other proceeding against UAC, its successors or assigns, or the Acquired Assets, whether at law or in equity, and whether in a judicial, administrative, arbitral or other forum, (i) with respect to any Lien relating to Oceanside, the Acquired Assets, or the operation of the Acquired Assets prior to the Closing, (ii) seeking imposition of successor liability, or any other liability for any claim against Oceanside other than an Assumed Liability, or (iii) inconsistent with the terms of this Order;

(b) enforcing, attaching, collecting or recovering in any manner from UAC, its successors or assigns, or its assets (including the Acquired Assets) any judgment, award, decree or order against Oceanside or secured by Acquired Assets prior to the Closing;

(c) creating, perfecting or enforcing against UAC, its successors or assigns, or its assets (including the Acquired Assets) any Lien of Oceanside or against the Acquired Assets;

(d) asserting any setoff, right of subrogation or recoupment of any kind against any obligation due UAC or its successors or assigns based upon any claim against or future liability of Oceanside, or any interest in the Acquired Assets, other than an Assumed Liability; or

(e) revoking, terminating or failing or refusing to issue or renew any license, permit or authorization to operate any of the Acquired Assets or conduct any of the businesses operated with the Acquired Assets, by reason of any claim against or future liability of Oceanside.

26. Effective on the Closing, Oceanside shall change its name to "UOI Estate" and from and after the Closing shall no longer use or employ the name "Ultura (Oceanside), Inc." in its remaining operations, relating to the administration of this Case or otherwise. As part of this Order, the caption of the "Ultura (Oceanside), Inc." case shall be changed to "UOI Estate" and the Clerk of this Court is hereby directed to make such change.

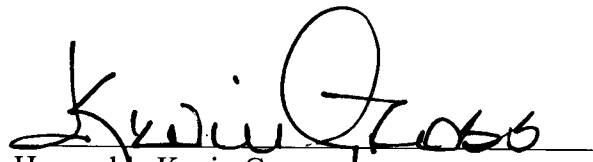
27. All time periods set forth in this Order shall be calculated in accordance with Federal Rule of Bankruptcy Procedure 9006(a).

28. To the extent that this Order is inconsistent with the Agreement (including all ancillary documents executed in connection therewith), any prior order or pleading with respect to the Sale Motion in this bankruptcy case, the terms of this Order shall govern.

29. The Court shall retain jurisdiction over Oceanside, UAC and all parties asserting liens, claims, encumbrances, interests and/or contract rights on, in or with respect to the Acquired Assets, to implement, interpret, consummate and/or effectuate the provisions of this Order and the Agreement, and to enter orders in aid or furtherance of the transactions contemplated by the Agreement, and to resolve any disputes arising under or related to the Agreement or the related transactions.

30. The provisions of this Order are non-severable and mutually dependent.

Dated: December 4, 2014

  
Honorable Kevin Gross  
United States Bankruptcy Judge

**EXHIBIT A****ASSUMED AND ASSIGNED TO UAC AND  
APPLICABLE CURE AMOUNTS**

<b>Counterparty</b>	<b>Contract Description</b>	<b>Cure Amount</b>
3605 Long Beach Boulevard, LLC Donald Lam, Managing Member 3605 Long Beach Blvd., Ste 405 Long Beach, CA 90807	Standard Multi-Tenant Office Lease - Gross Air Commercial Real Estate Association for premises located at 3605 Long Beach Blvd., Suite 201, Long Beach, CA	\$0.00
Professor D. Bhattacharyya (DB) Dept of Chemical & Materials Engineering University of Kentucky Lexington, KY 40506	Employment Agreement Letter	\$0.00
RIF III – Impala, L LC Howard Schwimmer 11620 Wilshire Blvd. Suite 1000 Los Angeles, CA 90025	Air commercial Real Estate Association Standard Industrial/Commercial Multi-Tenant Lease – Net for premises located at 2463 Impala Dr. Carlsbad, CA 92010	\$0.00
Ultura RO Property GmbH Seegelkenkehre 3 21107 Hamburg Germany	Patent License Agreement	\$0.00
University of Kentucky Research Foundation 144 ASTeCC Building Lexington, KY 40506-0286  University Legal Counsel 2 Administration Building Lexington, KY 40506-0032	License Agreement dated Jan 2013	\$0.00

## Schedule 2.1(a)(ii)

## Fixed Assets

Asset Description	Manufacturer	Serial #	Group
Air Compressor	Speedair		Element & Module Product
Air Compressor	Ingersoll Rand		Element & Module Product
Assembly Tables QTY: 6			Element & Module Product
Benchtop Scale			Element & Module Product
Bubble Test Tanks #1	Charles		Element & Module Product
Bubble Test Tanks #2	Charles		Element & Module Product
Caging Elements Transfer Cart #1	Charles		Element & Module Product
Caging Elements Transfer Cart #2	Charles		Element & Module Product
Caging Station #1	Charles		Element & Module Product
Caging Station #2	Charles		Element & Module Product
Circular Saw	Skil		Element & Module Product
Cordless Drills QTY: 2	Craftsman		Element & Module Product
Cut-Off Saw	Rigid	R4120	Element & Module Product
Drill Press #1	Jet	JDP-15MF	Element & Module Product
Drill Press #2	Jet	JDP-17MF	Element & Module Product
Drum Cradle QTY: 2			Element & Module Product
Drum Dolly			Element & Module Product
Drum Pump to feed HFR - Part A	Graco	218-956	Element & Module Product
Drum Pump to feed HFR - Part B	Graco	218-956	Element & Module Product
Drum Pumps to Fill PR70's - Part A	Graco	218-956	Element & Module Product
Drum Pumps to Fill PR70's - Part B	Graco	218-956	Element & Module Product
DT Press			Element & Module Product
Element Curing Cart #1	Charles		Element & Module Product
Element Curing Cart #2	Charles		Element & Module Product
Element Finish Table #1	Charles		Element & Module Product
Element Finish Table #2	Charles		Element & Module Product
Element Transfer Cart #1	Charles		Element & Module Product
Element Transfer Cart #2	Charles		Element & Module Product
Element Trim Prep Table #1	Charles		Element & Module Product
Element Trim Prep Table #2	Charles		Element & Module Product
Fans QTY: 5			Element & Module Product
File Cabinets QTY: 2			Element & Module Product
Finished Element Transfer Cart	Charles		Element & Module Product
Fire Extinguishers QTY: 2			Element & Module Product
Fire Extinguishers QTY: 9			Element & Module Product
Floor Scale			Element & Module Product
FM Cartridge Press			Element & Module Product
FM Cartridge Vacuum Test System			Element & Module Product
FM Cushion Machine			Element & Module Product
FM Stack Bubble Test System			Element & Module Product
FRP Cure Racks #1	Charles		Element & Module Product
FRP Cure Racks #2	Charles		Element & Module Product
FRP Station	Durawinder	11A	Element & Module Product

