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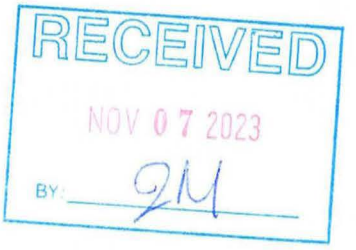
November 3, 2023

Brett D. Heinrich
Shareholder
+1 312 609 7799
bheinrich@vedderprice.com

**VIA E-MAIL AND FEDEX**




Ms. Jennifer Meyer
Remediation and Redevelopment Program
Wisconsin Department of Natural Resources
1027 W. St. Paul Avenue
Milwaukee, WI 53233
jennifer.meyer1@wisconsin.gov

Re: Reported Contamination at Mercury Marine Plant No. 1 FMR,
N49 W6337 Western Rd., Cedarburg, WI 53012
DNR BRRTS Activity # 02-46-588930
DNR FID # 246004770

Dear Ms. Meyer:

Our law firm represents Wilo USA LLC ("Wilo") and we are writing in response to the letter to Wilo dated August 4, 2023, from Wisconsin Department of Natural Resources ("WDNR"). In the August 4, 2023, letter, WDNR indicated it believed that Wilo was responsible for the discharge of a hazardous substance or other environmental pollution (hereafter referred to as "contamination") at the above-addressed site.

On Monday, September 11, 2023, I contacted Mr. Connor Mulcahy of WDNR to confirm that Wilo had retained an environmental consultant and to request an additional 30 days (i.e., until November 4, 2023) to respond to the August 4 letter. On Wednesday, September 13, 2023, Mr. Mulcahy granted Wilo's request for an additional 30 days to respond to the August 4, 2023 letter.

Mr. Mulcahy, in his September 13, 2023 email, indicated that there are multiple "Responsible Parties" for this site. He further indicated that the WDNR considers Mercury Marine to be a causer, and the current owner of the site, JB Properties 8, LLC, a possessor/controller. Mr. Mulcahy explained that the WDNR's understanding was that after Mercury Marine transferred control of the site to Scot Pump Inc. ("Scot Pump"), Scot Pump continued to use chlorinated solvents including trichloroethene in its operations. Finally, Mr. Mulcahy asserted that the WDNR considers Wilo also to be a causer and to have some shared responsibility in the clean-up of this contaminated site either as a successor to Scot Pump or a user of chlorinated solvents at the site.

Respectfully, WDNR is mistaken in designating Wilo as having shared responsibility for the clean-up of this contaminated site. First and foremost, Wilo is not a successor to Scot Pump. Wilo purchased the assets (which did not include the contaminated site), not the capital stock, of Scot Pump—and in doing so, Wilo assumed only certain carefully specified and tightly limited liabilities. To the extent Scot Pump had any pre-acquisition liabilities relating to or arising from the contamination (whether pertaining to chlorinated solvents or other hazardous materials), such liabilities were expressly excluded by Wilo in the acquisition (i.e., such liabilities were retained by Scot Pump). As such, even if Scot Pump did use

releasable quantities of trichloroethene in its operations, Wilo would not have any successor liability associated with that use. Secondly, Wilo itself never used releasable quantities of chlorinated solvents, let alone trichloroethene, in its operations at the site. Consequently, Wilo has no direct liability for any contamination at the site.

**Wilo is not a Successor to Scot Pump**

Prior to March of 2017, Wilo did not occupy (and had no other connection of any kind or nature to) the subject site. In March of 2017, Wilo entered into an asset purchase agreement (the "Asset Purchase Agreement") to purchase the assets of Ardox Corp., a Delaware corporation d/b/a Scot Pump Company and Scot Marine ("Ardox"), Weil Pump Company, Inc., a Delaware corporation ("Weil"), and Karak Machine Corp., a Delaware corporation ("Karak", and together with Ardox and Weil, "Sellers"). Please note that (a) Ardox has since been renamed Schark Corp., (b) Weil has since been renamed Axmar Marine Corp. and (c) Karak has since been renamed Kapster Corp. Also, please note that Kapster Corp. was dissolved on November 9, 2020, and Schark Corp. was dissolved on September 12, 2022.

Section 2.02 of the Asset Purchase Agreement states that "[Wilo] will not assume or have any responsibility with respect to any Excluded Liability or other Liability of Sellers not included in the definition of Assumed Liabilities." The definition of the term "Assumed Liabilities" in the Asset Purchase Agreement explicitly shows that Wilo only assumed certain very specific and limited liabilities of Ardox, Weil, or Karak. See Attachment 1 for the Asset Purchase Agreement.[1] None of the "Assumed Liabilities" was in the nature of any environmental release and/or clean-up liabilities associated with the site. To the contrary, the definition of the term "Excluded Liabilities" in the Asset Purchase Agreement clearly provides that all of the Sellers' liabilities other than the very specific and limited Assumed Liabilities were excluded (i.e., not assumed) by Wilo. In fact, without limiting the generality of the broadly-worded definition of "Excluded Liabilities," the definition expressly includes (i) "any Liability in respect of any pending, threatened or future action, claim or investigation arising out of, relating to or otherwise in respect of the operation of the Business or the Acquired Assets to the extent such action, claim or investigation relates to such operation on or prior to the Closing Date" and (ii) "any Liability arising from the failure or alleged failure of any Seller to comply with any Law, including Environmental, Health and Safety Requirements."

