

Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002)



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

Tab settings

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies): KEYBANK NATIONAL ASSOCIATION. Includes checkboxes for Individual(s), Association, General Partnership, Limited Partnership, Corporation-State, and Other. Execution Date: 8/28/2001.

2. Name and address of receiving party(ies): Name: Microdyne Outsourcing Incorporated. Address: 23610 Telo Avenue, Torrance, CA 90505. Includes checkboxes for citizenship and partnership types. Corporation-State: Maryland.

3. Nature of conveyance: Includes checkboxes for Assignment, Merger, Security Agreement, Change of Name, and Other. Execution Date: 8/28/2001.

4. Application number(s) or registration number(s): A. Trademark Application No.(s) 75857077. B. Trademark Registration No.(s). Includes checkboxes for additional numbers attached.

6. Total number of applications and registrations involved: 1. Includes checkboxes for enclosed and authorized to be charged to deposit account.

5. Name and address of party to whom correspondence concerning document should be mailed: Name: Todd A. Sullivan. Internal Address: Devine, Millimet & Branch, P.A. Street Address: 111 Amherst St. Box 719. City: Manchester State: NH Zip: 03105.

7. Total fee (37 CFR 3.41): \$ 40.00. 8. Deposit account number: 04-0932. Includes vertical stamp: FINANCE SECTION.

DO NOT USE THIS SPACE

9. Signature. DBYRNE 00000206 040932 75857077. Todd A. Sullivan. Name of Person Signing.

Signature: [Handwritten Signature] Date: 5/29/02. Includes checkboxes for total number of pages including cover sheet, attachments, and document: 66.

06/13/2002 01 AC:481

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

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In re: *
*
Envisionet Computer *
Services, Inc., *
*
Debtor *
*

Chapter 11 Proceeding
Case No. 01-20952

ORDER ON DEBTOR'S MOTION TO SELL ASSETS
FREE AND CLEAR OF LIENS, CLAIMS AND ENCUMBRANCES

This matter came before this Court on the Motion (the "Sale Motion") of Envisionet Computer Services, Inc. (the "Debtor") dated July 30, 2001 to sell substantially all of its assets (the "Assets") to Microdyne Outsourcing Incorporated ("Microdyne"), or to another party as described in the Sale Motion filed with this Court on July 30, 2001. Subsequent to the filing of the Sale Motion, this Court held hearings with regard to the process under which competing bids may be taken by the Debtor. The Court entered an order dated August 6, 2001 setting forth the procedures under which interested parties could submit offers to purchase the assets of the Debtor (the "Sale Procedure Order"). As provided in the Sale Procedure Order, the Debtor served a notice (the "Sale Notice") of the proposed sale to certain creditors and other interested parties and parties wishing to submit offers for the acquisition of the Debtor's assets were required to submit bids to the Debtor on or before August 15, 2001 at 4:30 p.m. If the Debtor received bids in accordance with the Sale Order, the Court indicated that it would hold a hearing on August 17, 2001 beginning at 2:00 p.m. to consider objections to the sale and to approve a purchaser.

Pursuant to the Sale Procedure Order, the Debtor selected the bid of Alorica, Inc. as the most favorable bid. On August 17, 2001, at the request of the Debtor, the Court continued the hearing to August 20, 2001 at 9:00 a.m. Microdyne Outsourcing Incorporated ("Microdyne") made an alternative bid prior to the hearing on August 20, 2001. The alternative bid is attached hereto as Exhibit A (the "Microdyne Bid"). During the hearing held on August 20, 2001, both Microdyne and Alorica made numerous further bids. At the conclusion of the August 20, 2001 hearing, and after hearing from the Debtor, creditors, Alorica and Microdyne, and after careful consideration of the final bids of Alorica and Microdyne this Court, based on the then available information as to the Alorica Bid, determined that Alorica's final bid (the "Final Bid") was the highest and best bid. The Court found that the Microdyne Bid, as amended by the final amendment made by Microdyne (the "Microdyne Amendments"), to be the Backup Bid (the Microdyne Bid, as amended by the Microdyne Amendments, is referred to as the "Backup Bid"). The terms of the Microdyne Amendments are attached hereto as Exhibit B.

Based upon the foregoing, the Court hereby finds the following:

A. The Sale Motion, the Sale Procedure Order, and the Sale Notice were properly and adequately served upon all interested parties. Due and adequate notice of the Sale Motion, the Sale Procedure Order and the Sale Notice were given to all necessary and appropriate creditors and other parties in interest.

B. The bid submitted by Microdyne was negotiated, proposed and entered into in good faith, and Microdyne will, upon closing of the sale, be a good faith purchaser for value in accordance with Section 363(m) of the United States Bankruptcy Code.

C. Alorica and the Debtor did not consummate the terms of the Final Bid and under the Sale Procedure Order, the parties may consummate the transactions contemplated by the Backup Bid.

D. The Backup Bid is the bid of Microdyne containing the terms set forth in Exhibit A, as amended by the terms of Exhibit B to this Order.

E. It is in the best interest of the Debtor, its creditors, its equity security holders, and its estate that the assets be sold to Microdyne in accordance with the Backup Bid.

F. The Debtor, the Official Committee of Unsecured Creditors (the "Committee") appointed in this case, Village Ventures, Inc. ("VVI"), TSG Equity Fund, LP ("TSG"), (VVI, TSG and Keystone Venture V, LP shall hereinafter be collectively and individually referred to as the "LOC Parties")¹, the Town of Orono, the Orono Economic Development Corporation, and KeyBank National Association supported acceptance of the Backup Bid. No other objections have been made to a sale to Microdyne upon the terms set forth in the Backup Bid

G. Microdyne is acting in good faith with respect to its bid and the transactions contemplated thereby, and, accordingly, is entitled to the protections set forth in 11 U.S.C. § 363(m).

H. Based upon the representations of the debtor, none of the Assumed Contracts or Assets are executory contracts or unexpired leases within Section 365(d)(2) of the United States Bankruptcy Code or, to the extent that any of the Assumed Contracts or Assets fall within section 365(e)(2) of the United States Bankruptcy Code, the Debtor has obtained the written consent of the non-debtor party to such Assumed Contract or Asset.

¹ VVI, TSG and Keystone have provided letters of credit (the "LOC'S) in the amount of \$2,000,000, \$833,333 and \$833,333,, respectively, payable to Key Bank National Association to secure some of the Debtor's obligations to KeyBank.

Based upon the foregoing findings and the findings set forth by the Court during its proceedings on August 20, 2001, it is hereby ORDERED that:

1. The Backup Bid is hereby approved. The sale to Microdyne is a "Sale Transaction" as that term is defined in the financing orders entered by this Court. All capitalized terms in this Order not defined herein shall have the same meaning as such words have in the Backup Bid. The Debtor is authorized, empowered, and directed, and has all power and authority, without further order of this Court or other corporate action on the part of the Debtor, to take all steps necessary, including all steps to:

- a. Execute, deliver and perform the Backup Bid in accordance with its terms;
- b. Execute, deliver and perform the Asset Purchase Agreement as provided in Exhibit A, amended only by the provisions of Exhibit B;
- c. Fully perform under, implement, consummate the transactions contemplated by, and take all other actions required of it by, the Backup Bid;
- d. Transfer the Assets to Microdyne and execute and deliver all documents necessitated by the Backup Bid, and to take any and all actions necessary to effectuate the transfer of the Assets to Microdyne or its designee as provided in the Backup Bid;
- e. Deliver to Microdyne Outsourcing Incorporated all written consents from the non-debtor parties to such Assumed Contracts or other Assets, if any, whose consents are required by Section 365(e)(2) of the United States Bankruptcy Code upon entry of this Order.

f. In accordance with Article IX of the Asset Purchase Agreement, enter into all agreements set forth in said Article IX, including all agreements to allow Microdyne Outsourcing Incorporated or its designee to use and occupy the Orono and Augusta leased spaces pending a determination by Microdyne Outsourcing Incorporated whether the Real Estate Leases should be assumed and assigned on or before October 12, 2001.

g. Receive all consideration described in the Backup Bid and take any action necessary to effectuate the receipt of that consideration as provided in the Backup Bid, and hold such consideration in an interest bearing account, to be distributed upon further order of the Court., with all liens, encumbrances, interests and claims to attach to the proceeds of the sale in the same order of priority, and with the same validity, as such liens, encumbrances, interests and claims had in and to the assets being transferred; *provided, however, that the Debtor may*

h. If requested by Microdyne as provided in Article IX of the APA, and upon further order of this Court assume and assign the lease of the Debtor's location in Augusta, Maine and/or Orono, Maine; provided, however, that Microdyne shall pay, indemnify and hold the Debtor harmless with respect to any and all costs and expense which must be paid or incurred pursuant to 11 U.S.C. § 365(b)(1) in order to assume and assign such leases; and

i. Assume and assign the equipment leases held by KeyBank National Association , provided that Microdyne shall cure any pre-petition and post-petition defaults, provided that Microdyne shall execute and deliver further documentation that may be requested to evidence such assumption and that

pay rent owed to the Town of Orono and/or CEO, without further Order of this Court.

Microdyne shall pay, indemnify and hold the Debtor harmless with respect to any and all costs and expense which must be paid or incurred pursuant to 11 U.S.C. § 365(b)(1) in order to assume and assign such lease; and

j. Fully perform and take all other actions necessary to effectuate the Backup Bid, the transactions contemplated by the Final Bid, and the obligations contemplated by the Backup Bid;

2. In accordance with the Backup Bid, the Debtor is authorized and directed to enter into all agreements to allow Microdyne or its designee to use and occupy the Debtor's locations in Augusta, Maine and Orono, Maine and have the benefits of any agreements between the Debtor and third party providers pending a determination by Microdyne, and any necessary court order approving such determination, whether (a) either or both of the lease(s) of those locations should be assumed and assigned on or before October 12, 2001 and (b) the other agreements should assume and assign in accordance with Article IX of the Asset Purchase Agreement; provided, however, that in connection therewith, Microdyne shall agree to indemnify and hold the Debtor harmless with respect to any cost, liability or expense that may be suffered or incurred by reason of and during the term of Microdyne's use and occupancy of such premises.

3. Pursuant to 11 U.S.C. § 363(f) and consent of the creditors referenced in Paragraph F above, the Assets shall be transferred to Microdyne, or its designee, free and clear of all liens, encumbrances, interests and claims of any party against the Debtor or the Assets, excepting the assumed equipment leases and the security interest in favor of Key Bank securing its equipment lease, as it may be modified by agreement of the parties; provided, however that Microdyne shall not be required to close pursuant to the terms of the Microdyne Bid as approved by this Order unless and until Microdyne and Key Bank reach an agreement regarding

modifications to said leases. Neither Microdyne nor its designee shall have any obligation for any claim, liability, or obligation of the Debtor except for all obligations of the Seller under the terms of any executory contract that is assumed and assigned to the Purchaser pursuant to the terms of the Backup Bid and all other (if any) liabilities explicitly assumed as provided in the Backup Bid.

4. Microdyne and its designees are good faith purchasers and have all the benefits of 11 U.S.C. Section 363(m).

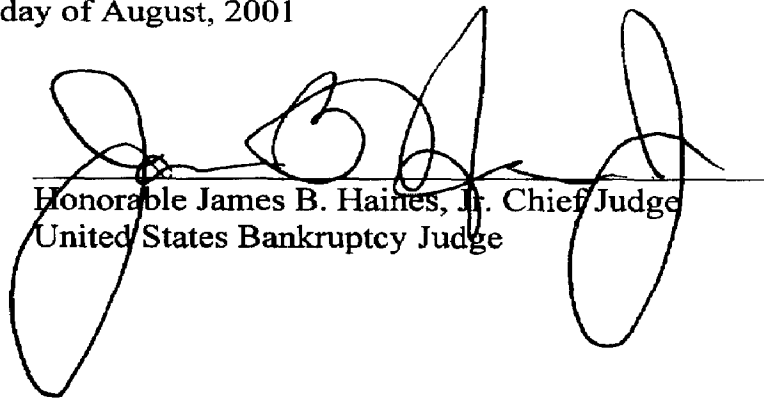
5. Because there is an acute need for the speedy effectuation of the sale of the Assets as provided in the Backup Bid in order to preserve the value of the same for the benefit of the estate, this Order shall be effective immediately upon its entry by this Court and shall not be subject to the stay otherwise imposed by Bankruptcy Rule 6004(g).