Schedule 2.1(a)(i)  
Fixed Assets

Asset Description	Manufacturer	Serial #	Group
Hand Dolly			Element & Module Product
Heat Sealer #1	Accu-Seal	70-233S	Element & Module Product
Heat Sealer #2	Accu-Seal	70-333	Element & Module Product
Heat Sealer #3	Accu-Seal	70-3B2S	Element & Module Product
Heat Sealer #4	ProAxis		Element & Module Product
Heat Sealer #5	ProAxis		Element & Module Product
Heat Sealer for Bags QTY: 2			Element & Module Product
HFR Glue Machine	Graco	HFRB-11AMAMANN	Element & Module Product
HFR Glue Machine			Element & Module Product
Material Cutting Station			Element & Module Product
Material Cutting Table			Element & Module Product
Material Lifting Device	ProXOne	2 Ton	Element & Module Product
Material Unwind Cart	Charles		Element & Module Product
MBS Soak Tank	Charles		Element & Module Product
Membrane Leaves Transfer Tables #1	Charles		Element & Module Product
Membrane Leaves Transfer Tables #2	Charles		Element & Module Product
Membrane Leaves Transfer Tables #3	Charles		Element & Module Product
Membrane Leaves Transfer Tables #4	Charles		Element & Module Product
Membrane Leaves Transfer Tables #5	Charles		Element & Module Product
Membrane Leaves Transfer Tables #6	Charles		Element & Module Product
Membrane Leaves Transfer Tables #7	Charles		Element & Module Product
Membrane Leaves Transfer Tables #8	Charles		Element & Module Product
Membrane Prep Supply Table #1	Charles		Element & Module Product
Membrane Prep Supply Table #2	Charles		Element & Module Product
Membrane Prep Supply Table #3	Charles		Element & Module Product
Membrane Prep Supply Table #4	Charles		Element & Module Product
Membrane Prep Table #1	Charles		Element & Module Product
Membrane Prep Table #2	Charles		Element & Module Product
Membrane Prep Table #3	Charles		Element & Module Product
Membrane Prep Table #4	Charles		Element & Module Product
Membrane Roll Rack			Element & Module Product
Membrane Unwind Cart #1	Charles		Element & Module Product
Membrane Unwind Cart #2	Charles		Element & Module Product
Membrane Unwind Cart #3	Charles		Element & Module Product
Membrane Unwind Cart #4	Charles		Element & Module Product
Module Carts QTY: 6			Element & Module Product
New Trimmer			Element & Module Product
Old Trimmer	Lever Manufacturing	Model 300	Element & Module Product
Packaging Tables QTY: 2			Element & Module Product
Pallet Jack QTY: 2			Element & Module Product
Pallet Racks QTY: 15			Element & Module Product
Paper Cutter			Element & Module Product
Parts Carts QTY: 6			Element & Module Product
Permeate Tube Storage Rack #1			Element & Module Product
Permeate Tube Storage Rack #2			Element & Module Product
PR70 for 3542 Glue	Graco		Element & Module Product
PR-70 Glue Machine	Graco PR70	TOC-1250	Element & Module Product

Schedule 2.1(a)(i)  
Fixed Assets

Asset Description	Manufacturer	Serial #	Group
PR70 Glue Machines - Lead	Graco		Element & Module Product
PR70 Glue Machines Helper	Graco		Element & Module Product
Prepped Material Rack #1	Charles	ETM1340	Element & Module Product
Prepped Material Rack #2	Charles		Element & Module Product
Prepped Tricot Pack Storage Rack #1	Charles		Element & Module Product
Prepped Tricot Pack Storage Rack #2	Charles		Element & Module Product
Prepped Tricot Pack Storage Rack #3	Charles		Element & Module Product
Push Back Racking- Element Production	Interlake Mecalux		Element & Module Product
Rolling Stairs			Element & Module Product
Rolling Station #1			Element & Module Product
Rolling Station #2	Charles		Element & Module Product
Rolling Station #3	Charles		Element & Module Product
Saw Horses QTY: 2			Element & Module Product
Secondary Containment Sump QTY: 2			Element & Module Product
Set of Hand Tools	Craftsman		Element & Module Product
Shop Vacuum QTY: 3			Element & Module Product
Storage Racks QTY: 3			Element & Module Product
Strapping Tools			Element & Module Product
Tape Dispenser Machine QTY: 2			Element & Module Product
TOC Air Generator	Parker		Element & Module Product
Tool Bag	Husky		Element & Module Product
Torque Wrench QTY:	Craftsman		Element & Module Product
Trimmer	Synercon Converting Machinery		Element & Module Product
Ultrasonic Welding Station	Charles		Element & Module Product
Vacuum Test Station	Charles		Element & Module Product
Work Bench for Vacuum Test System			Element & Module Product
Bookcases QTY: 9			Furniture and Fixtures
Buffet style Cabinet QTY: 1			Furniture and Fixtures
Buffet style Cabinet QTY:1			Furniture and Fixtures
Coffee Maker QTY: 2			Furniture and Fixtures
Coffee Tables QTY: 1			Furniture and Fixtures
Coffee Tables QTY: 2			Furniture and Fixtures
Conference Tables QTY: 1			Furniture and Fixtures
Conference Tables QTY: 6			Furniture and Fixtures
Desk Chairs QTY: 15			Furniture and Fixtures
Desk Chairs QTY: 20			Furniture and Fixtures
Dining Table w/ 4 chairs QTY: 1			Furniture and Fixtures
File Cabinets QTY: 2			Furniture and Fixtures
Filing Cabinet QTY: 13			Furniture and Fixtures
Filing Cabinet QTY: 8			Furniture and Fixtures
Hutch over Desk QTY: 1			Furniture and Fixtures
Hutch over Desk QTY:1			Furniture and Fixtures
Keurig QTY:1			Furniture and Fixtures
Keurig QTY:1			Furniture and Fixtures