Wilo provides pumps and pump systems for building services, water management and to the industrial sector generally. Prior to March of 2017, Wilo was already a pump manufacturer with operations in the US, primarily in Georgia but with executive offices in Illinois. The purchase of the assets of Ardox, Weil and Karak in 2017 was a strategic transaction whereby Wilo added several established US product brands and product offerings to the product offerings it was already selling under the Wilo brand name. This purchase of assets did not include Wilo purchasing any of the facilities previously occupied by Ardox, Weil, and Karak (including the contaminated site); the owner/landlord of the contaminated site during Wilo's occupancy (as a tenant) was Jackson-Western LLC, a Wisconsin limited liability company. As you know, WDNR also delivered a letter dated January 2022 to Jackson-Western LLC similar to the letter Wilo received. While Wilo temporarily leased (and never owned) these locations, Wilo did not plan to remain in those aged facilities on a permanent basis. Rather, shortly after the closing, Wilo started exploring plans for building a new facility—and within a few years, Wilo acquired a vacant parcel of land

[1] Note that the attached copy of the Asset Purchase Agreement has been redacted to remove the purchase price and certain economic terms because they are confidential and we believe they are irrelevant to the matter at hand.

in Cedarburg, Wisconsin, built a brand new building and moved out of these three existing facilities, consolidating all of its US manufacturing operations into that single new location.

Given that Wilo did not assume any liabilities associated with the "failure or alleged failure of any Seller to comply with any Law, including Environmental, Health and Safety Requirements," Wilo certainly did not assume liability for any use of chlorinated solvents including trichloroethene by Ardox (Scot Pump).

Further, pursuant to Section 3.26 of the Disclosure Schedules to Asset Purchase Agreement attached hereto as Attachment 2, it is explicitly stated that there "were three (3) previous Department of Natural Resources studies of contamination in connection with this property, including an initial analysis in 1982, a periodic monitoring of the water quality since 1982 to present and an investigation by Strand Associates in 1989-1990 and Mercury Marine Division of Brunswick Corporation may have performed some cleanup of this property in connection with the Environmental Protection Agency and/or the State of Wisconsin Department of Natural Resources." As such, it is unequivocally clear that the liabilities associated with the contamination including remedial investigation, and associated remedial activities at the Former Mercury Marine Plant No. 1 were pre-existing prior to Wilo's acquisition of assets of Ardox, Weil, or Karak and its temporary occupancy of the facilities, and as such, those liabilities were explicitly excluded from such acquisition transaction.

Thus, Wilo is not a successor (in any form) to Ardox, Weil, or Karak, and is not otherwise liable for their respective environmental liabilities.

**Wilo Did Not Use Releasable Quantities of Chlorinated Solvents**

As indicated above, Wilo retained an environmental consultant known as Free Flow Technologies Ltd. located at 4920 Forest Hills Rd., in Loves Park, Illinois, which is listed on the WDNR environmental services contractor list of self-identified environmental consultants. Mr. Chris Proctor, a Professional Engineer licensed in the State of Wisconsin led the technical evaluation.

Mr. Proctor performed a detailed review of each of the Safety Data Sheets for chemicals used by Wilo at the above noted site which indicates that Wilo used certain chemicals that contained volatile organic compounds ("VOCs"), including Acetone, Toluene, Ethylbenzene, Xylenes, Formaldehyde, Methyl Ethyl Ketone (MEK), Benzene, Naphthalene, and Methylene Chloride. None of these VOCs has been identified as a contaminant of concern nor has any been detected in soil or groundwater samples in either of the site investigation/site assessments completed for the Former Mercury Marine Plant No. 1.

The review of the Safety Data Sheets indicated that a few of the products used by Wilo contained Tetrachloroethylene ("PCE"), as follows:

- Car Quest Electric Motor Cleaner
- Car Quest Brake Parts Cleaner
- Gunk Brake Parts Cleaner (Chlorinated)

However, it appears that the size of the containers used were consumer sized aerosol spray cans, rather than any bulk quantities capable of spilling and causing material releases.

Further, Wilo utilized Safety Kleen's parts washing solvent (Safety-Kleen Premium Solvent) and solvent recovery services during its time as a tenant within the Former Mercury Marine Plant No. 1 building. The Safety-Kleen Premium Solvent is identified as CAS No. 64742-47-8 - Petroleum distillates, hydrotreated light.[2] The Safety Data Sheet for the Safety-Kleen Premium Solvent (Virgin and Recycled) makes the following statement under Section 15 (Regulatory Information): "This product can expose you to Benzene, p-Dichlorobenzene, Ethylbenzene, Cumene, and Naphthalene ..."[3] However, none of these constituents have been identified as contaminants of concern, nor have any of these constituents been detected in the soil or groundwater in either of the site investigation/site assessment's completed for the Former Mercury Marine Plant No. 1.