6. All findings and recitals confirmed in the Final Order dated July 11, 2001 and August 10, 2001 Authorizing the Debtor-in-Possession to Obtain Post Petition Financing (the "Final KeyBank DIP Order") are hereby confirmed, reaffirmed and ratified as if such Final KeyBank DIP Order were entered today, and shall apply to and provide any assignee of KeyBank the same protections as were provided to KeyBank.

7. With respect to a distribution of any proceeds, the Committee and the LOC Parties reserve all rights and claims between them regarding the continued existence and enforceability of settlement agreements with respect to the sharing of such proceeds.

8. All rights, claims and interest of Alorica under the Final Bid are terminated. Alorica, its successors and assigns, shall have no claims, actions, or interests against any party resulting from the entry of this Order or the sale and transfer of the Assets to Microdyne.

Dated in Portland, Maine this 28th day of August, 2001



Honorable James B. Haines, Jr. Chief Judge
United States Bankruptcy Judge

EXHIBIT A

TO COURT ORDER

**Bid documents submitted by
Microdyne Outsourcing Incorporated**

August 20, 2001

George J. Marcus, Esquire
Regan M. Hornney, Esquire
Marcus, Clegg & Mistretta, P.A.
100 Middle Street East Tower
Portland, ME 04101
e-mail: gmarcus@mcm-law.com

Robert J. Keach, Esquire
Bernstein, Shur, Sawyer & Nelson
100 Middle Street
Portland, ME 04101
e-mail: rkeach@bernsteinshur.com

RE: Bid on Assets of EnvisionNet Computer Services, Inc.

Dear Ms. Hornney and Messrs. Marcus and Keach:

Attached to this letter is the proposed agreement (the "Agreement") of Microdyne Outsourcing Incorporated (the "Purchaser"), a wholly-owned subsidiary of L-3 Communications Corporation, to acquire certain assets of EnvisionNet Computer Services, Inc. (the "Seller"). Purchaser has transmitted its wire transfer in the amount of \$250,000 to the account provided to Purchaser and other bidders by you. This proposal is made pursuant to the Notice of Intent to Sell Assets of Debtor Free and Clear of Liens, Claims, and Encumbrances dated August 6, 2001 (the "Notice of Sale") which was issued in accordance with the order of the United States Bankruptcy Court for the District of Maine in the matter of In re EnvisionNet Computer Services, Inc., Chapter 11 proceedings, Case No. 01-20952. This proposal replaces our proposal of August 15, 2001.

The Agreement sets forth the terms under which Purchaser proposes to purchase certain assets of Seller. This letter summarizes the purchase price and certain significant terms. The Purchase Price is:

- (a) The Deposit of \$250,000;
- (b) At Closing, the additional sum of \$3,600,000;
- (c) At Closing, the assumption of future payments for certain capital leases arising after Closing in the aggregate amount of approximately \$1,687,200 as described in the Agreement;
- (d) At Closing, the assumption of certain employee liabilities of up to \$885,000 as described in the Agreement; and
- (e) Cash up to a cumulative maximum amount of \$2,895,000 equal to \$0.01 per billable minute in excess of 3 Million billable minutes per month from operations of the business facilities located in August and Orono, Maine, payable to Seller by Purchaser, semi-annually, beginning on the date which is six (6) months after the Closing, and continuing every six (6) months thereafter, with a final payment payable on the date that is sixty (60) months after Closing (the "Earn Out Payment").

The Purchase Price will be increased, dollar for dollar, by the amount that billed accounts receivable, net of reserves for bad debts, are in excess of \$2 Million at Closing (estimated to be \$176,000) and will be reduced dollar for dollar by the amount that billed accounts receivable net of reserves for bad debts are less than \$2 Million at Closing.

The Purchaser will also make a \$980,000 cash payment to the estate at closing to defray administrative expenses that Seller would otherwise cover through the accounts receivable and other liquid assets being transferred to Purchaser.

To the extent mutually agreed with lessors of capital leases, Purchaser will be responsible to cure all defaults as required under Section 365(b) with regard to all contracts and leases to be assumed and assigned. The Agreement contemplates that Seller will not assume the Real Estate Leases in Orono and Augusta, Maine prior to October 12, 2001 and will enter into use and occupancy agreements with Purchaser so that Purchaser may use and occupy the Premises, provided Purchaser is responsible for all costs associated with the use and occupancy of the Premises. In the event that Purchaser elects to have the Orono and Bangor leases assumed and assigned, Purchaser will assume all cure obligations with such leases. In evaluating this proposal, therefore, you should include this possibility.

The Agreement contemplates a closing on August 22, 2001 provided the Bankruptcy Court enters an order in a form acceptable to Purchaser which authorizes the sale of the assets to Purchaser free and clear of all liens, encumbrances, claims and interests of any party and authorizes the Seller to enter into certain agreements with Purchaser with regard to certain contracts described in the agreement as Transition Contracts and use and occupancy agreements with regard to the Real Estate Leases. The agreement also makes reference to several schedules which are to be provided by Seller. We assume that Seller will provide these schedules after it accepts the agreement.

Please feel free to contact our counsel by e-mail, telephone or faxes as follows:

Daniel J. Callaghan
Phone: 603/695-8501
Fax: 603/695-8610
djcallaghan@dmb.com

Frederick J. Coolbroth
Phone: 603/226-1000
Fax: 603/226-1001
fjcoolbroth@dmb.com

Sincerely,

John Oakes
Microdyne Outsourcing Incorporated
Oakesj@microdyne.com

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

In re:)	
)	Bk. No. 01-20952
EnvisioNet Computer Services, Inc.)	Chapter 11 Proceeding
)	
Debtor)	
)	

ORDER ON DEBTOR'S MOTION TO SELL ASSETS
FREE AND CLEAR OF LIENS, CLAIMS AND ENCUMBRANCES

This matter came before this Court on the Motion of EnvisioNet Computer Services, Inc. (the "Debtor"), to sell substantially all of its assets located in Augusta and Orno, Maine (the "Assets") to Alorica, Inc. ("Alorica"), or to another party as described in the Sale Motion filed with this Court on July 30, 2001 (the "Sale Motion"). Subsequent to the filing of the Sale Motion, this Court held hearings with regard to the process under which competing bids may be taken by the Debtor. The Court entered an order dated August 6, 2001 setting forth the procedures under which interested parties could submit offers to purchase the assets of the Debtor (the "Sale Procedure Order"). Pursuant to the Sale Procedure Order, interested parties were required to submit bids to the Debtor on or before August 15, 2001 at 4:30 p.m. If the Debtor received bids in accordance with the Sale Order, the Court indicated that it would hold a hearing on August 17, 2001 beginning at 2:00 p.m. to consider objections to the sale and to approve a purchaser

As of August 15, 2001 at 4:30 p.m., the Debtor and the Creditors Committee received offers to purchase the Assets from the following bidders:

- a. Microdyne Outsourcing Incorporated
- b. Alorica, Inc.

Pursuant to the Sale Procedure Order, the Debtor selected the bid of Alorica, Inc. as the most favorable bid. On August 17, 2001, at the request of the Debtor, the Court continued the hearing to August 20, 2001 at 9:00 a.m. Microdyne Outsourcing Incorporated made an alternative bid prior to the hearing on August 20, 2001. At the conclusion of the hearing on August 20, 2001, the Court determined that the final bid of Microdyne Outsourcing Incorporated was the winning bid.

Based upon the foregoing, the Court hereby finds the following:

- A. Notice of the Sale Motion, the Sale Procedure Order and the Sale Procedure conducted in this Court on August 17, 2001 were served on all parties in interest and all parties expressing an interest in bidding on the assets of the Debtor. Notice of these proceedings is appropriate under the circumstances of this case.

B. Microdyne Outsourcing Incorporated is a good faith purchaser for value in accordance with Section 363(m) of the United States Bankruptcy Code.

C. It is in the best interest of the Debtor, its creditors and equity security holders and the estate that the assets be sold to Microdyne Outsourcing Incorporated in accordance with the Asset Purchase Agreement submitted by Microdyne Outsourcing Incorporated, as amended during the bid process hearing on August 20, 2001, which Agreement is incorporated herein by reference (the "Asset Purchase Agreement").

D. Based upon the representations of the Debtor, none of the Assumed Contracts are executory contracts on unexpired leases within Section 365(e)(2) of the United States Bankruptcy Code or, to the extent that any of the Assumed Contracts fall within Section 365(e)(2) of the United States Bankruptcy Code, the Debtor has obtained the written consent of the non-debtor party to such Assumed Contract.

Based upon the foregoing findings and the findings set forth by the Court during its proceedings on August 17, 2001 and August 20, 2001, it is hereby ordered, adjudged and decreed that:

1. The Asset Purchase Agreement is hereby approved and the Debtor is authorized to execute, deliver and perform the Asset Purchase Agreement in accordance with the terms of the Asset Purchase Agreement. All capitalized terms in this Order not defined herein shall have the same meaning as such words have in the Asset Purchase Agreement.

2. The Assumed Contracts shall be assumed by the Debtor and assigned to Microdyne Outsourcing Incorporated, or its designee, free and clear of all liens, claims and encumbrances in accordance with Section 365 of the Bankruptcy Code.

3. The Debtor shall deliver to Microdyne Outsourcing Incorporated all written consents from the non-debtor parties to such Assumed Contracts, if any, whose consents are required by Section 365(e)(2) of the United States Bankruptcy Code upon entry of this Order.

4. In accordance with Article 9 of the Asset Purchase Agreement, the Debtor is authorized to enter into all agreements set forth in said Article 9, including all agreements to allow Microdyne Outsourcing Incorporated or its designee to use and occupy the Orono and Augusta leased spaces pending a determination by Microdyne Outsourcing Incorporated whether the Real Estate Leases should be assumed and assigned on or before October 12, 2001.

5. The Purchased Assets, as described in the Asset Purchase Agreement, are transferred to Microdyne Outsourcing Incorporated free and clear of all liens, encumbrances, interests and claims of any party against the Debtor or the Purchased Assets. Microdyne Outsourcing Incorporated shall have no obligation for any claim, liability, or any obligation or the Debtor.

6. This Order shall operate as a discharge and release of any lien, encumbrance, interest or other claim of any party against any of the Assets being transferred to Microdyne Outsourcing Incorporated.

7. Microdyne Outsourcing Incorporated is a good faith purchaser and has all of the benefits of Section 363(m) of the United States Bankruptcy Code.

8. The Debtor shall serve a copy of this Order on all secured creditors, all creditors who have filed a notice of appearance in this case, counsel to the Official Committee of Unsecured Creditors, and all non-debtor parties to the Assumed Contracts within one (1) day of entry of this Order.

Dated in Portland, Maine this _____ day of August, 2001

Dated: August __, 2001

Hon. James B. Haines, Jr., Chief Judge
United States Bankruptcy Court

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT, dated as of August 20, 2001 (this "**Agreement**"), is between Envisionet Computer Services, Inc., a Maine corporation ("**Seller**"), and Microdyne Outsourcing Incorporated, a Maryland corporation ("**Purchaser**"). All capitalized terms have the meanings ascribed to such terms in Article I or as otherwise defined herein.

RECITALS:

WHEREAS, Seller is engaged in the business of providing technology-based, call-center support services (the "**Business**");

WHEREAS, Seller is currently a party to proceedings under Chapter 11 of the United States Bankruptcy Code 11 U.S.C. §101 et seq. (the "**Bankruptcy Code**") titled In re: Envisionet Computer Services, Inc., Case No. 01-20952 (the "**Bankruptcy Case**") in the United States Bankruptcy Court for the District of Maine (the "**Bankruptcy Court**");

WHEREAS, Purchaser desires to purchase and obtain the assignment from Seller, and Seller desires to sell, convey, assign, and transfer to Purchaser, substantially all of the assets and properties of Seller, together with certain obligations and liabilities relating thereto, all in the manner and subject to the terms and conditions set forth herein and in accordance with sections 105, 363, and 365 of the Bankruptcy Code (the "**Transactions**").

NOW, THEREFORE, in consideration of the foregoing premises, the mutual representations, warranties, covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

1.1 **Definitions.** The following terms, as used herein, have the following meanings:

"**Affiliate**" means, with respect to any Person, any Person directly or indirectly controlling, controlled by or under direct or indirect common control with such other Person.

"**Business Day**" means each day other than a Saturday, Sunday or other day on which commercial banks in the State of New York are authorized or required by law to close.