Schedule 2.1(a)(i)  
Fixed Assets

Asset Description	Manufacturer	Serial #	Group
Large Fridge QTY: 1			Furniture and Fixtures
Large Fridge QTY: 2			Furniture and Fixtures
Large Office Desks QTY: 14		Sepro System	Furniture and Fixtures
Large Office Desks QTY: 7		Sepro System	Furniture and Fixtures
Lockers		J945HK1	Furniture and Fixtures
Microwave QTY: 3		23G4PN1	Furniture and Fixtures
Microwave QTY: 4		67T4FN1	Furniture and Fixtures
Office Tables QTY: 2		CWK6DP1	Furniture and Fixtures
Paper Shredder QTY: 3		1FVD4V1	Furniture and Fixtures
R&D desks w/ Hutches QTY: 5		6VCR6Y1	Furniture and Fixtures
Rug QTY:1		6VRS6Y1	Furniture and Fixtures
Safe QTY:1			Furniture and Fixtures
Safes QTY: 2		0004F26614F0	Furniture and Fixtures
Sitting Chairs QTY: 12		0004F266179A	Furniture and Fixtures
Sitting Chairs QTY: 6		0004F2661847	Furniture and Fixtures
Small Fridge QTY: 1		0004F2661C38	Furniture and Fixtures
Sofas QTY: 3		0004F2661C75	Furniture and Fixtures
Supply Cabinets QTY: 1		0004F2661C7C	Furniture and Fixtures
Supply Cabinets QTY: 2		0004F2661D35	Furniture and Fixtures
Toaster QTY: 1		0004F2661D4A	Furniture and Fixtures
Water Boiler QTY:1		0004F2661E25	Furniture and Fixtures
Computers QTY: 6		0004F26621DF	IT
Computers QTY:6		00E16DB681BA	IT
Laptops QTY: 5			IT
Laptops QTY: 6			IT
Laser Printer	Dell 1135n Laser MFP		IT
Monitors QTY: 1			IT
Monitors QTY: 5			IT
Multi-Purpose Printer	Ricoh Aficio MP C2051	1408	IT
Multi-Purpose Printer	Ricoh-DSc428		IT
Phones QTY:12			IT
Analytical Bench Scale			Lab, Test, R&D Equipment
Element Test Housings - Various Sizes QTY: 18			Lab, Test, R&D Equipment
Flammable Materials Storage Locker			Lab, Test, R&D Equipment
High Pressure Cell Test System			Lab, Test, R&D Equipment
High Pressure Cell Test System			Lab, Test, R&D Equipment
Lab Vacuum Oven	Shellab	Aurora Model 1030	Lab, Test, R&D Equipment
Low Pressure High Flow Element Test System			Lab, Test, R&D Equipment
Medium Pressure Cell Test System			Lab, Test, R&D Equipment
Medium Pressure Cell Test System			Lab, Test, R&D Equipment
Metal Storage Locker QTY: 2			Lab, Test, R&D Equipment
Microwave			Lab, Test, R&D Equipment

Schedule 2.1(a)(i)  
Fixed Assets

Asset Description	Manufacturer	Serial #	Group
PMI	Porous Materials Inc.		Lab, Test, R&D Equipment
R&D Flat Cell Test	Charles		Lab, Test, R&D Equipment
Refractometer			Lab, Test, R&D Equipment
Refrigerator			Lab, Test, R&D Equipment
Refrigerator			Lab, Test, R&D Equipment
ROCHEM Biofilt Test System			Lab, Test, R&D Equipment
ROCHEM DT Wet Test System			Lab, Test, R&D Equipment
ROCHEM ST Pilot Test System			Lab, Test, R&D Equipment
ROCHEM ST Wet Test System			Lab, Test, R&D Equipment
ROCHEM UF Test System			Lab, Test, R&D Equipment
Secondary Containment Sump QTY: 2			Lab, Test, R&D Equipment
Shelf Unit QTY: 3			Lab, Test, R&D Equipment
Sink QTY: 2			Lab, Test, R&D Equipment
Small Bench Scale QTY: 2			Lab, Test, R&D Equipment
Small High Pressure Test System			Lab, Test, R&D Equipment
Stir / Hot Plate			Lab, Test, R&D Equipment
Stir / Hot Plate			Lab, Test, R&D Equipment
Stir / Hot Plate			Lab, Test, R&D Equipment
TOC	O-I-Analytical		Lab, Test, R&D Equipment
Ultra Low Pressure Test Systems			Lab, Test, R&D Equipment
Ultra Low Pressure Test Systems			Lab, Test, R&D Equipment
Ultrasonic Bath			Lab, Test, R&D Equipment
Viscometer - Spare			Lab, Test, R&D Equipment
Wall Mount Storage Cabinets QTY: 8			Lab, Test, R&D Equipment
Wet Test System for Scinor			Lab, Test, R&D Equipment
Work Benches QTY: 17			Lab, Test, R&D Equipment
1 Ton Chain Hoist			Machinery
2 ton Come-a-Long			Machinery
20 Ton Shop Press			Machinery
20" Box Fan QTY: 2			Machinery
4" Angle Grinder	Dewalt		Machinery
Air Hose Reel	Harbor Freight		Machinery
Air Operated Drum Pumps	Graco		Machinery
Air Operated Drum Pumps	Graco		Machinery
Air Operated Drum Pumps	Graco		Machinery
Band Saw			Machinery
Band Saw			Machinery
Bench Grinder			Machinery
Broach Set	Minute Man		Machinery
Circular Saw	Skil		Machinery
Conduit Bender QTY: 3	Klein		Machinery
Cordless Drill QTY: 4	Dewalt		Machinery
Drill Bit Sharpener	Darex		Machinery
Drum Lift Device			Machinery
Extension Ladder			Machinery
File Cabinets QTY: 3			Machinery

Schedule 2.1(a)(i)  
Fixed Assets

Asset Description	Manufacturer	Serial #	Group
Flammable Materials Storage Locker QTY: 2			Machinery
Forklift Boom			Machinery
Forklift Jack	Simplex		Machinery
Hole Saw set	Milwaukee	WI-125	Machinery
Jigsaw	Skil		Machinery
Lathe			Machinery
Lifting Slings - Various sizes QTY: 10			Machinery
Metal Work Table QTY: 2	Charles		Machinery
Oxy-Acetylene Torch	Victor		Machinery
Pallet Racks QTY: 2			Machinery
Plasma Cutter	Miller		Machinery
Plasma Cutter		1WD61	Machinery
Portable Air Compressor	Porter Cable		Machinery
Precision Machinist Level	Moor & Wright		Machinery
Reciprocating Saw	Porter Cable		Machinery
Sets of Hand Tools QTY: 2	Craftsman		Machinery
Shelf Units for Parts Storage QTY: 8		WH1/400	Machinery
Shop Vacuum (4 gallon) QTY: 2	Rigid		Machinery
Slug Buster Hole Punch Set QTY: 2	Greenlee	20XE1.25AE2	Machinery
Snap Ring Pliers Set	ATD	M1D-5AR-SP	Machinery
Step Ladders QTY: 4			Machinery
Tool Bag QTY: 3	Husky		Machinery
Tool Bench Grinder			Machinery
Tool Box QTY: 3	Craftsman		Machinery
Welding Helmet QTY: 2	Miller		Machinery
Casting Machine	MJL		Membrane Product
Dryer	E J Callahan		Membrane Product
Floor Scale	Weigh-Tronics		Membrane Product
Large Mixer	Myers		Membrane Product
12 Gallon Shop Vacuum			Membrane Product
55 Gallon Drum Overpack Drum QTY: 3			Membrane Product
8" Bypass Seal		Imperial IV 3490M	Membrane Product
9.3" ATD Mould			Membrane Product
9.3" ATD Mould			Membrane Product
ABC Fire Extinguishers QTY: 5	Amerex		Membrane Product
Air Compressor	Speedair		Membrane Product
Air Conditioner QTY: 2			Membrane Product
Ball Mill			Membrane Product
Bench Scale QTY: 2			Membrane Product
Best Air Control Catalytic Oxidizer	Catalytic Products		Membrane Product
Boiler for Casting	Raypak		Membrane Product
Bookcase			Membrane Product
Branson 20XE1.25AE2 Special 2000X	Branson		Membrane Product
Chiller for old Casting Machine	Advantage Engineering		Membrane Product
Deep Sink			Membrane Product