In addition to performing a detailed review of the Safety Data Sheets for chemicals used by Wilo, Mr. Proctor performed a detailed review of historical site investigations and assessments. A review of the Remedial Investigation Report prepared by CH2M Hill in April 1993 for the Former Mercury Marine Plant No. 1 indicates that the main contaminant of concern was trichloroethylene ("TCE"). TCE was detected in eleven (11) of the fifteen (15) soil samples submitted for laboratory analysis whereas PCE was detected in two (2) of the soil samples submitted for laboratory analysis. Additionally, TCE was detected in nine (9) of the twenty-two (22) groundwater samples submitted for laboratory analysis and PCE was not detected in any of the groundwater samples submitted for laboratory analysis.

A review of the Phase II Environmental Site Assessment prepared by Kapur and Associates in November 2021 indicates the presence of VOCs, RCRA Metals and Polynuclear Aromatic Hydrocarbons in the soil and groundwater at the site. A detailed review of the analytical data indicates that TCE was detected in seven (7) of the thirty-two (32) soil samples submitted for laboratory analysis and eight (8) of the eleven (11) groundwater samples submitted for laboratory analysis. On the other hand, PCE was not detected in any of the soil or groundwater samples submitted for laboratory analysis.

**Conclusion**

We trust that the information contained herein is sufficient to demonstrate to WDNR that Wilo is not a causer at this site and, as such, has no shared responsibility in the clean-up of this contaminated site. We request that WDNR no longer designate Wilo as a causer of any contamination at this site or require any further action by Wilo in connection therewith.

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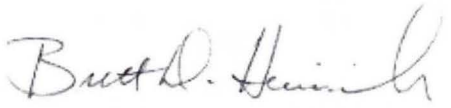
[2] Synonyms: Distillates (petroleum), hydrotreated light/Distillates, petroleum, hydrotreated light/Hydrotreated light distillate/Kerosene, hydrotreated/Petroleum distillates, hydrotreated light (A complex combination of hydrocarbons obtained by treating a petroleum fraction with hydrogen in the presence of a catalyst. It consists of hydrocarbons having carbon numbers predominantly in the range of C9-16 and boiling in the range of approximately 150-290°C.)

[3] Safety-Kleen Premium Solvent (Virgin and Recycled), Safety Data Sheet, According to Federal Register / Vol. 77, No. 58 / Monday, March 26, 2012 / Rules and Regulations According to the Hazardous Products Regulation (February 11, 2015), Revision Date: 02/24/2022, Date of Issue: 01/26/1995, Supersedes Date: 10/29/2019, Version 1.0.

If you have any questions or wish to discuss, please let me know.

Respectfully,



Brett Heinrich
Shareholder

cc: Connor Mulcahy, WDNR – connor.mulcahy@wisconsin.gov
Michele Norman, WDNR – michele.norman@wisconsin.gov
William Kummerer, Shareholder, Vedder Price P.C.– wkummerer@vedderprice.com
Benjamin Williams, Shareholder, Vedder Price P.C. – bwilliams@vedderprice.com

**EXECUTION VERSION**

# ASSET PURCHASE AGREEMENT

**among**

WILO USA LLC
("Buyer")

and

**ARDOX CORP.,**
**WEIL PUMP COMPANY, INC.**
**and**
**KARAK MACHINE CORP.**
("Sellers"),

and

**RUSSELL I. BRATT**
**("Sellers' Stockholder")**

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**Exhibits**

# ASSET PURCHASE AGREEMENT

**THIS ASSET PURCHASE AGREEMENT** (this "**Agreement**") is entered into on March 3, 2017, by and between **WILO USA LLC**, a Delaware limited liability company ("**Buyer**"), on the one hand, and **ARDOX CORP.**, a Delaware corporation d/b/a Scot Pump Company and Scot Marine ("**Ardox**"), **WEIL PUMP COMPANY, INC.**, a Delaware corporation ("**Weil**"), **KARAK MACHINE CORP.**, a Delaware corporation ("**Karak**," and together with Ardox and Weil, "**Sellers**"), and **RUSSELL I. BRATT**, a resident of Fort Lauderdale, Florida ("**Sellers' Stockholder**"), on the other hand. Sellers and Sellers' Stockholder are referred to collectively herein as the "**Seller Parties**." Buyer and the Seller Parties are referred to individually herein as a "**Party**" and collectively herein as the "**Parties**."

This Agreement describes a transaction in which Buyer will purchase substantially all of the assets (and assume certain specified liabilities) of each of Sellers in return for cash.

**NOW, THEREFORE**, in consideration of the above premises and the mutual promises herein made, and in consideration of the representations, warranties and covenants herein contained, the Parties agree as follows:

## ARTICLE 1

## DEFINITIONS

"**Accounts Payable**" means all accounts payable of Sellers without reduction or setoff for any outstanding checks.