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“Claim” means any action, cause of action, suit, claim, complaint, demand, litigation or legal, administrative or arbitral proceeding or investigation.

“Closing Date” means the date of the Closing.

“Closing Date Accounts Receivable” shall mean the value of the accounts receivable of Seller as of the Closing Date, but only to the extent such receivables are evidenced by documentation reasonably satisfactory to Purchaser. For the avoidance of doubt, such accounts receivable may include earned receivables that have not yet been invoiced, and shall otherwise be valued in accordance with GAAP applied on a consistent basis in light of Seller’s historical accounting practices.

“Code” means the Internal Revenue Code of 1986, as amended.

“Contracts” means, with respect to any Person, all contracts, agreements, joint venture agreements, partnership agreements, assignments, settlement agreements, consent decrees, stipulations, promissory notes, evidences of indebtedness, loan agreements, indentures, security agreements, loan documents, insurance policies, options, leases, licenses, sales and purchase orders, commitments and other instruments of any kind, whether written or oral, to which such Person is a party or its assets or properties are otherwise bound and, in each case, as modified, amended, supplemented, restated or renewed from time to time.

“Damages” means all damages, claims, losses, liabilities, and expenses (including reasonable attorney’s fees).

“Deposit” means the \$250,000 deposit previously delivered by Purchaser to Debtor in accordance with the Sale Procedures Order.

“Environmental Laws” means Laws relating to pollution, protection of the environment or worker health and safety.

“GAAP” means generally accepted accounting principles in the United States of America.

“Governmental Approval” means an authorization, consent, approval, permit or license issued by, or a registration or filing with, or notice to, or waiver from, any Governmental Authority.

“Governmental Authority” means any foreign or domestic, federal, territorial, state or local governmental authority, quasi-governmental authority, instrumentality, court, government or self-regulatory organization, commission, tribunal or organization or any regulatory, administrative or other agency, or any political or other subdivision, department, board, bureau or branch or official of any of the foregoing.

“Hazardous Material” means any hazardous substance or hazardous waste, industrial or toxic substance or waste, petroleum product, asbestos or asbestos-containing material, PCB or PCB-containing material, medical or infectious waste, radioactive material, urea formaldehyde insulation, or any other substance defined by or regulated under Environmental Laws.

“Intellectual Property” means all of the intellectual property rights, marketing rights, proprietary rights and other intangible properties used by Seller in the conduct of the Business, including without limitation: (i) all trademarks, service marks, trade names, and each registration and application for any of the foregoing, the goodwill of any business symbolized thereby and all common law rights relating thereto, (ii) all works of authorship in any media, (including software and associated documentation), all statutory and common law copyrights embodied in or by the same and any applications therefor; (iii) all patents, all applications for the same, and inventions, industrial models, processes and designs, technical information, know-how and operating, maintenance or other manuals whether or not patented or patentable, (iv) all computer software programs, including, without limitation, all source codes, object codes and documentation related thereto, (v) all trade secrets, including related processes or items of know-how or other technical data, (vi) all Internet domain name registrations, uniform resource locators (URL's) and Internet e-mail addresses and (vii) the name “Envisionet” and any variations thereon.

“Inventory” means all inventory of Seller, wherever located, including raw materials, work in progress, recycled materials, finished products, inventoriable supplies and spare parts.

“IRS” means the United States Internal Revenue Service.

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

“Lien” means, with respect to any asset, any mortgage, title defect or objection, deed of trust, claim, lease, option, right of first refusal, easement, servitude, transfer restriction, lien, pledge, charge, security interest, license, burden, hypothecation or other encumbrance in respect of such asset or any other right or claim of others affecting such asset and any other agreement, restriction or limitation in the use of such asset.

“Permits” means all licenses, permits, exemptions, consents, waivers, authorizations, rights, certificates of occupancy, franchises, orders or approvals of, or registrations with any Governmental Authority.

“Person” means an individual, corporation, partnership, association, limited liability company, trust, estate or other similar business entity or organization, including a Governmental Authority.

“Retained Brunswick Assets” means the assets to be agreed upon by Seller and Purchaser at or prior to the Closing as constituting assets at Seller’s existing Brunswick location other than (i) telecommunications switching equipment and (ii) assets which in the reasonable judgment of Purchaser are not necessary or useful to fully equip a total of 985 workstations at Seller’s Augusta and Orono locations.

“Sale Order” means the order entered by the Bankruptcy Court in the form of Exhibit A attached hereto.

“Sale Procedures Order” means the sale procedures order entered in the Bankruptcy Case on August 6, 2001.

“Seller Material Adverse Effect” means any event, condition or circumstance that, individually or in the aggregate, results in, or could reasonably be expected to result in, a material adverse effect on (a) the Assets or the Assumed Liabilities, (b) the business, condition (financial or otherwise), prospects, operations, assets or liabilities of Seller or the Business or (c) the ability of Seller to perform the Transactions.

“Taxes” means (a) all foreign, federal, state, local and other net income, gross income, gross receipts, sales, use, *ad valorem*, value added, intangible, unitary, capital gain, transfer, franchise, profits, license, lease, service, service use, withholding, backup withholding, payroll, employment, estimated, excise, severance, stamp, occupation, premium, property, prohibited transactions, windfall or excess profits, customs, duties or other taxes, fees, assessments or charges of any kind whatsoever, together with any interest and any penalties, additions to tax or additional amounts with respect thereto, (b) any Liability for payment of amounts described in clause (a) whether as a result of transferee liability, of being a member of an affiliated, consolidated, combined or unitary group for any period, or otherwise through operation of law and (c) any Liability for the payment of amounts described in clause (a) or (b) as a result of any tax sharing, tax indemnity or tax allocation agreement or any other express or implied agreement to indemnify any other person for Taxes; and the term “Tax” means any one of the foregoing Taxes.

“Tax Returns” means all returns, reports, forms or other information filed or required to be filed with respect to any Tax, including all statements, attachments, exhibits, and amendments thereof.

ARTICLE II

PURCHASE AND SALE

2.1 Purchased Assets. Upon the terms and subject to the conditions of this Agreement, at the Closing, Purchaser shall purchase from Seller, and Seller shall sell, transfer, convey, assign and deliver to Purchaser or, at Purchaser's option, to an Affiliate of Purchaser, free and clear of all Liens other than the Assumed Liabilities, all of Seller's right, title and interest in, to and under the Assets. The term "Assets" shall mean all of the goodwill, assets, properties and rights of every nature, kind and description, whether tangible or intangible, real, personal or mixed, wherever located and whether or not carried or reflected on the books and records of Seller, which are used in, which were acquired in connection with, or which relate in any manner to the conduct or operation of the Business, excepting only the Excluded Assets. The Assets shall include, but not be limited to, the following:

(a) all furniture, fixtures, equipment, machinery, motor vehicles, tools, supplies, spare parts, computer hardware (including personal computers and servers), ACD equipment, datacom equipment, communicating equipment and storage devices, including without limitation the items set forth on Schedule 2.1(a) (the "Required Fixed Assets");

(b) all accounts receivable of Seller, including without limitation trade receivables and related deposits, security or collateral, and all work in process, but excluding the accounts receivable listed on Schedule 2.1(b) and excluding interest on any accounts receivable relating to the period prior to Closing ("Accounts Receivable");

(c) all of the Contracts listed on Schedule 2.1(c), including the Real Property Leases (collectively, the "Assumed Contracts") to be assumed by Seller and assigned to Purchaser or, at Purchaser's option, to an Affiliate of Purchaser; provided; however that Purchaser, at its sole discretion, may elect from time to time in accordance with the Sale Procedure Order or the Sale Order, by written notice to Seller, to add contracts to, or remove any Contracts from, such Schedule 2.1(c), and provided further that Purchaser shall have the right to defer the making of its determination whether the Real Property Leases or any of the capital leases shall be assumed and assigned until the end of the Transition Period specified in Section 9.1;

(d) all Intellectual Property, including without limitation all licenses to use or practice such Intellectual Property;

(e) all Inventory, and any rights of Seller to the warranties received from suppliers and any related claims, credits, rights of recovery and setoff with respect to such Inventory;

(f) all credits, prepaid expenses, deferred charges, advance payments, security deposits and prepaid items (including all security interests from third parties relating thereto);

(g) all Permits;

(h) all rights and claims against third parties arising out of, relating to or in respect of the Business, including without limitation, all causes of action, rights of recovery and rights of set-off of any kind, all rights under express or implied warranties from suppliers to Seller and all other interests in or claims, rebates, refunds or payment from or against vendors;

(i) all books and records of Seller (in any form or media) related to the conduct of the Business, including without limitation all operating and financial data; files; general records; databases or knowledge bases; customer and vendor lists and contact information; employee records; correspondence; maintenance records; pricing arrangements, pricing models and cost data;

(j) all of the goodwill of the Business as a going concern;

(k) all other assets or properties, tangible or intangible, not otherwise referred to above to the extent relating in any manner to the Business; and

(l) Seller's rights and remedies under confidentiality agreements executed and delivered to RCW Mirus, Inc. by any entities in order to receive information regarding Seller and the Assets.

2.2 Excluded Assets. Anything to the contrary set forth in Section 2.1 notwithstanding, the following assets and properties of Seller (the "Excluded Assets") are not included in the Assets and shall be retained by Seller:

(a) all cash and cash equivalents;

(b) all of the assets set forth on Schedule 2.2(b) (the "Winthrop Assets");

(c) all Contracts of Seller other than the Assumed Contracts (the "Excluded Contracts"); and

(d) all causes of action except present and future causes of action (i) to collect Accounts Receivable, (ii) comprising warranty claims with respect to the Assets; (iii) arising under or relating to Assumed Contracts, (iv) arising under policies of insurance except to the extent excluded by Section 2.2(h) or (v) asserted against entities that are customers of Seller as of the date of this Agreement or Affiliates of such customers;

(e) all accounts receivable for which Seller has taken a bad debt reserve which are listed on **Schedule 2.1(b)** and all interest on all Accounts Receivable relating to the period prior to the Closing;

(f) the Retained Brunswick Assets

(g) all prepaid expenses, credits, and rights of setoff in favor of Seller (other than with respect to the Assumed Contracts and entities that are customers of Seller as of the date of this Agreement);

(h) rights of an insured under any insurance policies maintained by Seller except for rights to recover under casualty insurance policies with respect to damage occurring to Assets between the execution of this Agreement and the Closing; and

(i) any rights of Seller arising out of this Agreement.

2.3 **Assumption of Liabilities.** Upon the terms and subject to the conditions of this Agreement, at the Closing, the Purchaser or, at Purchaser's option, an Affiliate of Purchaser, shall assume from Seller only the following liabilities and obligations (the "**Assumed Liabilities**"):

(a) liabilities and obligations of Seller under the Assumed Contracts that, (i) by the terms of such contracts arise after the Closing, relate to periods following the Closing and are to be observed, paid, discharged, or performed, as the case may be, in each case at any time after the Closing Date or (ii) are required to be paid or performed by Seller pursuant to Section 365(b)(1) of the Bankruptcy Code as a condition precedent to the assumption of such Assumed Contract; provided, however, that with respect to the Real Property Leases, if assumed, the cure payments required by Section 365(b)(1) of the Bankruptcy Code shall be made in equal monthly installments of one-twelfth of the total cure liability payable at the end of each of the twelve (12) months commencing on the date of assumption);

(b) liabilities and obligations of Seller in respect of its employees solely to the extent expressly set forth in Sections 5.12(c) and (d); and

(c) liabilities as to which Purchaser is required to indemnify Seller pursuant to Sections 9.2 and 9.3.