Schedule 2.1(a)(i)  
Fixed Assets

Asset Description	Manufacturer	Serial #	Group
Dehumidifier Assembly	Comfort Aire		Membrane Product
Dessicator		0464 1983-12	Membrane Product
Drum Dolly			Membrane Product
Flammable Materials Storage Locker QTY: 8			Membrane Product
Floor Scale			Membrane Product
Grainger Hydraulic Platform Lifter	Dayton	V775A-15-3215	Membrane Product
Hand Dolly		V775A-7.5-3214	Membrane Product
Hand Dolly		550A-15-1478	Membrane Product
Hydraulic Lift	Presto		Membrane Product
Hydraulic Lift	Dayton	M1D-5AR	Membrane Product
Lab Oven	Lab Line Instruments Inc.	DH-2000	Membrane Product
Laser Tonics	LaserTronics		Membrane Product
Laser-Tronics Casting Trough	LaserTronics		Membrane Product
Lift System			Membrane Product
Machinery (initial membrane casting equip.)			Membrane Product
Manufacturing equipment (initial membrane casting equip.)			Membrane Product
McMaster-Carr Capital Improvements			Membrane Product
Membrane Rewind Station	Charles		Membrane Product
Membrane Roll Racks QTY: 20			Membrane Product
Metal Storage Locker QTY: 2			Membrane Product
Metal Water Storage Tank (1500 Gallons)			Membrane Product
Mey Water Solution Tank 304SS	Mey	3.0+	Membrane Product
Mey Water Solution Tank 304SS	Mey		Membrane Product
Mey Water Solution Tank 304SS	Mey		Membrane Product
Mey Water Solution Tank 304SS Half Size	Mey		Membrane Product
Milling Machine	ENCO		Membrane Product
Mix Room Exhaust Fan QTY: 2			Membrane Product
Mould for ATD(A-120-2375AB)			Membrane Product
Mould for ATD(CIM1125-590PS)			Membrane Product
Myers Engineering V775A-15-3215 Tank	Myers	HRB200	Membrane Product
Myers Engineering 775A-7.5-3214 Tank	Myers		Membrane Product
Myers Ssoa Ser-Disperser	Myers		Membrane Product
Netstar Int'L Trading		Seppo-SM-60-SMZ	Membrane Product
NF Chiller	Advantage Engineering		Membrane Product
Ocean Optics	Ocean Optics		Membrane Product
Pallet Jack			Membrane Product
Pallet Racks QTY: 8			Membrane Product
Plastic Water Storage Tank (100 Gallons)			Membrane Product
Plastic Water Storage Tank (100			Membrane Product

Schedule 2.1(a)(i)  
Fixed Assets

Asset Description	Manufacturer	Serial #	Group
Gallons)			
Plastic Water Storage Tank (100 Gallons)			Membrane Product
Plastic Water Storage Tank (1500 Gallons)		M1D-.25AR	Membrane Product
Plastic Water Storage Tank (1500 Gallons)			Membrane Product
Plastic Water Storage Tank (1500 Gallons)			Membrane Product
PO 4003/ATD			Membrane Product
PO 4008/Dies			Membrane Product
PO 4325 / Zeta-Meter	Zeta-Meter Inc,		Membrane Product
PO 4372 / Glycerine Application System	Vortex		Membrane Product
PO 4498 / Solution Tanks	Mey		Membrane Product
Pump - PES 5	Graco		Membrane Product
Push Back Racking- Membrane Production	Silcon Valley Shelving		Membrane Product
Quarts Room Heaters QTY: 2	Fostoria		Membrane Product
Regenerative Blower	Republic		Membrane Product
Regenerative Blower	Gast	Neslab RTE7	Membrane Product
Republic Blower Regen 3 Phase	Republic Blowers		Membrane Product
RO Water System		TOC-VCSN	Membrane Product
Rolling Stairs QTY: 2			Membrane Product
Rosenthal Mfg. Sepro-SM-60-SMZ	Rosenthal Manufacturing		Membrane Product
S4000CH Gas Sensor		T79806-3	Membrane Product
Saw Horses QTY: 10		3FEY075ST	Membrane Product
Secondary Containment Sump QTY: 3		3FEY075ST	Membrane Product
Shop Engine Hoist	Kaydee 1500		Membrane Product
Shop Engine Hoist	Kaydee 1501	RVDV-1 Prime	Membrane Product
Shop Fans			Membrane Product
Small Benchtop Mixer			Membrane Product
Small Chiller	Advantage Engineering		Membrane Product
Solution Delivery Systems QTY: 20			Membrane Product
Solution Tank #1			Membrane Product
Solution Tank #2			Membrane Product
Solution Tank #3		SD180	Membrane Product
Solution Tank 304SS	Mey		Membrane Product
Solution Tank 304SS	Mey	BCM50	Membrane Product
Solution Tank 604SS	Mey		Membrane Product
Storage Racks QTY: 2			Membrane Product
Strapping Tools			Membrane Product
Tap Water Booster Pump	Grundfos		Membrane Product
Tape Dispensing Machine			Membrane Product
Temperature Controlled Bath	Thermo Scientific		Membrane Product
Test Cell			Membrane Product
TOC-VCSN	Shimadzu		Membrane Product