"**Accounts Receivable**" means all accounts or notes receivable held by any Seller, and any security, claim, remedy or other right related to any of the foregoing, without reduction or setoff for any uncleared deposits or uncashed checks.

"**Acquired Assets**" means all right, title and interest in and to all of the tangible and intangible assets of each of Sellers and each of their Subsidiaries, other than the Excluded Assets, including all of each such Seller's: (a) tangible personal property (such as machinery, equipment, fixtures, Inventory, office furniture, office equipment, computer systems, copiers, telecommunications equipment, automobiles, trucks, tractors, trailers, tools, jigs and dies), (b) owned and licensed Intellectual Property, goodwill associated therewith, licenses, sublicenses, agreements, covenants not to sue, and permissions granted and obtained with respect thereto, and rights thereunder, remedies against past, present and future infringements thereof, and rights to protection of past, present and future interests therein under the laws of all jurisdictions, (c) agreements, contracts, open orders, indentures, mortgages, instruments, Liens, guaranties, other similar arrangements, and rights thereunder, including any credit card processing, merchant and similar agreements and all accounts related thereto, (d) accounts, notes and other receivables, unbilled revenues, reimbursable costs and expenses and other claims for monies due to such Seller, including the Closing Accounts Receivable and all rights and title thereto, (e) claims, deposits, prepayments, refunds, causes of action, choses in action, rights of recovery, rights of set-off, and rights of recoupment (including any such item relating to the payment of Taxes), (f) franchises, approvals, Permits (including environmental permits, if any),

qualifications, orders, registrations, certificates, product certifications (*e.g.*, Underwriters Laboratories certifications) variances and similar rights obtained from Governmental Authorities (to the extent transferable), (g) books, records, ledgers, files, computer data bases (including an electronic copy of all data bases containing financial books, records and information of Sellers heretofore maintained in conjunction with the Sage 50/Peachtree software), documents, correspondence, lists, plats, architectural plans, technical documentation, functional requirements, designs, archives, drawings, specifications, operating instructions, training materials, creative materials, artwork, photographs, sound recordings, video recordings, advertising, sales and promotional materials, catalogs, studies, journals, reports, projections, analyses, and other electronic, printed or written materials, (h) telephone and fax numbers and (i) all goodwill, relationships with customers and suppliers and other intangible assets associated with the Business.

"**Acquisition Proposal**" has the meaning set forth in Section 5.16 below.

"**Adverse Consequences**" means all losses, damages, dues, penalties, fines, amounts paid in settlement, Liabilities, Taxes, Liens, or other reasonable costs or expenses (including reasonable attorneys' fees and expenses and court costs) associated with or resulting or arising from any actions, suits, proceedings, hearings, investigations, charges, complaints, claims, demands, injunctions, judgments, orders, decrees or rulings.

"**Affiliate**" of any Person means any Person directly or indirectly controlling, controlled by, or under common control with any such Person, and any officer, director, manager or controlling Person of such Person.

"**Affiliated Group**" means any affiliated group within the meaning of Code § 1504(a) or any similar group defined under a similar provision of state, local or non-U.S. Law.

"**Allocation Schedule**" has the meaning set forth in Section 2.05 below.

"**Ardox**" has the meaning set forth in the preamble above.

"**Assignment and Assumption Agreement**" means an assignment and assumption agreement in the form of Exhibit A hereto.

"**Assumed Liabilities**" means and is limited to (a) the Closing Accounts Payable, (b) all obligations of Sellers incurred in the Ordinary Course of Business (and not due to the breach or non-fulfillment of any pre-Closing obligations of one or more of Sellers) under the agreements, contracts, leases and licenses referred to in the definition of Acquired Assets, (c) the Assumed Warranty Liabilities, (d) all accrued and unpaid obligations that arise under the WARN Act or any similar state or federal statute or regulation due to Buyer's breach of Section 5.04(a) below, (e) the obligation to provide continued health insurance coverage under Buyer's existing group health insurance plan to the former employees of Sellers pursuant to COBRA and/or any similar state or federal statute or regulation, (f) all liabilities and obligations for (1) Taxes relating to the Acquired Assets for any period beginning after the Closing Date and (2) the portion of Transfer Taxes for which Buyer is expressly liable pursuant to Section 7.01, (g) all other liabilities and obligations arising out of or relating to Buyer's ownership or operation of the Business and the Acquired Assets on or after the Closing, and (h) all liabilities and obligations of Sellers set forth

on Section 1A of the Disclosure Schedule; *provided, however*, that, notwithstanding the above, the Assumed Liabilities shall not include any Excluded Liability.

"**Assumed Warranty Liabilities**" means all Liabilities relating to or arising from claims by the customers of Sellers for repair, replacement or refund associated with the sale of a product by a Seller that occurred prior to Closing (a) which arises out of or is based upon any Seller's standard product warranties, copies of which are contained in Section 3.21 of the Disclosure Schedule, or (b) by reason of the improper performance or malfunctioning of a product, improper design or manufacture, failure to adequately package, or other related product defects of any products at any time manufactured or sold by any Seller prior to Closing, in each case the Basis of which is not any gross negligence or willful misconduct by any of the Seller Parties and in the aggregate not exceeding a maximum of Two Hundred Fifty Thousand Dollars ($250,000) in total Liabilities, other than claims covered by an insurance policy for such Seller.