2.4 **Excluded Liabilities.** Notwithstanding any provision in this Agreement to the contrary, Purchaser shall assume only the Assumed Liabilities and shall not assume any other Liabilities of Seller of whatever nature, whether presently in existence or arising hereafter, which shall be and remain liabilities of Seller (all such liabilities, the "**Excluded Liabilities**"). For the avoidance of doubt, the Excluded Liabilities shall include, but shall not be limited to, the following:

- (a) any Liabilities relating to any of the Excluded Assets;
- (b) any Liabilities for any Taxes arising prior to, or with respect to activities occurring prior to, the Closing;
- (c) any Liabilities for Transfer Taxes;
- (d) any Liabilities in respect of indebtedness for borrowed money;
- (e) any Liabilities in respect of any rights or claims of third parties against Seller arising out of, relating to or in respect of any action or omission by Seller occurring on or prior to the Closing Date; and
- (f) any Liabilities for product liability or product warranties arising out of or relating to products sold or services rendered by Seller on or prior to the Closing Date;
- (g) any Liabilities arising out of or relating to environmental matters or conditions existing on or prior to the Closing Date at any of the real properties owned, leased or used by the Seller on or prior to the Closing Date;
- (h) any Liabilities under the Assumed Contracts that, by the terms of such contracts, arise prior to the Closing, relate to periods prior to the Closing and are to be observed, paid, discharged, or performed, as the case may be, in each case at any time on or prior to the Closing Date, except for obligations to cure any defaults to the extent required by Section 365(b)(1) of the Bankruptcy Code;
- (i) any Liabilities of Seller relating to or in respect of its employees that are not expressly assumed under Sections 5.12(c) and (d);
- (j) any Liabilities in respect of property or services furnished to or for the benefit of Seller;
- (k) all Liabilities for expenses of (i) the negotiation and preparation of this Agreement and the Transactions and (ii) the filing and administration of the Bankruptcy Case (or pleadings or motions made with respect thereto), in each case to the extent incurred by Seller and including those related to legal counsel, accounting, brokerage and investment advisors fees and disbursements; and
- (l) any Liabilities incurred by Seller after the Closing Date.

2.5 [Intentionally deleted]

2.6 Purchase Price. The purchase price shall consist of the following (the "**Purchase Price**"):

(a) the Deposit;

(b) the amount of Three Million Six Hundred Thousand Dollars (\$3,600,000.00), reduced by the amount, if any, by which the Closing Date Accounts Receivable with respect to amounts billed by Seller prior to August 17, 2001, net of reserves for bad debts, is less than Two Million Dollars (\$2,000,000.00) and increased by the amount, if any, by which Closing Date Accounts Receivable with respect to amounts billed by Seller prior to August 17, 2001, net of reserves for bad debts, is more than Two Million Dollars (\$2,000,000) (as calculated, the "**Closing Cash Payment**"); and

(c) the assumption by Purchaser at the Closing of the Assumed Liabilities.

2.7 **Additional Payments at Closing.** At the Closing, Purchaser shall also make a payment to Seller's Chapter 11 estate in the amount of Nine Hundred Eighty Thousand Dollars (\$980,000.00) in order to permit Seller to meet requirements to fund expenses of the administration of the estate without the accounts receivable and other liquid assets being purchased by Purchaser.

2.8 **Post Closing Payment Based on Future Operations.** Purchaser shall pay to Seller in cash up to a cumulative maximum amount of Two Million Eight Hundred Ninety Five Thousand Dollars (\$2,895,000.00), equal to one cent (\$0.01) per billable minute in excess of three million (3,000,000) billable minutes per month from operations at the business facilities of Seller located in Augusta and Orono, Maine, such amounts to be payable to Seller by Purchaser semi-annually, beginning on the date which is six months after the Closing, and continuing every six (6) months thereafter, with a final payment payable on the date that is sixty (60) months after the Closing.

2.9 **Allocation of Purchase Price.** Purchaser and Seller agree that the total purchase price (as determined for federal income tax purposes) shall be allocated among the Assets as determined by the Purchaser (the "**Allocation**"). Purchaser and Seller agree to prepare and file all federal, state, local and foreign income Tax Returns and other filings reflecting the Transactions on a basis consistent with the Allocation, and to cooperate with each other in good faith in preparing any and all statements required to be included in the Tax Returns including IRS Form 8594 and any required exhibits thereto (or other forms required pursuant to Section 1060 of the Code, or other applicable Tax laws), reflecting the Allocation. Purchaser and Seller further agree that they shall not take any position inconsistent with such Allocation upon any examination of any such Tax Return, in any refund claim, in any litigation or otherwise. Each party shall notify the other party if it receives notice that the IRS or any other taxing authority proposes any allocation that is different from the Allocation.

2.10 **Right of Assignment of Purchaser.** Prior to the Closing, Purchaser shall have the right to assign all or any portion of its right to purchase the Assets, or its obligation to

assume the Assumed Liabilities, to one or more of its Affiliates. Such assignment shall not relieve the Purchaser of any obligations hereunder to Seller.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF SELLER

As an inducement to Purchaser to enter into this Agreement and to consummate the Transactions, Seller represents and warrants to Purchaser as follows:

3.1 Organization, Good Standing, Corporate Power and Qualification. Seller is duly organized, validly existing and in good standing under the laws of the State of Maine and has all requisite corporate power and authority to own and operate its properties and assets and to carry on the Business as presently conducted. Seller is qualified to do business and is in good standing as a foreign corporation (or similar entity) in each jurisdiction where the ownership or operation of its properties or conduct of its business requires such qualification.

3.2 Corporate Authority; Approval. Seller has all requisite corporate power and authority and has taken all corporate action necessary in order to execute and deliver this Agreement and to consummate the Transactions. This Agreement has been duly executed and delivered by Seller and constitutes a valid and binding agreement of Seller, enforceable against it in accordance with its terms.

3.3 Governmental Approvals. No material Governmental Approvals are required to be obtained or made on behalf of Seller in connection with the execution and delivery of this Agreement by Seller, or the consummation by Seller of the Transactions, other than the entry of the Sale Order.

3.4 Consents. The execution and delivery of this Agreement by Seller, and the consummation by Seller of the Transactions, will not (a) conflict with or result in any violation of any provision of Seller's charter or by-laws; (b) subject to the consents set forth on Schedule 3.4(b), result, in any material respect, in a violation or breach of, or constitute (with or without notice or lapse of time or both) a default (or give rise to any right of termination, cancellation, acceleration or loss of benefit or result in the creation of any Lien) under, any of the terms, conditions or provisions of any Contract to which Seller is a party or by which Seller or any portion of its properties or assets may be bound or affected; (c) or subject to the Governmental Approvals referred to in Section 3.3, violate in any material respect any Laws applicable to Seller or any portion of its properties or assets.

3.5 Financial Statements. Attached hereto as Schedule 3.5 are the following financial statements of the Business (the "**Financial Statements**"): (a) audited balance sheets, statements of operations, stockholders' equity and cash flows as of and for the fiscal years ended December 1998 and 1999 and (b) unaudited balance sheets, statements of operations, stockholders' equity and cash flows as of and for (i) the fiscal year ended December 2000 and

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(ii) the periods ended March 31, 2001 and June 30, 2001. The Financial Statements have been prepared in accordance with GAAP applied on a consistent basis during the periods covered thereby, except as otherwise noted therein, and present fairly, in all material respects, the financial position of Seller as of such dates and the results of its operations and cash flows for such periods; provided, that the Financial Statements (other than the audited Financial Statements) lack certain footnotes and, in the case of the Financial Statements referred to in clause (b)(ii), are subject to normal year-end adjustments.

3.6 Brokers and Finders. Neither Seller nor its respective officers, directors, employees or Affiliates has employed any broker or finder or incurred any Liability for any brokerage fees, commissions or finders' fees in connection with this Agreement or the Transactions, except that Seller has employed RCW Mirus Inc., whose fees and expenses shall be solely Seller's responsibility.

3.7 Contracts.

(a) Schedule 3.7(a) set forth a complete list of Contracts to which Seller is a party. Seller has provided Purchaser access to true, correct and complete copies of all such Contracts, in each case as amended through the date hereof.

(b) Schedule 3.7(b) sets forth a complete list of all of the following Contracts to which Seller is a party (collectively, the "Material Contracts"):

(i) Contracts with customers;

(ii) Contracts with vendors or suppliers that are material to the

Business;

(iii) Contracts in respect of joint ventures or partnerships;

(iv) Contracts involving annual payments or expenditures in

excess of \$15,000;

(v) Contracts limiting the right of Seller to (1) compete in any line of business or geographical area; or (2) conduct business with any Person;

(vi) Contracts to acquire or dispose of a material amount of

assets;

(vii) employment, severance, indemnification or any other

Contracts with any current or former officer, director or employee of Seller;

(viii) Contracts with any Affiliate;

(ix) each license to and from Seller in respect of Business Intellectual Property; and

(x) each Contract the loss of which or a default thereunder would constitute a Seller Material Adverse Effect.

(c) Except as set forth on Schedule 3.7(c)(i), none of the Assumed Contracts have been amended since their original date of execution. All Assumed Contracts are valid, binding and in full force and effect. Except as set forth on Schedule 3.7(c)(ii), Seller is not in breach or default under, and no condition exists that, with or without notice or lapse of time of both, would constitute a breach or default of Seller under, any Assumed Contract. To Seller's knowledge, no third party to an Assumed Contract is in breach or default under, and no condition exists that, with or without notice or lapse of time of both, would constitute a breach or default on the part of such third party under, any Assumed Contract.

3.8 Absence of Certain Changes. Since June 30, 2001 and except as disclosed in Schedule 3.8, there has not been any:

(a) Seller Material Adverse Effect;

(b) dividend or other distribution of assets to Seller's stockholders;

(c) sale, assignment, transfer, mortgage, pledge or lease of assets of Seller other than in the ordinary course of business;

(d) incurrence of any obligation or Liability other than in the ordinary course of business, or any capital expenditure in excess of \$5,000 individually, or \$15,000 in the aggregate;

(e) damage, destruction or other casualty loss with respect to any material asset or property used, or held for use by, the Business, whether or not covered by insurance;

(f) grant of any general increase in the compensation or benefits of Seller's directors, officers or employees, or any adoption or amendment of any bonus, pension, profit-sharing or other similar plan or commitment, or any increase in the compensation payable or to become payable to any individual director, officer or employee, except for annual salary increases to employees who are not officers or directors made in the ordinary course of business in accordance with past practice; or

(g) amendment, termination, violation of, default under or waiver of any material right under any Material Contract or any Assumed Contract.

3.9 RESERVED

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3.10 Real Property. Seller does not own any real property. Schedule 3.10(a) lists all leases, subleases, licenses and other Contracts not included in the Winthrop Assets (the "Real Property Leases") under which Seller uses or occupies or has the right to use or occupy, now or in the future, any real property used in the operation of the Business (the land, buildings and other improvements covered by the Real Property Leases being herein called the "Leased Real Property"). Seller is the undisputed sole lessee, licensee, permittee, grantee or other beneficiary with respect to, and is in actual possession of, the Leased Real Property and, upon assumption of the Real Property Leases in accordance with Section 365 of the Bankruptcy Code, will be entitled to quiet enjoyment of the Leased Real Property and the use of the Leased Real Property in connection with the conduct of the Business without any interference or claims by any person, in accordance with the terms of the relevant Real Property Leases, which Real Property Leases are, in each case, directly with the fee simple owners of the Leased Real Property covered thereby. Seller has not entered into any leases, subleases, licenses or other Contracts granting to any person or entity other than Seller any right to the possession, use, occupancy or enjoyment of the Leased Real Property or any portion thereof.

3.11 Assets; Personal Property.

(a) Seller has good and marketable title to, or a leasehold interest in, all of the tangible Assets, including the Required Fixed Assets and Purchaser will acquire good and marketable title to, or a leasehold interest in, all of the tangible Assets, including the Required Fixed Assets, free and clear of any Liens other than the Assumed Liabilities upon the Closing. All of the tangible Assets are located on the Leased Real Property, except for the tangible Assets listed on Schedule 3.11 (a). Seller has all legal rights to the intangible Assets, including the Required Fixed Assets, and Purchaser will acquire all legal rights to the intangible Assets, free and clear of any Liens other than the Assumed Liabilities, upon the Closing.

(b) Seller owns, leases or licenses, and upon the Closing Purchaser will own, lease or license, all of the assets, properties, rights and operations necessary for the Business to be conducted by Purchaser as it is currently conducted.

3.12 Compliance with Laws; Permits. Seller is not, in any material respect, in conflict with or in default or in violation of (nor has Seller received any notice alleging any such conflict, default or violation of) any law, rule, statute, ordinance, regulation, judgment, order, injunction, decree, arbitration award, license or Permit of any Governmental Authority (collectively, "Laws") applicable to Seller or any portion of its properties or assets. Seller holds all material Permits necessary for the Seller to carry on the Business as now being conducted and, upon the Closing, all such Permits shall be transferred to Purchaser free and clear of any Liens. All such Permits are in full force and effect, and Seller is in compliance with the terms of all such Permits. No suspension, cancellation or termination of any such Permits is pending or, to Seller's knowledge, threatened.