Schedule 2.1(a)(i)  
Fixed Assets

Asset Description	Manufacturer	Serial #	Group
Transformer (Mix Room) (V48M28T75EE)	Cutler Hammer		Membrane Product
Transformer (Wet Test)			Membrane Product
Transformer H2	Acme		Membrane Product
Transformer T3	Seimens		Membrane Product
Transformer X	Seimens		Membrane Product
Vacuum Pump QTY: 2	Gast		Membrane Product
Viscometer	Brookfield	C3000	Membrane Product
Vortex - On rise		T80DSTR	Membrane Product
Vortex Casting Machine	Vortex	2001 CY	Membrane Product
Vortex Coating Machine	Vortex		Membrane Product
Vortex Heating Skid	Vortex		Membrane Product
Vortex Rinse Ln Mach Pnd	Vortex		Membrane Product
Vortex Roller	Vortex		Membrane Product
Welder	Miller Electric		Membrane Product
Work Tables QTY: 7			Membrane Product
ATT New Phone System	Nortel		Office Equipment
Copier/ Printer QTY: 5			Office Equipment
Copier/ Printer QTY:2			Office Equipment
Fax QTY: 1			Office Equipment
Flat Screen TV QTY: 1			Office Equipment
Gestner Printer QTY:1			Office Equipment
Label Printer QTY: 4			Office Equipment
Paper Shredder QTY: 1			Office Equipment
Peachtree Quantum RT			Office Equipment
Phones QTY:6			Office Equipment
Ricoh Printer QTY: 1			Office Equipment
Shelf Unit QTY:8			Office Equipment
Shelf Units for Document Storage QTY: 20			Office Equipment
Whiteboards QTY: 2			Office Equipment
Whiteboards QTY: 5			Office Equipment
Forklift	Caterpillar		Vehicles
Forklift	Caterpillar		Vehicles
Used 2001 Box Van	Chevrolet		Vehicles

## Schedule 2.1(a)(iii)

## Contracts

Counterparty	Contract Description	Cure Amount
3605 Long Beach Boulevard, LLC Donald Lam, Managing Member 3605 Long Beach Blvd., Ste 405 Long Beach, CA 90807	Standard Multi-Tenant Office Lease - Gross Air Commercial Real Estate Association for premises located at 3605 Long Beach Blvd., Suite 201, Long Beach, CA	\$0.00
Professor D. Bhattacharyya (DB) Dept of Chemical & Materials Engineering University of Kentucky Lexington, KY 40506	Employment Agreement Letter	\$0.00
RIF III – Impala, L LC Howard Schwimmer 11620 Wilshire Blvd. Suite 1000 Los Angeles, CA 90025	Air commercial Real Estate Association Standard Industrial/Commercial Multi-Tenant Lease – Net for premises located at 2463 Impala Dr. Carlsbad, CA 92010	\$0.00
Ultura RO Property GmbH Seegelkenkehre 3 21107 Hamburg Germany	Patent License Agreement	\$0.00
University of Kentucky Research Foundation 144 ASTeCC Building Lexington, KY 40506-0286  University Legal Counsel 2 Administration Building Lexington, KY 40506-0032	License Agreement dated Jan 2013	\$0.00

## Schedule 2.1(a)(iv)

## Assigned Intellectual Property

**Patents:**

Patent number	Subject	Summary detail	Application
EP1440727	Membrane Flux Enhancement	Treatment of UF and MF membranes with a water soluble linear polymer of PEG	Increase membranes flux
US6544418/US6544419	Making chemically activated microfiltration membranes	The method of chemically attaching polyamino acids to microfiltration membrane surface and within the pores	Creates a membrane with high capacity for metal and ion capture compared to conventional technologies
US6,306,301	Making chemically activated microfiltration membranes	Development of a chemically activated microfiltration/ultrafiltration membrane characterized by significantly enhanced surface entrapment capacity	Creates a membrane with high capacity for metal and ion capture compared to conventional technologies
US6,139,742	Making chemically activated cellulose acetate membrane	Making membrane-based sorbents on a polyacetylated cellulosic material with enhanced binding activity that are particularly useful for heavy metal sequestration. Replace existing ion exchange resins with membrane technology	Metal removal from wastewater applications such as mining drainage, chemical industry, and ground water treatment
US6,103,121	Making chemically activated microfiltration/ultrafiltration membranes	Making membrane-based sorbents with enhanced binding activity that are particularly useful for heavy metal sequestration membrane. Replace existing ion exchange resins with membrane technology	Metal removal from wastewater applications such as mining drainage, chemical industry, and ground water treatment
EP1445013, US6,984,321 503 05 169.1 20303013.3 4411464 1009801880000	ST Module design	The design of a membrane element constructed with UF, NF, or RO membrane that is centrally supported in the housing, with a feed spacer that has a rectangular shape	Allows the membrane element to operate with less fouling and higher overall system recovery
EP1731214 CA 2514162 102005 026 190.6	Membrane cushions	Plastic disc style spacer where membrane cushions are placed between each cushion	Allows the membrane element to operate with less fouling and higher overall system recovery



Schedule 2.1(a)(iv)  
Assigned Intellectual Property

Patent number	Subject	Summary detail	Application
13/459,315	Green synthesis Nanocomposite Membranes	Porous polymer membranes, including metal nanoparticles synthesized, and immobilized in-situ within the pores of the membrane while simultaneously being reduced and capped with a green reducing and capping agent.	Efficient and effective reductive degradation of toxic chlorinated organic compounds and other contaminants in water.
13/459,323	Chemical Processing Cell With Nanostructured Membranes	A chemical processing cell that includes an upstream and a downstream membrane.	Chemical processing cells using stacked non-structure membranes where the catalysts associated with those membranes are tunable by operation of pH, ionic strength or pressure for reaction and separation selectivity for removal of metals or organics.
13/438,253	Water Purification Device and a Method of Decontaminating a Water Supply	A water purification device in a hydrogel matrix containing immobilized nanoparticles that are directly synthesized in-situ in the hydrogel matrix.	Decontaminating water supply contaminated with a target pollutant.
13/196,961 13/079,085	Spacer element for guiding flow media	Plastic disc style spacer where membrane cushions are placed between each cushion	Allows the membrane element to operate with less fouling and higher overall system recovery

Domain Names:

- www.functionalizedmembranes.com
- www.functionalizedmembranesolutions.com
- www.intelligentmembranes.asia
- www.intelligentmembranes.co.uk
- www.intelligentmembranes.com
- www.intelligentmembranes.eu
- www.intelligentmembranes.info
- www.intelligentmembranesolutions.com
- www.rochem.com
- www.rochem.de
- www.rochem.us
- www.rochem-marine.it
- www.rochem-uf.de
- www.sepromembranes.com
- www.ulturawater.com

**Trademarks:**

• ROCHEM	Germany	Registered	7, 1	974172
• ROCHEM	UK	Registered	1	UK00001175879
• ROCHEM	UK	Registered	11	UK00001497083
• ROCHEM	UK	Registered	7	UK00001175880
• ST MODULE	China P.R.	Pending	11	
• ST NF	China P.R.	Pending	11	
• ST RO	China P.R.	Pending	11	
• ULTURA	United States	Pending	11, 37, 40, 42	
• SEPRO <sup>TM1</sup>				

**Misc.:**

- Technology, trade secrets and other confidential information, know-how, proprietary technology, processes, formulae, methodologies, and all related documentation and media describing the manufacturing of membranes contained in formula books at its Oceanside facility and maintained on the Company's corporate computer servers.