"**Bank Accounts**" has the meaning set forth in Section 3.29 below.

"**Basis**" means any past or present fact, situation, circumstance, status, condition, activity, practice, plan, occurrence, event, incident, action, failure to act, or transaction that forms or could form a reasonable basis for any specified consequence.

"**Basket**" has the meaning set forth in Section 8.04(a) below.

"**Bill of Sale**" means the bill of sale in the form of Exhibit B hereto.

"**Business**" means Sellers' business of designing, manufacturing and servicing of pumps and parts and accessories therefor, including industrial pumps (e.g., for plastics and agricultural applications) and wastewater/sump pumps for commercial buildings.

"**Business Day**" means any day except Saturday, Sunday or any other day on which commercial banks located in Florida are authorized or required by Law to be closed for business.

"**Buyer**" has the meaning set forth in the preamble above.

"**Buyer Indemnitees**" has the meaning set forth in Section 8.02 below.

"**Cap**" has the meaning set forth in Section 8.04(a) below.

"**Cash**" means cash, cash equivalents and securities, excluding (a) customer deposits and prepayments (other than the Insinger Deposit) and (b) the amount of any uncashed checks.

"**Closing**" has the meaning set forth in Section 2.03 below.

"**Closing Accounts Payable**" has the meaning set forth in Section 3.17(b) below.

"**Closing Accounts Receivable**" has the meaning set forth in Section 3.17(a) below.

"**Closing Adjustment**" shall be determined as follows:

(a) so long as the Seller Parties have (i) conducted the business of Sellers in the Ordinary Course of Business from the date of this Agreement through the Closing Date and (ii) not violated the terms of Section 3.08(h) below, the "**Closing Adjustment**" shall be zero;

(b) if the difference between the Closing Accounts Receivable and the Closing Accounts Payable is equal or more than ninety percent (90%) of the Closing Net Accounts Target, a rebuttable presumption shall arise in favor of the Seller Parties that they have complied with subpart (a) above;

(c) if the difference between the Closing Accounts Receivable and the Closing Accounts Payable is less than ninety percent (90%) of the Closing Net Accounts Target, a rebuttable presumption shall arise in favor of Buyer that the Seller Parties have not complied with subpart (a) above;

(d) in the event of a dispute regarding whether there should be a Closing Adjustment (or how much the Closing Adjustment should be), the Parties shall attempt in good faith to come to a mutually satisfactory resolution prior to Closing;

(e) if the Parties are not able to agree on the amount of the Closing Adjustment, Buyer may elect to (i) waive its rights in respect of the Closing Adjustment or (ii) close the transaction without waiving its rights in respect of the Closing Adjustment, in which case Buyer shall be entitled to assert a claim after the Closing for indemnification pursuant to Section 8.02(b) below; and

(f) if the Parties are unable to resolve a dispute regarding the Closing Adjustment and Buyer elects to close the transaction without waiving its rights in respect thereof, and if after considering the presumptions set forth in subparts (b) and (c) above, along with any other relevant facts or submissions, it is finally determined that the Seller Parties have not fully complied with subpart (a) above, the Closing Adjustment shall be an amount equal to the difference between the Closing Net Accounts Target and the Closing Accounts Receivable.

"**Closing Date**" has the meaning set forth in Section 2.03 below.

"**Closing Inventory**" has the meaning set forth in Section 3.15(a) below.

"**Closing Net Accounts Target**" means [redacted] ($[redacted]).

"**COBRA**" means the requirements of Part 6 of Subtitle B of Title I of ERISA and Code § 4980B and of any similar state Law.

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Confidential Information**" means any information concerning the business and affairs of Sellers that is not already generally available to the public. "**Confidential Information**" does not include information to the extent it (a) is lawfully and rightfully known to any third party prior to disclosure or information generally available to the public prior to disclosure, (b) is or becomes within the public domain through no act on a Seller Party's part in breach of this

Agreement or any other agreement or legal duty, (c) is lawfully received from another source subsequent to the date of this Agreement without any restriction on use or disclosure, or (d) is required to be disclosed by order of any court of competent jurisdiction or other governmental authority.

"**Direct Claim**" has the meaning set forth in Section 8.06 below.

"**Disclosure Schedule**" has the meaning set forth in Article 3 below.

"**Employee Benefit Plan**" means any "employee benefit plan" (as such term is defined in ERISA § 3(3)) and any other employee benefit plan, program or arrangement of any kind as specified in Section 3.24.

"**Employee Pension Benefit Plan**" has the meaning set forth in ERISA § 3(2).

"**Employee Welfare Benefit Plan**" has the meaning set forth in ERISA § 3(1).

"**Environment**" means soil (and surface or subsurface strata, surface waters (including navigable waters), ground water, drinking water supply, streams, ponds, drainage basins, wet lands, stream sediments, ambient air (including indoor air), plant and animal life and any other environmental medium or natural resource.