3.13 Environmental Matters. There have been and there are no violations of any Environmental Laws by Seller. To the best of Seller's knowledge, there have been no releases of Hazardous Material (or any disposal of any Hazardous Material in a manner that has led, or could reasonably be anticipated to lead, to a release) in, on, under or affecting any of the real property currently or previously owned, leased or operated by Seller or any property surrounding such site, which would require investigation or remediation pursuant to Environmental Laws or result in Liability pursuant to Environmental Laws or principles of common law relating to pollution or protection of the environment.

3.14 Intellectual Property. Schedule 3.14 sets forth a list of all of the Intellectual Property, including all licenses, sublicenses, and other Contracts or permissions under which Seller is a licensor or licensee or is otherwise authorized to practice the Intellectual Property. Seller owns or is licensed or otherwise has the right to use, all of the Intellectual Property. After the completion of the Transactions, Purchaser will own all right, title, and interest in and to or have a license to use all of the Intellectual Property, free and clear of any Liens. All of the Intellectual Property will be owned or available for use by the Purchaser on identical terms and conditions immediately subsequent to the Closing Date as existed prior thereto. Seller has not infringed upon or otherwise violated, and is not infringing or otherwise violating, the intellectual property rights of any third party, nor is any Claim pending or, to the knowledge of Seller, threatened alleging any such infringement or other violation. To the knowledge of Seller, no third party is infringing upon any of the Intellectual Property owned by Seller.

3.15 Taxes. Seller has timely filed or will timely file all Tax Returns required to be filed with respect to it and has paid or provided for all deficiencies or other assessments of Tax owed by it for all tax periods ending on or prior to the Closing Date which if unpaid would result in a Lien upon or in respect of any of the Assets. No state of facts exists or has existed with respect to Seller that would constitute grounds for the assessment against Purchaser, whether by reason of transferee liability or otherwise, of any Liability for any Tax, whether or not measured in whole or in part by net income, attributable to any period ending on or before the Closing Date relating to Seller's income, assets and operations, including the Assets, or arising out of the Transactions. There is no pending or threatened Tax audit of any Tax Return filed by or on behalf of Seller or with respect to any of Seller's income, assets and operations, including the Assets.

3.16 Employee Benefits.

Schedule 3.16(a) sets forth a description of all employee benefit programs and plans maintained with respect to Seller's employees, including, but not limited to, group health and accident coverage and vacation and sick pay policies, and all Contracts with employees. All such programs, plans, contracts and understandings are in full force and effect without default. Seller does not currently maintain a pension or profit sharing plan, and has never maintained a pension or profit sharing plan for which any Liability or obligation exists. Seller is

not subject to assessment or imposition of any liability or penalty arising under the Employment Retirement Income Security Act of 1974 or the related provisions of the Code, and has not acted or failed to act in a manner that would give rise to any such liability or penalty. No bonuses are payable to Seller's employees in connection with the consummation of the Transactions other than the stay bonuses payable pursuant to the plan set forth on Schedule 3.16(b) (the "**Stay Bonus Plan**"), which bonuses are payable in such amounts and to such employees as have been disclosed to Purchaser in writing prior to the execution and delivery of this Agreement. There shall be no severance pay or other employee benefit obligations or Liabilities of Seller which shall become binding on Purchaser in connection with the consummation of the Transactions, except for such obligations and Liabilities expressly assumed by Purchaser under Sections 5.12(c) and 5.12(d). The consummation of the Transactions will not result in any "excess parachute payment" under Section 280G of the Code.

3.17 **Labor Matters.** Seller is in material compliance with all Laws relating to the employment of labor, including those related to wages, hours, collective bargaining, occupational safety, discrimination and payroll related taxes, and Seller has not received any notice alleging a failure to comply in any material respect with any such Laws. Seller is not a party to any collective bargaining Contract or any other Contract with a labor union. There are no material controversies, disputes or proceedings pending or, to Seller's knowledge, threatened against Seller with respect to Seller's employees.

3.18 **Effect of Transaction.** No customer, supplier or other person having a business relationship with Seller has informed Seller that such person intends to change its relationship with the Business in any material respect as a result of the sale of the Assets to Purchaser.

3.19 **Accounts Receivable.** All Accounts Receivable reflected on the balance sheet dated as of June 30, 2001 contained in the Financial Statements, and all Accounts Receivable arising subsequent to June 30, 2001, (a) have arisen in the ordinary course of business of Seller and represent fully completed bona fide transactions that require no further act on the part of Seller to make such receivables payable by the account debtors; (b) to Seller's knowledge, were and are not subject to any claim, counterclaim, offset or deduction; and (c) represent valid obligations owing to Seller which are enforceable in accordance with their respective terms.

3.20 **Full Disclosure.** No representation or warranty of Seller contained in this Agreement, and no written information delivered in connection with this Agreement by or on behalf of Seller to Purchaser contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary in order to make the statements herein or therein, in light of the circumstances under which they were made, not misleading.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF PURCHASER

As an inducement to Seller to enter into this Agreement and to consummate the Transactions, Purchaser hereby represents and warrants to Seller as follows:

4.1 Organization, Good Standing and Corporate Power. Purchaser is duly organized, validly existing and in good standing under the laws of the State of Maryland and has all requisite corporate or similar power and authority to own and operate its properties and assets and to carry on its business as presently conducted.

4.2 Corporate Authority; Approval. Purchaser has all requisite corporate power and authority and has taken all corporate action necessary in order to execute and deliver this Agreement and to consummate the Transactions. This Agreement has been duly executed and delivered by Purchaser and constitutes a valid and binding agreement of Purchaser, enforceable against Purchaser in accordance with its terms.

4.3 Governmental Approvals. No material Governmental Approvals are required to be obtained or made on behalf of Purchaser in connection with the execution and delivery of this Agreement by Purchaser, or the consummation by Purchaser of the Transactions.

4.4 Consents. The execution and delivery of this Agreement by Purchaser, and the consummation by Purchaser of the Transactions, will not (a) conflict with or result in any violation of any provision of Purchaser's charter or by-laws; (b) result, in any material respect, in a violation or breach of, or constitute (with or without notice or lapse of time or both) a default (or give rise to any right of termination, cancellation, acceleration or loss of benefit or result in the creation of any Lien) under, any of the terms, conditions or provisions of any Contract to which Purchaser is a party or by which Purchaser or any portion of its properties or assets may be bound or affected; or (c) subject to the Governmental Approvals referred to in Section 4.3, violate, in any material respect, any Laws applicable to Purchaser or any portion of its properties or assets.

4.5 Brokers and Finders. None of Purchaser or its officers, directors, employees or Affiliates has employed any broker or finder or incurred any Liability for any brokerage fees, commissions or finders' fees in connection with this Agreement or the Transactions.

ARTICLE V

COVENANTS

5.1 Operation of Business. During the period from the date of this Agreement through the Closing Date, except as specifically contemplated by this Agreement, Seller shall conduct its operations only in the ordinary course of business, and shall use its commercially reasonable efforts to preserve intact its present business organization, keep available the services of its present officers and employees and preserve its relationship with suppliers, customers and others having business dealings with it. Without limiting the generality of the foregoing, and except as otherwise contemplated by this Agreement, the Sellers agree that they will not take any of the following actions except as may be required by the Bankruptcy Court:

- (a) declare, set aside or pay any dividend or other distribution with respect to any shares of its capital stock, or repurchase, redeem or otherwise acquire any such shares;
- (b) merge or consolidate with any other Person;
- (c) acquire any assets of any other Person other than in the ordinary course of business consistent with past practice;
- (d) lease, license or otherwise surrender, relinquish, encumber or dispose of (1) any assets other than in the ordinary course of business consistent with past practice or (2) any of the Required Fixed Assets;
- (e) change any method of accounting or accounting practice used by it, except for any change required by GAAP;
- (f) grant any general increase in the compensation or benefits of Seller's directors, officers or employees, or any adoption or amendment of any bonus, pension, profit-sharing or other similar plan or commitment, or any increase in the compensation payable or to become payable to any individual director, officer or employee, except for annual salary increases to employees who are not officers or directors made in the ordinary course of business in accordance with past practice;
- (g) enter into any Contract other than in the ordinary course of business consistent with past practice;
- (h) amend, terminate, or waive any material right under any Assumed Contract;

(i) incur or settle any Liability or Claim relating to the Assets or the Assumed Contracts other than in the ordinary course of business;

(j) make any loan or advance to any Affiliate or any employee; or

(k) RESERVED

5.2 Access. Between the date of this Agreement and the Closing, Seller shall (i) afford the Purchaser's officers, employees, counsel, accountants and other authorized representatives access to the books and records of Seller and the assets, properties and personnel relating thereto and (ii) furnish promptly to Purchaser all information concerning the Business and its assets, properties and personnel as may reasonably be requested by Purchaser; provided, however, that no investigation pursuant to this Section shall affect or be deemed to modify any representation or warranty made by Seller under this Agreement.

5.3 Consents and Approvals. Prior to Closing, Seller shall obtain all consents and approvals of any third parties (including any Governmental Approvals but excluding consents and approvals which Seller is excused from obtaining by Section 365 of the Bankruptcy Code) necessary to assign all of the Assets to Purchaser free and clear of any Liens.

5.4 [RESERVED.]

5.5 All Necessary Action. Subject to the terms and conditions hereof, each of Purchaser and Seller agrees to, and to cause its officers, directors, employees or agents to, use all reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to consummate and make effective the Transactions and to cause the conditions to the other party's obligation to close the transactions contemplated by this Agreement to be satisfied as promptly as practicable.

5.6 Bankruptcy Actions.

(a) In accordance with the Sale Procedure Order, Seller shall file with the Bankruptcy Court a motion, supporting papers, notices, and a form of Sale Order, all in form and substance reasonably satisfactory to the Purchaser, seeking the Bankruptcy Court's approval of this Agreement, the Seller's performance under this Agreement, assumption and assignment of the Assumed Contracts and rejection of other executory Contracts, the performance by Seller of the Transition Contracts during the applicable Transition Period (subject to the indemnification obligations of Purchaser specified in Section 9.2), Seller's retention of the Excluded Assets and the Excluded Liabilities, and determination of the cash payments required under Section 365(b)(1) of the Bankruptcy Court to cure defaults under Assumed Contracts being assumed at the Closing and, subject to the provisions of the Sale Procedures Order, Seller shall use its best efforts to obtain entry of the Sale Order.

(b) Seller shall provide to Purchaser copies of all motions, applications, and supporting papers prepared by Seller (including forms of orders and notices to interested parties) relating to Purchaser or the Transactions prior to the filing thereof in the Bankruptcy Case and shall not, other than due to emergency time constraints, file any such document unless it is in form and substance reasonably satisfactory to Purchaser.

(c) Seller shall give appropriate notice, and provide appropriate opportunity for hearing, to all parties entitled thereto, of all motions, orders, hearings, or other proceedings relating to this Agreement or the Transactions.

5.7 Other Actions. Each of Purchaser and Seller agrees that it shall not knowingly or intentionally take any action or omit to take any action, if such action or omission would, or is reasonably likely to result, individually or in the aggregate, in any of the representations and warranties in this Agreement being or becoming untrue or inaccurate in any material respect (or, with respect to representations having a materiality or material adverse effect qualification, being or becoming untrue or inaccurate in any respect) at any time after the date hereof and prior to the Closing.

5.8 Tax Matters.

(a) Seller shall prepare all of its Tax Returns for all periods (or portions thereof) ending on or prior to the Closing Date and shall be responsible for paying all Taxes for such periods. All personal property transfer, documentary, sales, use, registration, value-added and other similar Taxes (including interest, penalties and additions to Tax) incurred in connection with the Transactions ("Transfer Taxes") shall be borne by Seller, and Seller shall, at its own expense, prepare and properly file accurate Tax Returns and other documentation with respect to the Transfer Taxes on a timely basis.

(b) Purchaser and Seller shall provide each other with such assistance as may reasonably be requested by the others in connection with the preparation of any return or report of Taxes, any audit or other examination by any taxing authority or any judicial or administrative proceedings relating to Liabilities for Taxes. Such assistance shall include making employees available on a mutually convenient basis to provide additional information or explanation of material provided hereunder and shall include providing copies of relevant Tax Returns and supporting material. Purchaser and Seller will retain for the full period of any statute of limitations and provide the other with any records or information which may be relevant to such preparation, audit, examination, proceeding or determination.