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<sup>1</sup> The Company attempted to obtain a federal registration of the mark with the USPTO. The Company's registration of the mark was challenged by the holder of a registered mark in the same class. Subsequently, the Company abandoned its attempt to register the mark with the USPTO.

## Schedule 2.2(b)

Oceanside AP and Vendor Claims as of 11/03/14

Vendor	Balance
3M Purification, Inc.	\$2,123.15
ADT	\$262.72
ADT Security Services, Inc	\$198.57
Airgas - West	\$94.88
Allstate Moving Systems	\$1,155.00
Amidi Ocean Lofts, LLC	\$2,210.00
AT&T	\$4,794.71
B&H Tedford Machining	\$333.35
Badger Plug	\$0.00
Brenntag Pacific, Inc.	\$28,121.90
City of Oceanside	\$76.00
Cole-Parmer Instrument Company	\$915.97
Copycare	\$207.80
Cox Business	\$838.18
Custom Cutting Tools, Inc	\$150.00
DelStar Technologies, Inc.	\$83,618.74
Dibakar Bhattacharyya	\$7,000.00
Dichtomatik	\$10,624.82
Dukane Ultrasonics	\$33,455.12
Environmental Spray Systems, Inc.	\$159.30
Ernest Packaging	\$49,906.14
Express Services, Inc	\$18,949.82
FastSigns Vista	\$2,577.82
FEDERAL EXPRESS	\$1,704.68
FedEx Freight	\$2,534.72
Festo Corporation	\$6,454.26
First Bankcard	\$16,430.65
Fisher Scientific	\$260.16
Full Spectrum Analytics, Inc.	\$3,991.68
GE	\$523.18
General Atomics	\$2,299.50
Glen Raven Technical Fabrics, LLC	\$10,405.56
Global Equipment Company	\$814.47
Gorilla Pallets	\$857.98
Grainger	\$1,267.97
Guilford Mills, Inc.	\$7,528.96
H.B.Fuller Company	\$21,769.92
Harrington Industrial Plastics, Inc.	\$7,817.15
Industrial Netting Inc.	\$8,848.02

Schedule 2.2.(b)  
Oceanside AP and Vendor Claims as of 11/03/14

<b>Vendor</b>	<b>Balance</b>
Infinisource, Inc.	\$1,125.25
J R Transportation, Inc.	\$514.70
Keifer & Keifer	\$2,099.14
Medco	\$2,888.57
Medico Linen Service	\$1,460.83
Membrane Process & Controls	\$696.25
Mobile Mini, LLC	\$548.44
Office Depot	\$1,227.25
Pacific Coast Water & Filtration, LLC	\$2,305.00
Parco, Inc.	\$689.26
Phoenix Vessel Technology Ltd	\$38,831.00
Pilot Freight Services	\$8,363.42
Pitney Bowes Global Financial Services LL	\$263.06
PMI/Porous Materials Inc.	\$19,662.80
Poplar Consulting	\$23,785.32
Reyher Nchfg. GMBH & Co. KG	\$440.18
Royal Wholesale Electric Supply	\$2,100.06
S D G & E	\$18,928.76
San Diego Building Maintenance	\$4,232.00
SBA Global Logistic Services	\$6,115.72
Select Staffing	\$2,116.93
Shimadzu	\$2,886.00
Sigma-Aldrich Corporation	\$7,094.93
Summit Steel	\$108.00
TNT USA	\$65.76
Tryplex Technologies	\$375.00
ULINE	\$334.10
Unicargo Express Inc	\$451.03
United States Plastic Corp.	\$258.75
Univar USA Inc	\$0.00
UPS	\$5,634.77
UPS Freight	\$942.76
UPS Supply Chain Solutions, Inc	\$209.47
Vail Dunlap & Associates	\$1,778.30
Vortex	\$108,155.00
Waste Management of North County	\$1,165.21
WestAir Gases and Equipment	\$896.07
<b>Grand Total</b>	<b>\$610,031.94</b>

Schedule 6.11(c)

Governmental Licenses, Consents, Approvals, Authorizations, Permits,  
Orders, Decrees and Other Compliance Agreements

- Business License, City of Oceanside, License No. BL-120558
- Business License, City of Oceanside, License No. BL-83282
- County of San Diego Dept. of Environmental Health Unified Program Facility Permit, Record Number DEH2002-HUPFP-138609
- Resale Certificate of Exemption, State of California, Cert. No. 97-797692
- Permit to Operate, County of San Diego, Air Pollution Control District, Permit ID APCD2007-PTO-972711
- Permit to Operate, County of San Diego, Air Pollution Control District, Permit ID APCD2012-PTO-001435
- Wastewater Contribution Permit, City of Oceanside, Permit No. 34SLR403
- Wastewater Contribution Permit, City of Oceanside, Permit No. 34SLR463
- Hazardous Materials Disposal Permit, Department of Toxic Substances, California Environmental Protection Agency, CEPA ID Number: CAL000212668 (non-transferable in a sale)

Schedule 6.13

Insurance Policies

The Company is named as a beneficiary on several insurance policies covering the Acquired Assets, which policies are in the name of Ultura, Inc., as listed in the attached schedule. The Purchaser will acquire its own insurance policies to cover the Acquired Assets post-closing.

**APTwater Services, Inc.**  
**Property and Casualty Insurance Summary for 1/1/2014 – 1/1/2015**

<u>Coverage</u>	<u>Insurer (Rating)</u>	<u>Policy No.</u>	<u>Limits</u>	<u>Description</u>	<u>Deductible</u>	<u>Premium</u>
Property: 1/1/2014-2015	Travelers Property & Casualty Co. (A+, XV)	6608D356226		<b>Locations:</b> 1) 100 West Broadway, STE. 200, Long beach, CA 2) 3765 S. Higuera, STE. 160, San Luis Obispo, CA 3) 2495 Estand Way, Pleasant Hill, CA 4) 9245 Balboa Ave, San Simeon, CA 5) 111 Pico Ave., San Simeon, CA 6) 430 30 <sup>th</sup> Street, Hermosa Beach, CA 7) 922 NE 13 <sup>th</sup> Street, Fort Lauderdale, FL 8) 3474 Atlantic Ln Waverly VA 9) 4115 Avenida De La Plata, Oceanside, CA 10) 4110 Avenida De La Plata, Oceanside, CA  Blanket Personal Property Business Income/Extra Expense  Capital Equipment, Leased Equipment, Lab Equipment, Capital Leases & Inventory Flood Sublimit & Annual Aggregate Earthquake Sublimit & Annual Aggregate Windstorm Named Storm	\$2,500 72 hours  \$2,500  \$5,000 \$5,000 \$5,000 \$25,000	\$26,753.00
<u>General Liability/</u> <u>Pollution</u> 1/1/2014-2015	AIG Specialty Ins. Co. (A, XV)	EG9343310	\$2,000,000 \$1,000,000 \$1,000,000  \$1,000,000 \$1,000,000 \$300,000 \$25,000  \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000	<b>General Liability:</b> General Aggregate Limit Each Occurrence Limit Personal & Advertising Injury – Any One Person or Organization Products/ Completed Operations Aggregate Limit Employee Benefits Liability Damage to Premises Rented to You Limit Medical Expense Limit <b>Site Pollution Liability:</b> Each Occurrence, Subject to General Aggregate <b>Contractors Pollution Liability:</b> Each Occurrence, Subject to General Aggregate <b>Pollution Liability - Transit:</b> Each Occurrence, Subject to General Aggregate	\$1,000  \$25,000 \$2,500 \$10,000	\$113,630.61 Incl Taxes & Fees And Nose Coverage for Seppo