"**Environmental, Health and Safety Requirements**" means, whenever in effect, all federal, state, local and non-U.S. statutes, regulations, ordinances and other provisions having the force or effect of Law, all judicial and administrative orders and determinations, all contractual obligations, and all common law concerning public health and safety, worker health and safety, pollution, or protection of the Environment, including, without limitation, all those relating to the presence, use, production, distribution, importing, management, manufacturing, refinement, generation, handling, transportation, treatment, storage, transfer, disposal, distribution, labeling, testing, processing, discharge, Release, Threatened Release, control, exposure to, or cleanup of any Hazardous Materials in, on, under, about or from any Leased Real Property, or any part thereof, into the Environment and any other act, business operation or thing that poses an unreasonable risk of harm to Persons or property on or off the Leased Real Property.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations issued thereunder and any successor statute and the rules and regulations issued thereunder.

"**ERISA Affiliate**" means each entity that is treated as a single employer with any Seller for purposes of Code § 414.

"**Escrow Account**" means the account established with and under the control of the Escrow Agent pursuant to the Escrow Agreement.

"**Escrow Agent**" means Citibank, N.A.

"**Escrow Agreement**" means the Escrow Agreement entered into concurrently herewith and attached hereto as Exhibit C.

"**Escrow Amount**" means [redacted] ([redacted]).

"**Escrow Termination Date**" has the meaning set forth in Section 8.11(b) below.

"**Excluded Assets**" means (a) all Cash of any Seller, (b) all contracts that Buyer chooses not to assume, (c) any Excluded Intellectual Property, (d) the corporate seals, organizational documents, minute books, stock books and duplicate copies of records as are necessary to enable Sellers to file Tax Returns relating to any period ending on or before the Closing Date, books or other records having to do with the corporate organization of Sellers, all employee-related or employee benefit-related files or records, other than personnel files of employees who accept employment with Buyer and other employee data and other records and information as is reasonably required from time to time for each Party to perform and fulfill its obligations under Section 5.04, and any other books and records which a Seller is prohibited from disclosing or transferring to Buyer under applicable Law and is required by applicable Law to retain, (e) all insurance policies of Sellers and all rights to applicable claims and proceeds thereunder, (f) all Employee Benefit Plans and trusts or other assets attributable thereto, (g) all rights to any action, suit or claim of any nature being pursued by any Seller Party, whether arising by way of counterclaim or otherwise (as set forth on Section 1B(g) of the Disclosure Schedule), (h) all rights to any refunds, credits or prepayments relating to Taxes of any Seller Party, (i) the assets, properties and rights specifically set forth on Section 1B(h) of the Disclosure Schedule, and (j) all rights which accrue or will accrue to any Seller Party under the Transaction Documents.

"**Excluded Intellectual Property**" shall mean the Intellectual Property listed on Section 1C of the Disclosure Schedule.

"**Excluded Liabilities**" means all of Sellers' Liabilities other than the Assumed Liabilities, including the following: (a) any Liability of Sellers or any Seller Party for Taxes, including any Liability of Sellers for Taxes arising in connection with the consummation of the transactions contemplated hereby (including any income , transfer, sales, use or other Taxes arising because Sellers are transferring the Acquired Assets, other than Transfer Taxes for which Buyer is expressly liable pursuant to Section 7.01), (b) any Liability of Sellers for the unpaid Taxes of any Person under Treasury Regulations § 1.1502-6 (or any similar provision of state, local or non-U.S. Law), as a transferee or successor, by contract, or otherwise, (c) indebtedness for borrowed money, including any bonds, notes, debentures, letters of credit, capitalized leases, credit agreements, loan agreements and/or guarantees, (d) any obligation of Sellers to indemnify any Person (including Sellers' Stockholder) by reason of the fact that such Person was a director, officer, employee or agent of any Seller or was serving at the request of any such entity as a partner, trustee, director, officer, employee or agent of another entity (whether such indemnification is for judgments, damages, penalties, fines, costs, amounts paid in settlement, losses, expenses or otherwise and whether such indemnification is pursuant to any statute, charter document, bylaw, agreement or otherwise), (e) any Liability in respect of any pending, threatened or future action, claim or investigation arising out of, relating to or otherwise in respect of the operation of the Business or the Acquired Assets to the extent such action, claim or investigation relates to such operation on or prior to the Closing Date (including the matters identified in Section 3.20 of the Disclosure Schedule), (f) any Liability arising under or in connection with any Plan or other benefits provided to any present or former employee of any Seller, (g) any Liability for any present or former employees, officers, directors, retirees,