5.9 Notification of Certain Matters. Seller shall give prompt notice to Purchaser, and Purchaser shall give prompt notice to Seller, of (i) the occurrence or nonoccurrence of any event, the occurrence or nonoccurrence of which is reasonably likely to cause any representation or warranty contained in this Agreement to be untrue or inaccurate in any material respect (or, with respect to representations having a materiality or material adverse effect qualification, to be untrue or inaccurate in any respect) at any time after the date hereof

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and prior to the Closing, (ii) any material failure of on its part to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it hereunder and (iii) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the Transactions; provided, however, that the delivery of any notice pursuant to this Section shall not cure such breach or non-compliance or limit or otherwise affect the remedies available hereunder to the parties receiving such notice.

5.10 Public Announcements. Seller and Purchaser shall each consult with the other before issuing any press releases or making any public statements with respect to the Transactions and shall not issue any such press release or such public statement prior to such consultation and without the approval of the other ; provided, however, that such approval shall not be required if (a) such disclosure is required by applicable Law and (b) the party required to make such disclosure has used all reasonable efforts to consult with the other and to obtain the other's consent but has been unable to do so in a timely manner.

5.11 Collection of Accounts Receivable. Seller agrees that, after the Closing, it will promptly transfer to or deliver to Purchaser any cash or other property received directly or indirectly by Seller in respect of any Accounts Receivable, including any amounts receivable as interest. Until delivered to Purchaser, any such amounts received by Seller shall be held by it in trust for such Purchaser.

5.12 Employee Matters.

(a) Prior to the Closing Date, Seller shall amend the Stay Bonus Plan to provide that (i) the payments to employees under the plan that would otherwise be due and payable on the 30th day following the Closing Date shall be due and payable on the date that is six months after the Closing Date, (ii) employees who voluntarily terminate their employment with Purchaser prior to the date that is six months after the Closing Date shall forfeit any earned or unearned portion of the second installment of bonus payment thereunder, and (iii) employees terminated by reason of death or disability prior to the date that is six months after the Closing Date shall be entitled only to a pro rata portion of the second installment of bonus payment based on the actual length of their service to Purchaser over the six-month period following the Closing.

(b) Purchaser intends to offer employment effective as of the Closing Date to substantially all of Seller's employees in respect of the Business (other than employees on long-term disability) who continue to be employed by Seller as of the Closing Date. Nothing herein expressed or implied confers upon any such employee who accepts Purchaser's offer of employment (collectively, "Transferred Employees") any rights or remedies of any nature or kind, including without limitation, any rights of employment with Purchaser for a specified period of time.

(c) Purchaser agrees to provide the Transferred Employees with their earned and unused holiday, sick, vacation and other similar paid leaves accrued as of the Closing Date in accordance with Seller's plans and policies or, at Purchaser's option, in compensatory time; provided, that the value of such assumed obligations (in cash or in compensatory time) shall not exceed Five Hundred Eighty Thousand Dollars (\$580,000.00) in the aggregate. Purchaser shall also provide the Transferred Employees with other employee benefits comparable, in the aggregate, to those of Seller in effect as of the Closing Date and previously disclosed to Purchaser (excluding for this purpose benefits under any equity-based plans or incentive plans based on the achievement of financial targets), subject to the right of Purchaser to modify such benefits from time to time in accordance with applicable Law.

(d) Purchaser shall assume Seller's Liabilities for amounts payable to Transferred Employees on and after the Closing Date under the Stay Bonus Plan, but only as modified in accordance with Section 5.12(a) in an aggregate amount not to exceed Three Hundred Five Thousand Dollars (\$305,000.00).

(e) Other than as expressly set forth in Sections 5.12(c) and 5.12(d), Purchaser shall not assume any Liabilities of Seller related to or in respect of Seller's employees.

5.13 Further Assurances. Each party hereto agrees to execute and deliver, or cause to be executed and delivered, such other documents, certificates, instruments and agreements, and to take such other actions, as may be reasonably necessary or desirable in order to properly effect the transfer of the Assets to, or the assumption of the Assumed Liabilities by, the Purchaser, and the retention of the Excluded Assets and the Excluded Liabilities by Seller.

ARTICLE VI

CONDITIONS TO CLOSING

6.1 Conditions to Seller's and Purchaser's Obligations to Effect the Closing. The respective obligations of Seller and Purchaser to effect the Closing is subject to the satisfaction on or prior to the Closing Date of each of the following conditions:

(a) No Injunction. No law, rule, statute, ordinance, regulation, judgment, order, injunction or decree shall have been enacted, entered, promulgated or enforced by any Governmental Authority that prohibits, restrains, enjoins, or restricts the consummation of the Transactions that has not been withdrawn or terminated.

(b) No Legal Proceeding. No legal proceeding shall have been commenced against Purchaser or Seller seeking to restrain or materially and adversely alter the Transactions; provided, however, that the benefits of this condition shall not apply to any party that has directly or indirectly solicited or encouraged any such legal proceeding.

(c) Sale Order. The Bankruptcy Court shall have entered the Sale Order and the Sale Order shall not have been reversed, stayed, modified or amended in any manner without the prior written consent of Purchaser and Seller.

6.2 Conditions to Seller's Obligation to Effect the Closing. The obligation of Seller to effect the Closing is also subject to the satisfaction (or waiver by Seller) on or prior to the Closing Date of each of the following additional conditions:

(a) Accuracy of Representations and Warranties. All representations and warranties made by Purchaser herein shall be true and correct in all material respects (except for representations having a materiality or material adverse effect qualification, which shall be correct in all respects) on the Closing Date, with the same force and effect as though such representations and warranties had been made on and as of the Closing Date, except for representations and warranties that are made as of a specified date or time, which shall be true and correct in all material respects (except for representations having a materiality or material adverse effect qualification, which shall be correct in all respects) only as of such specific date or time.

(b) Compliance with Covenants. Purchaser shall have performed in all material respects all obligations and agreements, and complied in all material respects with all covenants contained in this Agreement to be performed or complied with by it prior to or as of the Closing Date.

(c) Officer's Certificate. Seller shall have received a certificate of Purchaser dated as of the Closing Date, signed by an executive officer of Purchaser to evidence satisfaction of the conditions set forth in Sections 6.2(a) and (b).

6.3 Conditions to Purchaser's Obligation to Effect the Closing. The obligation of Purchaser to effect the Closing is also subject to the satisfaction (or waiver by Purchaser) at or prior to the Closing Date of each of the following additional conditions:

(a) Accuracy of Representations and Warranties. All representations and warranties made by Seller shall be true and correct in all material respects (except for representations having a materiality or material adverse effect qualification, which shall be correct in all respects) as of the Closing Date, with the same force and effect as though such representations and warranties had been made on and as of the Closing Date, except for representations and warranties that are made as of a specified date or time, which shall be true and correct in all material respects (except for representations having a materiality or material adverse effect qualification, which shall be correct in all respects) only as of such specific date or time.

(b) Compliance with Covenants. Seller shall have performed in all material respects all obligations and agreements and complied in all material respects with all covenants contained in this Agreement to be performed or complied with by it prior to or as of the Closing Date.

(c) Officer's Certificate. Purchaser shall have received a certificate of Seller, dated as of the Closing Date, signed by an executive officer thereof to evidence its satisfaction of the conditions set forth in Sections 6.3(a) and (b).

(d) Consents. Purchaser shall have received or shall otherwise hold all approvals, clearances, consents, and authorizations, necessary to permit the Purchaser (or, if applicable, the Purchaser shall have received adequate assurances satisfactory to it that all such approvals, clearances, consents, and authorizations will be given) to operate the Business as it is currently conducted and no such authorizations shall be revoked, or, to the extent applicable, shall fail to be transferred to the Purchaser without additional expense and subject to no additional restrictions or burdens on the Purchaser other than those which in the aggregate are immaterial.

(e) Assumed Contracts. All of the Assumed Contracts shall (i) be in full force and effect and (ii) be assignable to and assumable by Purchaser without the consent of any other party thereto (whether pursuant to section 365 of the Bankruptcy Code or by the terms of such Assumed Contract) or consent to assignment to and assumption by Purchaser shall have been obtained with respect thereto.

(f) [RESERVED]

(g) FIRPTA Certificate. Purchaser shall have received a certificate of Seller, dated the Closing Date and sworn to under penalty of perjury, setting forth the name, address and federal tax identification number of Seller and stating that Seller is not a "foreign person" with the meaning of Section 1445 of the Code, such certificate to be in the form set forth in the treasury regulations promulgated thereunder.

(h) The Bankruptcy Court shall not have ordered Seller to take any of the actions listed in Section 5.1(a) - (j).

ARTICLE VII

CLOSING

7.1 Closing. The closing of the purchase and sale of the Purchased Assets and the assumption of the Assumed Liabilities hereunder (the "Closing") shall take place at the offices of Marcus, Clegg & Mistretta, P.A., on August 22, 2001 or at such other place, at such other time or on such other date as the parties hereto may agree.

7.2 Closing Deliveries of Seller. At the Closing, Seller shall deliver or cause to be delivered to Purchaser the following:

(a) the certificates contemplated by Sections 6.3(c) and 6.3(g);

(b) certified copies of all orders of the Bankruptcy Court pertaining to the Transactions, including the Sale Order and evidence of the entry of all such orders on the docket of the Bankruptcy Case and the absence of any stay, pending appeal or motion for rehearing or reconsideration; and

(c) all documents, certificates, and agreements necessary to transfer to Purchaser good and marketable title to the Assets, free and clear of any and all Liens thereon, in such forms as are acceptable to Purchaser including, without limitation:

(i) bills of sale and assignments of all Assumed Contracts, Intellectual Property, and any other agreements and instruments constituting Assets, dated the Closing Date, assigning to Purchaser all of Seller's right, title, and interest therein and thereto, together with all consents, waivers and approvals obtained connection therewith; and

(ii) agreements, licenses and subleases providing Purchaser with the benefits of the Transition Contracts and the Transition Leases during the Transition Period.

7.3 Closing Deliveries of Purchaser. At the Closing, Purchaser shall deliver or cause to be delivered to Seller the following:

(a) the Closing Cash Payment and the payment pursuant to Section 2.7 by wire transfer of immediately available funds; and

(b) the certificate contemplated by Section 6.2(c).

ARTICLE VIII

TERMINATION

8.1 Grounds for Termination. This Agreement may only be terminated prior to the Closing:

(a) by mutual written agreement of Seller and Purchaser;

(b) by Seller or Purchaser, if the Closing shall not have occurred on or before August 31, 2001, unless the failure upon which termination is sought under this clause (b) is the result of a breach of this Agreement by the party seeking to terminate this Agreement;

(c) by Purchaser, if any Governmental Authority shall have issued an order, decree, or ruling or taken any other action permanently restraining, enjoining, or otherwise prohibiting the consummation of the transactions contemplated by this Agreement;

(d) by Seller, upon a breach of any representation, warranty, covenant, obligation or agreement on the part of Purchaser set forth in this Agreement that, if in existence on the Closing Date, would result in a failure of the conditions set forth in Section 6.2(a) or 6.2(b);

(e) by Purchaser, upon a breach of any representation, warranty, covenant, obligation or agreement on the part of Seller set forth in this Agreement that, if in existence on the Closing Date, would result in a failure of the conditions set forth in Section 6.3(a) or 6.3(b); or

(f) by Seller or Purchaser, upon the entry of a sale order in the Bankruptcy Case providing for the sale of the Business to a Person other than Purchaser.

Any party desiring to terminate this Agreement pursuant to this Section 8.1 shall give written notice of such termination and the basis therefor to the other party hereto.

8.2 Effect of Termination.

(a) In the event of termination of this Agreement pursuant to this Article VIII, this Agreement shall forthwith become void and have no effect, without any liability or obligation on the part of Purchaser or Seller, other than the provisions of Section 5.10 [Public Announcements], this Article VIII [Termination] and Article X [Miscellaneous].

(b) The termination of this Agreement shall not affect the liability of a party to the other party for damages arising out of such party's willful breach of any provision of this Agreement prior to the date of termination.