This insurance document is furnished to you as a matter of information for your convenience. It only summarizes the listed policies and is not intended to reflect all of the terms and conditions or exclusions of the actual policies. In addition, the information in this document reflects coverage as of the date shown below and does not include subsequent changes. This document is not an insurance policy and does not amend, alter or extend the coverage afforded by the policies listed. The insurance afforded by the listed policies is subject to all the terms, exclusions and conditions of such policies.

Prepared by: **The Partners Group**

5/27/2014

Page 1 of 4

This insurance document is furnished to you as a matter of information for your convenience. It only summarizes the listed policies and is not intended to reflect all of the terms and conditions or exclusions of the actual policies. In addition, the information in this document reflects coverage as of the date shown below and does not include subsequent changes. This document is not an insurance contract and does not amend, alter or extend the coverage afforded by the listed policies. The insurance afforded by the listed policies is subject to all the terms, exclusions and conditions of such policies.



**APTwater Services, Inc.**  
**Property and Casualty Insurance Summary for 1/1/2014 – 1/1/2015**

<i>Coverage</i>	<i>Insurer (Rating)</i>	<i>Policy No.</i>	<i>Limits</i>	<i>Description</i>	<i>Deductible</i>	<i>Premium</i>
Automobile: 1/1/2014-2015	First National Ins. (A, XV)	25CC35373420	\$1,000,000	Combined Single Limit Hired Car Physical Damage Coverage	\$1,000 Comprehensive; \$1,000 Collision	\$28,725.80
Excess Liability: 1/1/2014-2015	AIG Specialty Ins. Co. (A, XIV)	EGU9343311	\$10,000,000 \$10,000,000	Aggregate Limit Each Occurrence Limit Excess of General Liability, Auto Liability, Pollution and Employers Liability	None	\$66,129.53 Incl. Taxes & Fees
Professional Liability 1/1/2014-2015	Maxum Indemnity Company (A-, VIII)	PPF6021127-02	\$1,000,000 \$2,000,000	Each Claim Aggregate Limit	\$5,000	\$28,983.72 Incl. Taxes & Fees
Directors & Officers Liability 1/18/2014-2015	Arch Insurance Co (A+, V)	PCD9300571	\$3,000,000 \$3,000,000 \$1,000,000 \$1,000,000 \$1,000,000	Policy Aggregate Directors & Officers / Entity Each Occurrence D&O Additional Side A Employment Practices Liability Aggregate & Occurrence Fiduciary Liability*	\$100,000 Incl Above \$100,000 None	\$73,135.00 Incl. Taxes & Fees * Fiduciary Added 5/23/14
Excess Directors & Officers Liability 1/18/2014-2015	Liberty Mutual (A, XV)	DOSFAAXWL1001	\$2,000,000 \$2,000,000	Policy Aggregate Excess Directors & Officers Liability Excess Directors & Officers Liability Occurrence	None	\$19,570.00 Incl. Taxes & Fees

This insurance document is furnished to you as a matter of information for your convenience. It only summarizes the listed policies and is not intended to reflect all of the terms and conditions or exclusions of the actual policies. In addition, the information in this document reflects coverage as of the date shown below and does not include subsequent changes. This document is not an insurance policy and does not amend, alter or extend the coverage afforded by the policies listed. The insurance afforded by the listed policies is subject to all the terms, exclusions and conditions of such policies.

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5/27/2014

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**APTwater Services, Inc.**  
**Property and Casualty Insurance Summary for 1/1/2014 – 1/1/2015**

<i>Coverage</i>	<i>Insurer (Rating)</i>	<i>Policy No.</i>	<i>Limits</i>	<i>Description</i>	<i>Deductible</i>	<i>Premium</i>
<u>Crime</u> 1/18/2014-2015	Chubb (A++, XV)	82378984	\$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$1,000,000 \$25,000	Employee Theft Coverage Premises Coverage In Transit Coverage Forgery Coverage Computer Fraud Coverage Funds Transfer Fraud Coverage Money Orders & Counterfeit Currency Fraud Credit Card Fraud Coverage Client Coverage Expense Coverage	\$15,000 \$15,000 \$15,000 \$15,000 \$15,000 \$15,000 \$15,000 \$15,000 \$15,000 None	\$6,778.00
<u>Ocean &amp; Inland Cargo</u> 1/18/2014-2015	Travelers Casualty Co. of America (A++, XIV)	15S2736A	\$500,000 \$500,000 \$500,000 \$500,000 \$500,000	<b>Sepro Products / Materials Only</b> By Any One Ship By Any One Aircraft US Domestic Inland Transit Any One Claim US Domestic Inland Transit via Truck US Domestic Inland Transit via Rail  Rating Basis: \$5,000,000 Inland Values Shipped \$4,800,000 Import/Export	\$10,000	\$5,456.00 (Auditable)

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Prepared by *The Partners Group*

5/27/2014

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## Schedule 6.7(a)

## Intellectual Property

**Patents:**

Patent number	Subject	Summary detail	Application
EP1440727	Membrane Flux Enhancement	Treatment of UF and MF membranes with a water soluble linear polymer of PEG	Increase membranes flux
US6544418/US6544419	Making chemically activated microfiltration membranes	The method of chemically attaching polyamino acids to microfiltration membrane surface and within the pores	Creates a membrane with high capacity for metal and ion capture compared to conventional technologies
US6,306,301	Making chemically activated microfiltration membranes	Development of a chemically activated microfiltration/ultrafiltration membrane characterized by significantly enhanced surface entrapment capacity	Creates a membrane with high capacity for metal and ion capture compared to conventional technologies
US6,139,742	Making chemically activated cellulose acetate membrane	Making membrane-based sorbents on a polyacetylated cellulosic material with enhanced binding activity that are particularly useful for heavy metal sequestration. Replace existing ion exchange resins with membrane technology	Metal removal from wastewater applications such as mining drainage, chemical industry, and ground water treatment
US6,103,121	Making chemically activated microfiltration/ultrafiltration membranes	Making membrane-based sorbents with enhanced binding activity that are particularly useful for heavy metal sequestration membrane. Replace existing ion exchange resins with membrane technology	Metal removal from wastewater applications such as mining drainage, chemical industry, and ground water treatment
EP1445013, US6,984,321 503 05 169.1 20303013.3 4411464 1009801880000	ST Module design	The design of a membrane element constructed with UF, NF, or RO membrane that is centrally supported in the housing, with a feed spacer that has a rectangular shape	Allows the membrane element to operate with less fouling and higher overall system recovery
EP1731214 CA 2514162 102005 026 190.6	Membrane cushions	Plastic disc style spacer where membrane cushions are placed between each cushion	Allows the membrane element to operate with less fouling and higher overall system recovery