independent contractors or consultants of any Seller, including, without limitation, any Liabilities associated with any claims for wages or other benefits, bonuses, accrued vacation, workers' compensation, severance, retention, termination or other payments, (h) any Liability under the agreements, contracts, leases, licenses and other arrangements referred to in the definition of Acquired Assets which arise out of or relate to a breach by any Seller of such agreements, contracts, leases, licenses and other arrangements prior to Closing, (i) inter-company Accounts Payable owed by one Seller to another Seller and any Liability of one or more of Sellers to Sellers' Stockholder or to any Affiliate or Family Member of Sellers' Stockholder, (j) any Liability or similar claim for injury to a Person or property which arises out of or is based upon any express or implied representation, warranty, agreement or guaranty made by any Seller, or by reason of the improper performance or malfunctioning of a product, improper design or manufacture, failure to adequately package, label or warn of hazards or other related product defects of any products at any time manufactured or sold, or any service performed, by any Seller in excess of or beyond the scope of the Assumed Warranty Liabilities, (k) any recall, design defect or similar claims of any products manufactured or sold or any service performed by any Seller in excess of or beyond the scope of the Assumed Warranty Liabilities, (l) any Liability of Sellers for costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby except the Transaction Expense Credit, (m) any Liability arising from the failure or alleged failure of any Seller to comply with any Law, including Environmental, Health and Safety Requirements, (n) any Liability or obligation of Sellers under this Agreement (or under any side agreement between Sellers on the one hand and Buyer on the other hand entered into on or after the date of this Agreement) or (o) any Liability of Sellers or any Seller Party arising in connection with any leases, including without limitation the Leases for the Leased Real Property.

"**Extended Representations and Warranties**" has the meaning set forth in Section 8.01 below.

"**Family Member**" means, with respect to any natural Person: (a) such Person's spouse; (b) such Person's lineal descendants (whether natural or adopted) and each of their spouses; and (c) such Person's brothers and sisters and each of their respective lineal descendants (whether natural or adopted) and each of their spouses.

"**Fiduciary**" has the meaning set forth in ERISA § 3(21).

"**Financial Statements**" has the meaning set forth in Section 3.07 below.

"**Fundamental Representations and Warranties**" has the meaning set forth in Section 8.01 below.

"**Governmental Authority**" means any federal, state, local or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of Law), or any arbitrator, court or tribunal of competent jurisdiction.

"**Hazardous Material**" means any substance, material or waste which is regulated by any governmental body, including any material, substance or waste which is defined as a "hazardous waste," "hazardous material," "hazardous substance," "extremely hazardous waste," "restricted hazardous waste," "contaminant," "toxic waste," "pollutant" or "toxic substance" under any Environmental, Health and Safety Requirements and including petroleum, petroleum products, asbestos, presumed asbestos-containing material or asbestos containing material, urea formaldehyde, polychlorinated bisphenols pesticides, noise, odor, mold or radiation.

"**Improvements**" has the meaning set forth in Section 3.12(f) below.

"**Indemnified Party**" has the meaning set forth in Section 8.05(a) below.

"**Indemnifying Party**" has the meaning set forth in Section 8.05(a) below.

"**Insinger Deposit**" means that certain deposit made by the Insinger Machine Company customer in the aggregate amount of Thirty-Five Thousand Dollars ($35,000) as of the date of this Agreement; *provided, however*, if any further deposit payments shall be delivered to Sellers prior to the Closing, the Seller Parties shall hold same for deposit by Buyer after the Closing.

"**Insurance Policies**" has the meaning set forth in Section 3.19 below.

"**Intellectual Property**" means all of the following in any jurisdiction throughout the world: (a) all inventions (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all patents, patent applications, and patent disclosures, together with all reissuances, continuations, divisions, continuations-in-part, revisions, extensions and reexaminations thereof, (b) all trademarks, service marks, trade dress, logos, slogans, trade names, corporate names, Internet domain names, other source identifiers, and rights in telephone numbers, together with all translations, adaptations, derivations, and combinations thereof and including all goodwill associated therewith, and all applications, registrations and renewals in connection therewith, (c) all rights of publicity, privacy and endorsement (including rights to the use of names, voices, likenesses, images, appearances, signatures, and biographical information of real persons), (d) all copyrightable works, all copyrights, and all applications, registrations and renewals in connection therewith, (e) all mask works and all applications, registrations and renewals in connection therewith, (f) all trade secrets and Confidential Information (including ideas, research and development, know-how, methods, formulas, compositions, manufacturing and production processes and techniques, technical data, designs, drawings, blueprints, models, patterns, specifications, customer and supplier lists, pricing and cost information, and business and marketing plans and proposals), (g) all computer software (including Source Code, Object Code, data, databases and related documentation), (h) all advertising and promotional materials, including all websites and website content, (i) all other proprietary rights, and (j) all copies and tangible embodiments thereof (in whatever form or medium). "Intellectual Property" shall not include any of the Excluded Intellectual Property.

"**Inventory**" has the meaning set forth in Section 3.15(a) below.

"**Karak**" has the meaning set forth in the preamble above.

"**Law**" means any statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment, decree, other requirement or rule of law of any Governmental Authority.

"**Leased Real Property**" means all leasehold or subleasehold estates and other rights to use or occupy any land, buildings, structures, improvements, fixtures, or other interest in real property.