ARTICLE IX

TRANSITION PERIOD CONTRACTS

9.1 Transition Contracts. In order to facilitate the purchase of the Assets pursuant to this Agreement and enable the Purchaser to continue to operate the Assets without interruption, Seller shall maintain in effect the contracts identified on Schedule 9.1 and the Real Property Leases (the "Transition Contracts") for the period of time following the Closing (in each case, the "Transition Period"). For the Transition Contracts other than the Real Property Leases, the Transition Period shall be sixty (60) days following the Closing. For the Real Property Leases, the Transition Period shall be the period commencing as of the Closing and ending on October 12, 2001. During the applicable Transition Period, Seller shall not reject or otherwise breach any of the Transition Contracts and shall permit Purchaser to receive the goods and services furnished and the full right to the use of property leased under the Transition Contracts.

9.2 Actions During Transition Period. During the Transition Period, Purchaser shall use reasonable commercial efforts to obtain substitute arrangements from the other parties to the Transition Contracts or from other third parties. Purchaser shall pay all amounts accruing during the Transition Period for goods and services furnished, and for rents, under the Transition Contracts and shall hold Seller harmless and indemnified with respect thereto. Following the expiration of the Transition Period, Seller shall be free to reject any or all of the Transition Contracts other than the Real Property Leases.

9.3 Real Property Leases. On or before October 12, 2001, Purchaser shall advise Seller as to whether Purchaser desires Seller to assume or reject either or both of the Real Property Leases pursuant to Section 365(b) of the Bankruptcy Code and assign them to an Affiliate or Affiliates of Purchaser. If Purchaser elects to have Seller effect such assignment and assumption, Seller shall use reasonable commercial efforts to obtain the requisite Bankruptcy Court approval and to execute and deliver appropriate instruments of assignment. Any cure payments required by Section 365(b)(1) of the Bankruptcy Code in connection with such assignment shall be the responsibility of Purchaser and Purchaser shall indemnify and hold Seller harmless from any liability with respect thereto.

ARTICLE X

MISCELLANEOUS

10.1 Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given when delivered in person or by telecopier (with a confirmed receipt thereof), and on the next business day when sent by overnight courier service, to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

if to Purchaser, to:

Microdyne Outsourcing Incorporated
23610 Telo Avenue
Torrance, CA 90505
Attention: John Oakes
Telephone: (310) 257-2660
Telecopy: (310) 257-2661

with a copy to:

L-3 Communications Corporation
600 Third Avenue
New York, New York 10016
Attention: Christopher C. Cambria
Telephone: (212) 805-5634
Telecopy: (212) 805-5494

and to:

Devine, Millimet, & Branch
111 Amherst Street
P.O. Box 719
Manchester, NH 01305-0719
Attention: Daniel J. Callaghan, Esq.
Telephone: (603) 695-8501
Telecopy: (603) 695-8610

if to Seller, to:

EnvisioNet Computer Services, Inc.
45 Industrial Way
Augusta, ME 04330
Attention: John Donnelly
Telephone: (207) 626-7200
Telecopy: (207)

with a copy to:

Marcus, Clegg & Mistretta, P.A.
100 Middle Street, East Tower
Portland, ME 04101
Attention: George J. Marcus, Esquire
Telephone: (207) 828-8000
Telecopy: (207) 773-3210

10.2 Amendment and Modification. Subject to applicable Law, this Agreement may be amended, modified or supplemented only by a written agreement signed by each of the parties hereto.

10.3 Waiver of Compliance; Consents. Any failure of any party hereto to comply with any obligation, covenant, agreement or condition herein may be waived by the other party hereto entitled to the benefit thereof only by a written instrument signed by the parties granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any party hereto, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliance as set forth in this Section 10.3.

10.4 Survival of Covenants and Agreements. All covenants and agreements of the parties hereto which contemplate performance after the Closing Date shall survive the Closing.

10.5 Expenses. All costs and expenses incurred in connection with this Agreement shall be paid by the party incurring such cost or expense, except as expressly provided otherwise in this Agreement.

10.6 Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto without the prior written consent of the other parties; provided, however, that Purchaser may assign its rights and obligations under this Agreement as contemplated by Section 2.8.

10.7 Governing Law. This agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made and to be performed entirely within such state, without regard to the choice of law principles thereof.

10.8 Venue and Retention of Jurisdiction.

(a) All actions brought, arising out of, or related to the Transactions shall be brought in the Bankruptcy Court; provided, however, that if the Bankruptcy Court shall decline jurisdiction, any such action shall be brought in the Federal District Court of the District of Maine. Each party hereby irrevocably submits to the exclusive jurisdiction of the Bankruptcy Court or the Federal District Court of the District of Maine, as the case may be, in respect of any claim relating to the interpretation and enforcement of the provisions of this Agreement and the Transactions, and hereby waives, and agrees not to assert, as a defense in any action, suit or proceeding in which any such claim is made that it is not subject thereto or that such action, suit or proceeding may not be brought or is not maintainable in such courts or that the venue thereof may not be appropriate or that this Agreement may not be enforced in or by such courts. The parties hereby consent to and grant any such court jurisdiction over such parties and over the subject matter of any such claim and agree that mailing of process or other papers in connection with any such action, suit or proceeding in the manner provided in Section 10.1, or in such other manner as may be permitted by Law, shall be valid and sufficient service thereof.

(b) Each party acknowledges and agrees that any controversy which may arise under this agreement is likely to involve complicated and difficult issues, and therefore each party hereby irrevocably and unconditionally waives any right such party may have to a trial by jury. Each party certifies and acknowledges that (i) no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce the foregoing waiver, (ii) such party understands and has considered the implications of this waiver, (iii) such party makes this waiver voluntarily, and (iv) such party has been induced to enter into this Agreement by, among other things, the mutual waivers, agreements and certifications in this Section 10.8.

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

10.10 Interpretation. The parties hereto acknowledge and agree that: (i) each party hereto and its counsel reviewed and negotiated the terms and provisions of this Agreement and have contributed to its revision and (ii) the rule of construction to the effect that any ambiguities are resolved against the drafting party shall not be employed in the interpretation of this Agreement. Unless otherwise expressly provided herein, the words "include," "includes" and "including" do not limit the preceding words or terms and shall be deemed to be followed by the words "without limitation." All pronouns and any variations thereof refer to the masculine, feminine or neuter, singular or plural, as the context may require. All terms defined in this Agreement in their singular or plural forms, have correlative meanings when used herein in their plural or singular forms, respectively. The article and section headings contained in this Agreement are solely for the purpose of reference, are not part of the agreement of the parties and shall not in any way affect the meaning or interpretation of this Agreement.

10.11 Entire Agreement. This Agreement (including the agreements, schedules, exhibits, documents or instruments referred to herein) embody the entire agreement and understanding of the parties hereto in respect of the subject matter hereof and supersede all prior agreements and understandings, both written and oral, among the parties, or between any of them, with respect to the subject matter hereof and thereof.

10.12 No Third Party Beneficiaries. This Agreement is not intended to, and does not, create any rights or benefits of any party other than the parties hereto.

10.13 Severability. In the event that any one or more of the provisions contained in this Agreement or in any other instrument referred to herein, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other such instrument.

10.15 Specific Performance. The parties hereto acknowledge that irreparable damage would result if this Agreement were not specifically enforced, and they therefore consent that the rights and obligations of the parties under this Agreement may be enforced by a decree of specific performance issued by any court of competent jurisdiction. Such remedy shall, however, not be exclusive and shall be in addition to any other remedies which any party may have under this Agreement or otherwise.

[Signatures appear on next page]

IN WITNESS WHEREOF, the parties hereto have caused this Asset Purchase Agreement to be signed by their respective duly authorized officers as of the date first above written.

ENVISIONET COMPUTER SERVICES, INC.

By: _____
Name:
Title:

MICRODYNE OUTSOURCING INCORPORATED

By: _____
Name:
Title:

ASSET PURCHASE AGREEMENT

Between

ENVISIONET COMPUTER SERVICES, INC.

and

[MICRODYNE OUTSOURCING INCORPORATED]

Dated August [], 2001

SCHEDULE 2.1(a) – Required Fixed Assets

All fixed assets located at Seller's facilities in Augusta, Orono and Brunswick, Maine except for the Retained Brunswick Assets.

Schedule 2.1(b) – Retained Receivables

SeeMyBaby	\$ 4,984.61
JuniorNet	\$164,901.00
Microportal.com	\$289,352.85
MyOnlyCatalog	\$126,000.00

Asset Purchase Agreement

SCHEDULE 2.1(c) - Assumed Contracts

1. Contracts

CommTel Internet Inc.- Agreement for Customer Support Services, dated May 14, 1997

Dailpad Support Services Contract

Dell Products, L.P. – Dell Products L.P. Master Services Agreement dated July 1, 2000

Envisionet Computer Services, Inc. 401(k) Retirement Savings Plan

ITrainOnLine Support Services Contract

Microsoft Corporation Customer Support Services Agreement dated 2/1/2000

Microsoft Corporation Customer Support Services Agreement dated 10/11/1999

NaviPath, Inc. Support Services Agreement dated 1/31/2001

2. Capital leases: Totaling \$1,685, 219 (Subject to Article IX)

Data Sales/First Sierra 00772

Data Sales/Insight

Dell 002752800-008

Dell 002752800-010

Dell 002752800-012

First Sierra March 2000

Graybar Fin. Sch 00030

Graybar Fin. Sch 00040

Graybar Fin. Sch 00050

Irwin Dimension Funding

JDR 1472040

Key Corp 8800018802

Key Corp 8800018923

Linc Capital

NTFC Meridian Option

3. Real Property Leases (Subject to Article IX)

Lease of premises located at Orono, Maine

Lease of premises located at Augusta Business Park, Augusta, Maine

SCHEDULE 9.1

TRANSITION CONTRACTS

1. Contracts

AT&T – Services contract

Group Dynamics – Flexible Spending / Dependent Care Administration

Highcap Benefit Services of ME

Verizon – Services Contract

2. Capital leases: Totaling \$1,685,196.44

Data Sales/First Sierra 00772

Data Sales/Insight

Dell 002752800-008

Dell 002752800-010

Dell 002752800-012

First Sierra March 2000

Graybar Fin. Sch 00030

Graybar Fin. Sch 00040

Graybar Fin. Sch 00050

Irwin Dimension Funding

JDR 1472040

Key Corp 8800018802

Key Corp 8800018923

Linc Capital

NTFC Meridian Option

EXHIBIT B

TO COURT ORDER

Amendments to Asset Purchase Agreement

AMENDMENTS TO ASSET PURCHASE AGREEMENT
TO INCORPORATE FINAL TERMS

The following sections of the Asset Purchase Agreement, attached as a part of Exhibit A, are amended as follows:

1. Exhibit A is deleted and the form of this Order is attached thereto and made a part thereof.
2. Section 2.6~~(b)~~ is amended by deleting the Section in its entirety and inserting the following in its place:
 - (b) the amount of Four Million Seventy Thousand Dollars (\$4,070,000), reduced by the amount, if any, by which the Closing Date Accounts Receivable with respect to amounts billed by Seller prior to August 17, 2001, net of reserves for bad debts, is less than One Million Eight Hundred Thousand Dollars (\$1,800,000) and increased by the amount, if any, by which Closing Day Accounts Receivable with respect to amounts billed by Seller prior to August 17, 2001, net of reserves for bad debts, is more than Two Million Dollars (\$2,000,000) (as calculated, the "Closing Cash Payment"); and
3. Section 2.8 is amended by deleting the section in its entirety and inserting the following in its place:

2.8 Post Closing Payments.

(a) At Closing, Purchaser will execute, deliver and pay in accordance with the terms of a promissory note in the principal amount of \$500,000, payable with interest at the annual rate of 8%, in accordance with the form of note attached hereto as Exhibit B.

(b) Purchaser shall pay to Seller in cash up to a cumulative maximum amount of Two Million Three Hundred Ninety Five Thousand Dollars (\$2,395,000) equal to one and four-tenths cents (\$0.014) per billable minute in excess of three million (3,000,000) billable minutes per month from operations at the business facilities of Seller located in Augusta and Orono, Maine, such amounts to be paid to Seller by Purchaser semi-annually beginning on the date which is six (6) months after the Closing, and continuing every six (6) months thereafter, with a final payment payable on the date that is sixty (60) months after the Closing (the "Earn Out"). The Earn Out shall be evidenced by an agreement in the form of Exhibit C attached hereto.

Except as provided herein, the Asset Purchase Agreement remains in the form included in Exhibit A to this Order.