Schedule 6.7(a)  
Intellectual Property

Patent number	Subject	Summary detail	Application
13/459,315	Green synthesis Nanocomposite Membranes	Porous polymer membranes, including metal nanoparticles synthesized, and immobilized in-situ within the pores of the membrane while simultaneously being reduced and capped with a green reducing and capping agent.	Efficient and effective reductive degradation of toxic chlorinated organic compounds and other contaminants in water.
13/459,323	Chemical Processing Cell With Nanostructured Membranes	A chemical processing cell that includes an upstream and a downstream membrane.	Chemical processing cells using stacked non-structure membranes where the catalysts associated with those membranes are tunable by operation of pH, ionic strength or pressure for reaction and separation selectivity for removal of metals or organics.
13/438,253	Water Purification Device and a Method of Decontaminating a Water Supply	A water purification device in a hydrogel matric containing immobilized nanoparticles that are directly synthesized in-situ in the hydrogel matrix.	Decontaminating water supply contaminated with a target pollutant.
13/196,961 13/079,085	Spacer element for guiding flow media	Plastic disc style spacer where membrane cushions are placed between each cushion	Allows the membrane element to operate with less fouling and higher overall system recovery

**Domain Names:**

- www.functionalizedmembranes.com
- www.functionalizedmembranesolutions.com
- www.intelligentmembranes.asia
- www.intelligentmembranes.co.uk
- www.intelligentmembranes.com
- www.intelligentmembranes.eu
- www.intelligentmembranes.info
- www.intelligentmembranesolutions.com
- www.rochem.com
- www.rochem.de
- www.rochem.us
- www.rochem-marine.it
- www.rochem-uf.de
- www.sepromembranes.com
- www.ulturawater.com

Schedule 6.7(a)  
Intellectual PropertyTrademarks:

• ROCHEM	Germany	Registered	7, 1	974172
• ROCHEM	UK	Registered	1	UK00001175879
• ROCHEM	UK	Registered	11	UK00001497083
• ROCHEM	UK	Registered	7	UK00001175880
• ST MODULE	China P.R.	Pending	11	
• ST NF	China P.R.	Pending	11	
• ST RO	China P.R.	Pending	11	
• ULTURA	United States	Pending	11, 37, 40, 42	
• SEPRO™ <sup>1</sup>				

Misc.:

- Technology, trade secrets and other confidential information, know-how, proprietary technology, processes, formulae, methodologies, and all related documentation and media describing the manufacturing of membranes contained in formula books at its Oceanside facility and maintained on the Company's corporate computer servers.

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<sup>1</sup> The Company attempted to obtain a federal registration of the mark with the USPTO. The Company's registration of the mark was challenged by the holder of a registered mark in the same class. Subsequently, the Company abandoned its attempt to register the mark with the USPTO.

Schedule 6.9

In the ordinary course of its business, the Seller utilizes various chemicals that are commonly identified as hazardous materials including, but not limited to:

Acrylic Fiber  
Acrylonitrile-Vinylacetate Copolymer  
Argon-Carbene Dioxide  
Dimethylformamide  
DMF  
N-Methylpyrrolidone  
Dowtherm Antifreeze  
Ehtylene Glycol  
Ethylene Glycol Monomethyl Ether  
Glycerin  
High Purity Air  
Industrial Bleach  
Isopar-G  
LTR-3501-A  
Methanol  
Methyl Alcohol  
Methyl Cellsolve  
N2  
Nitrogen  
Poly (Acrylic Acid, Sodium Salt)  
Polyco  
Polyethersulfone  
Polysulfone  
Polyurathane Glue  
Polyurathane Glue  
Radel(R) A-100  
Shell VM&P Naphtha  
Sodium Hypochlorite  
Solvent Naphtha  
Synthetic Isoparaffinic Hydrocarbon, Blend  
TIG Mix  
Udel P-3500  
UR-3501-B

As part of its own internal auditing process, from time to time, the Seller has identified minor corrections required relating to the storage of such materials and instituted remediation plans.

Schedule 8.11(a)

Transferred Employees

**Employee**

Aguilar, Miguel  
Banuelos, Juan  
Brown, Kyle  
Campos, Jose  
Chavez, Jose  
Chavez, Ruben  
Curran, Robert  
De La Cruz, Samuel  
Diaz, Araceli  
Flores, San Juana  
Galicia, Roberto Julian  
Gines, Thomas  
Gonzalez, Esperanza  
Granados, Raul  
Herrera, Miguel  
Jacobsen, Martin  
Jaime, Nicolas  
Jake Chang  
Luchini, Sophie  
Maldonado, Adrian  
Marcial, Laura  
Marquez, Yvonne  
Marshall, Simon  
Martin, Charles  
Martinez, Silvia  
McElhenney, Richard  
Morales, Nestor  
Nieto, Juan  
O'Nan, Maureen  
Pena, Nadia  
Ramirez, Martha Balverde  
Rangel, Aurelio  
Reyna, Andrew  
Rodriguez, Elba  
Rojas, Miguel  
Ruiz, Jose  
Sahagun, Jesus  
Schuske, Bryce  
Sevastian, Miguel

Schedule 8.11(a)  
Transferred Employees

**Employee**

Shih, Winnie  
Simon, Andrew  
Takigawa, Doreen  
Taylor, Amanda  
Valadez, Libia  
Valencia, Oscar  
Vargas, Claudia  
Viveros, Joel  
Weaver, Benjamin  
Wilf, Ilan  
Zuniga, Javier



Schedule 9.1(l)

Retention of Key Employees

Curran, Robert

Marshall, Simon

Wilf, Ilan

Schedule 9.1(m)  
General Categories of Transition Services

A. Categories of Services:

1. Employees/HR
2. Real Estate
3. Accounting/Finance
4. IT and Support
5. General Support

B. Term of Agreement shall be for a Period of Up to Four (4) Months

C. Purchaser shall provide reimbursement for actual costs and expenses incurred

D. Agreement to be in a Form Acceptable to Purchaser