{M0224707.DOC;1}

EXHIBIT B

**Asset Purchase Agreement
Form of Promissory Note**

PROMISSORY NOTE

\$500,000.00

Portland , Maine
_____, 2001

FOR VALUE RECEIVED, the undersigned, Microdyne Outsourcing Incorporated, a Maryland corporation ("Maker"), promises to pay to the order of KeyBank National Association ("Payee"), without grace, the principal sum of FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$500,000.00) with interest on the outstanding principal balance at the rate of eight percent (8%) per annum simple interest.

Principal and interest shall be payable in five (5) consecutive annual installments of principal each in the amount of One Hundred Thousand Dollars (\$100,000), plus accrued but unpaid interest, commencing on September 1, 2002 and continuing on the same day of each year thereafter until September 1, 2006, at which time the entire outstanding principal balance hereof, together with all accrued but unpaid interest thereon, shall be due and payable in full. If any payment of interest or principal under this Note is not made when due, the holder hereof may collect a late charge of six cents (\$.06) for each dollar of each such payment which is not timely made when due. Each payment under this Note shall be applied first to any such late charge and then to any accrued but unpaid interest, with the remainder being applied to the unpaid principal balance hereof.

If any default in payment continues uncured for thirty (30) days or more, the holder hereof may declare due and payable at once the unpaid principal balance hereof and all accrued but unpaid interest.

This Note may be prepaid, in whole or in part, from time to time without premium or penalty, provided that Maker has given the holder at least ten (10) days' prior written notice of the intention to prepay this Note.

All payments hereunder shall be made to Payee or assigns at such address as the holder hereof may from time to time designate in writing to Maker, and shall be made in lawful money of the United States. At the request of Payee or assigns and tender of this instrument, Maker agrees promptly to divide this obligation among multiple Payees and to issue replacement notes in the names and the proportions so requested.

Maker and all other parties liable herefor, whether as principal, guarantor, endorser, or otherwise, hereby severally waive presentment for payment, demand, notice, and protest; waive all recourse to suretyship and guarantorship defenses generally, including without limitation any extensions of time for payment or performance which may be granted to Maker or to any other liable party, any modifications or amendments to this Note or any document now or hereafter securing payment and performance hereof, any act or omission to act by or on behalf of the holder hereof, any invalidity or unenforceability of any security, guaranty, or surety given herefor, any release of security, any release of a liable party or parties, and all other indulgences of any type which may be granted by the holder hereof to Maker or any other party liable

herefor; waive any right to indemnity, contribution, exoneration, or reimbursement by any other party directly or indirectly liable herefor on account of any payment hereunder; and waive any right of subrogation to the rights, remedies, or security of the holder hereof on account of any payment hereunder. Maker and all other parties liable herefor agree to pay all costs of collection, including reasonable attorneys' fees.

This Note evidences a loan for business and commercial purposes, and not for personal, family, household, or agricultural purposes. This Note may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification, or discharge is sought. Time is of the essence of this Note. If any obligation or portion of this Note is determined to be invalid or unenforceable under law, it shall not affect the validity or enforcement of the remaining obligations or portions hereof. This Note shall be construed and enforced in accordance with the laws of the State of Maine.

Maker consents to the personal jurisdiction of any state or federal court in the State of Maine with respect to any action arising out of or concerning this Note.

As used herein, the term "Maker" shall be deemed to include the heirs, successors, legal representatives, and assigns of Maker, whether by voluntary action of the parties or by operation of law. In the event that more than one person, firm, or entity is a Maker hereunder, the term "Maker" shall be deemed to refer equally to each of them, all of whom shall be jointly and severally liable for all obligations of Maker hereunder.

IN WITNESS WHEREOF, Maker has executed this Note under seal as of the date first written above.

MICRODYNE OUTSOURCING
INCORPORATED

By: _____
Its:

[CORPORATE SEAL]

Address of Maker:

EXHIBIT C

Asset Purchase Agreement Form of Earnout Agreement

)

EARNOUT AGREEMENT

EARNOUT AGREEMENT, dated as of August __, 2001 (this "Agreement"), between Envisionet Computer Services, Inc., a Maine corporation ("Envisionet"), and Microdyne Outsourcing Incorporated, a Maryland corporation ("Microdyne").

WHEREAS, Microdyne and Envisionet are both engaged in the business of providing technology-based, call-center support services;

WHEREAS, Envisionet is currently a party to proceedings under Chapter 11 of the United States Bankruptcy Code 11 U.S.C. §101 et seq. titled In re: Envisionet Computer Services, Inc., Case No. 01-20952 in the United States Bankruptcy Court for the District of Maine (the "Court");

WHEREAS, Microdyne has agreed to purchase from Envisionet substantially all of the assets and properties of Envisionet, together with certain obligations and liabilities relating thereto, all in the manner and subject to the terms and conditions set forth herein, in its Asset Purchase Agreement dated as of August __, 2001 (the "APA"), the Order of the United States Bankruptcy Court for the District of Maine dated August __, 2001 (the "Sale Order") and in accordance with sections 105, 363, and 365 of the Bankruptcy Code (the "Transaction"); and

WHEREAS, this Agreement is being entered into as a condition to the Transactions;

NOW, THEREFORE, in consideration of the foregoing premises, the mutual representations, warranties, covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The following terms shall have the meanings specified below:

"Assumed Customer Contract" shall mean a call-center services contract which

(i) is directly or indirectly assumed from Envisionet by Microdyne or any affiliate thereof in connection with the Transaction, including any post-Transaction modification, extension, or renewal relating thereto or

(ii) otherwise replaces a Customer Contract held by Envisionet as of the close of business on August 17, 2001 with a new Customer Contract with the same customer,

including any subsequent modification, extension, or renewal thereof.

"Customer Contract" shall mean a contract, purchase order, or other commitment or undertaking, whether or not reduced to writing, to provide Services, including but not limited to an Assumed Customer Contract.

“Services” shall mean call-center services to third parties which are provided from any of the Maine Facilities, or (in respect of an Assumed Customer Contract) are provided by or for the benefit of Microdyne from any other facility, whether on an overflow or reassigned basis or otherwise.

“Maine Facilities” shall mean the call-center facilities that may be acquired by Microdyne from Envisionet in Orono, Maine and Augusta, Maine, as the same may hereafter be expanded or relocated within the State of Maine.

“Earnout Periods” shall mean the period from the first day of September 2001 through and including the last day of February 2002, and the nine successive six-month periods thereafter, the last of which shall end as of August 31, 2006.

“Earnout Amount” shall mean, for each calendar month during the Earnout Period, the sum of 1.4 cents on each Billable Minute over the Threshold Amount.

“Earnout Note” shall mean the promissory note of Microdyne of even date herewith payable to KeyBank National Association in the original principal amount of \$500,000.

“Threshold Amount” shall mean 3.0 million Billable Minutes per month.

“Billable Minutes” shall mean, for any relevant measurement period under a given Customer Contract, the sum of:

(i) the total minutes of Service provided during such period which are billable to the customer under such Customer Contract (whether or not actually billed to the customer) plus

(ii) the amount, if any, by which the guaranteed minimum charges under the Customer Contract (expressed in one-minute units of Service, at the average applicable per-minute rate under the Contract) exceeds the total recorded minutes for such period as computed under clause (i) above.

“Final Sale Order” shall mean the final order of the Court approving the Transaction.

“Designated Creditors” shall mean _____, and any designees of a Designated Creditor.

“Creditors’ Representative” shall mean the individual or entity appointed by a majority-in-interest of the Designated Creditors to represent the interests of the Designated Creditors under this Agreement.

2. For each calendar month during an Earnout Period, the Designated Creditors shall be entitled to receive from Microdyne the sum of 1.4 cents on each Billable Minute over the Threshold Amount. Microdyne agrees to maintain such recordkeeping and controls as may reasonably be required to provide systematic and readily verifiable records of the aggregate

number of Billable Minutes that accrue each calendar month in respect of each Customer Contract.

3. Within 20 days after the expiration of each Earnout Period, Microdyne shall pay the Designated Creditors the Earnout Amount, provided, however, that the aggregate payment obligation of Microdyne for the Earnout Amount shall be capped at \$2,385,000.

4. All payments to the Designated Creditors under Section 3 above shall be made in the proportions and to the addresses set forth in Schedule A hereto, as the same may be revised from time to time by written notice to Microdyne from the Creditors' Representative. Microdyne shall incur a late charge of \$.06 for each dollar of each such payment under this paragraph which is not timely made when due, which late charge shall not be counted against the payment cap set forth in Section 3 above. Microdyne agrees promptly to reimburse the Designated Creditors for all costs of collection incurred by them (including reasonable attorneys' fees) following breach of any payment obligation under this Agreement by Microdyne.

5. Microdyne agrees to provide the Creditors' Representative an accounting of the Earnout Amount accrued for each calendar month during a given Earnout Period, which accounting shall be accompanied by a written representation signed by both the Chief Executive Officer and the Chief Financial Officer stating that they have reviewed the calculation of the Earnout Amount for each such month and that, to the best of their knowledge after reasonable inquiry, each of the Earnout Amounts is accurate. Such accounting and the accompanying officers' representations shall be sent by mail or overnight courier to the Creditors' Representative not later than 15 days after the end of such month. Not more frequently than twice in a given calendar year, the Creditors' Representative and his or her legal or financial advisors may conduct an audit of all Microdyne's records pertaining to the number of Billable Minutes that have accrued under this Agreement and payments made under this Agreement. Microdyne shall not be required to pay or reimburse the cost of any such audit unless (i) Microdyne has on one or more occasions failed to provide complete and timely financial information under this Section or Section 6 or (ii) Microdyne is shown to have understated the Earnout Amount for the Earnout Period by at least \$5,000 or to have engaged in any knowing breach of this Agreement.

6. Within 90 days after each calendar year, Microdyne shall provide the Creditors' Representative with a copy of the year-end financial statements of Microdyne and its subsidiaries for such year.

7. All information furnished by Microdyne under this Agreement (including, without limitation, information regarding Billable Minutes) is proprietary to Microdyne and shall be deemed to be confidential information. The Creditors' Representative, the Designated Creditors and any other person receiving such information shall (i) maintain the confidentiality of such information (ii) disclose such confidential information only to legal and financial advisors having need to know such information in connection with this Agreement, (iii) use such confidential information only for purposes of this Agreement and (iv) return or destroy such confidential information following the completion of payments of the Earnout Amount. Microdyne shall have the right to require the execution of confidentiality agreements reflecting these requirements as a condition precedent to the provision of information under this Agreement.

8. The Creditors' Representative and the creditors of Envisionet (in the appropriate order of priority, as reflected in the Final Sale Order) shall be deemed third-party beneficiaries with respect to this Agreement.

9. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given when delivered in person or by telecopier (with a confirmed receipt thereof), and on the next business day when sent by overnight courier service, to the parties at the following addresses:

If to the Creditors' Representative or a Designated Creditor to _____

If to Microdyne, to _____.

10. This Agreement may be amended, modified or supplemented only by a written agreement signed by each of the parties hereto. Provided, however, that the Creditors' Representative shall be entitled to amend Schedule A hereto without the consent of any other party hereto. Microdyne shall be entitled to rely exclusively on the Schedule A and any amendment to Schedule A made by the Creditors' Representative.

11. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors permitted assigns. Microdyne may assign its rights and obligations under this Agreement to a wholly-owned subsidiary of Microdyne if, as a condition to such transfer, Microdyne provides a written undertaking to the Creditors' Representative confirming that Microdyne will remain jointly and severally liable for performance hereof.

12. This Agreement shall be governed by and construed in accordance with Maine law. This Agreement (including the Schedules hereto and any agreement or Court order referred to herein) embody the entire agreement and understanding of the parties hereto in respect of the subject matter hereof and supersede all prior agreements and understandings, both written and oral, among the parties, or between any of them, with respect to the subject matter hereof and thereof. All costs and expenses incurred in connection with this Agreement shall be paid by the party incurring such cost or expense, except as expressly provided otherwise in this Agreement. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Earnout Agreement to be signed by their respective duly authorized officers as of the date first above written.

ENVISIONET COMPUTER SERVICES, INC.

By: _____
Name:
Title:

MICRODYNE OUTSOURCING
INCORPORATED

By: _____
Name:
Title:

DESIGNATION OF CREDITORS

Creditors' Representative:

Sean Marsh
c/o Village Ventures, Inc.
[address]
Fax: 978-318-0397

Designated Creditors:

Name	Notice/Payment Address	Percentage Interest
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Date: _____, 2001