"**Leases**" means all leases, subleases, licenses, concessions and other agreements (written or oral), including all amendments, extensions, renewals, guaranties, and other agreements with respect thereto, pursuant to which a Person holds any Leased Real Property, including the right to all security deposits and other amounts and instruments deposited by or on behalf of any tenant, subtenant or similarly situated party thereunder.

"**Liability**" means any liability or obligation of whatever kind or nature (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, and whether due or to become due), including any liability for Taxes.

"**Lien**" means any mortgage, pledge, lien, encumbrance, charge, or other security interest.

"**Material Adverse Effect**" means any event, occurrence, fact, condition or change that, individually or in the aggregate, is or would reasonably be expected to be materially adverse to (a) the business, results of operations, financial condition or assets of any one or more of Sellers or (b) the ability of any of the Seller Parties to consummate the transactions contemplated hereby or to perform its obligations hereunder; *provided, however,* that for the sole purposes of clause (a), "Material Adverse Effect" shall not include any event, occurrence, fact, condition or change, directly or indirectly, arising out of or attributable to (except to the extent such event, occurrence, fact, condition or change has a disproportionate effect on one or more of Sellers relative to other Persons operating in industries in which Sellers operate): (i) general economic or political conditions in the United States; (ii) conditions generally affecting the industries and markets in which the Business is operated; (iii) any general changes in financial, banking or securities markets in the United States; (iv) acts of war (whether or not declared), armed hostilities or terrorism, or the escalation or worsening thereof in the United States; (v) any action required by this Agreement or any action taken with the written consent of or at the written request of Buyer; (vi) any changes in applicable Laws or accounting rules or the enforcement, implementation or interpretation of such changes; or (vii) any natural or man-made disaster or acts of God.

"**Most Recent Balance Sheet**" means the balance sheet contained within the Most Recent Financial Statements.

"**Most Recent Financial Statements**" has the meaning set forth in Section 3.07 below.

"**Most Recent Fiscal Month End**" has the meaning set forth in Section 3.07 below.

"**Most Recent Fiscal Year End**" has the meaning set forth in Section 3.07 below.

"**Multiemployer Plan**" has the meaning set forth in ERISA § 3(37).

"**Ordinary Course of Business**" means the ordinary course of business consistent with past custom and practice (including with respect to quantity and frequency).

"**Party**" has the meaning set forth in the preamble above.

"**Permits**" has the meaning set forth in Section 3.10 below.

"**Permitted Encumbrances**" means (a) liens for Taxes not yet due and payable or being contested in good faith by appropriate procedures and, in each case, for which the Seller Parties remain liable; (b) mechanics', carriers', workmen's, repairmen's or other like liens arising or incurred in the Ordinary Course of Business and, in each case, for amounts for which the Seller Parties remain liable; and (i) that are not due and payable as of the Closing Date or (ii) the amount of which is being contested in good faith and that would not, individually or in the aggregate, materially impair the use or occupancy of such property or asset or the operation of the Business; (c) easements, rights of way, zoning ordinances and other similar encumbrances affecting real property that are not violated by the current use or occupancy of such real property by Sellers or the operation of the Business as currently conducted thereon; and (d) liens arising under original purchase price conditional sales contracts and equipment leases with third parties entered into in the Ordinary Course of Business and, in each case, for amounts for which the Seller Parties remain liable and (i) that are not due and payable as of the Closing Date or (ii) the amount of which is being contested in good faith and that would not, individually or in the aggregate, materially impair the use or occupancy of such property or asset or the operation of the Business.

"**Person**" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, any other business entity or a Governmental Authority (or any department, agency, or political subdivision thereof).

"**Plan**" has the meaning set forth in Section 3.24(f) below.

"**Post-Closing Leases**" means (i) the Industrial Lease Agreement by and between Buyer and Dorem LLC, a Wisconsin limited liability company, concerning a portion of the building located at W57 N14363 Doerr Way, Cedarburg, Wisconsin 53012, in the form attached hereto as Exhibit D-1; (ii) the Industrial Lease Agreement by and between Buyer and Jackson-Western LLC, a Wisconsin limited liability company, concerning a portion of the building located at 6300 Jackson St., Cedarburg, Wisconsin 53012, in the form attached hereto as Exhibit D-2, (iii) the Industrial Lease Agreement by and between Buyer and Pioneer-Layton LLC, a Wisconsin limited liability company, concerning the building located at N143 6437 Pioneer Road, Cedarburg, Wisconsin 53012, in the form attached hereto as Exhibit D-3 and (iv) the Industrial Lease Agreement by and between Buyer and Airport Marine Building LLC, a Florida limited liability company, concerning the building located at 3001 SW 3rd Avenue, Bay 7, Fort Lauderdale, Florida 33315, in the form attached hereto as Exhibit D-4.

"**Purchase Price**" means an amount equal to [redacted] ($[redacted]) minus the Closing Adjustment, if any.

"**Release**" means any release, spill, emission, leaking, pumping, pouring, dumping, emptying, injection, deposit, disposal, discharge, dispersal, leaching or migration on or into the Environment.

"**Representative**" means, with respect to any Person, any and all directors, officers, employees, consultants, financial advisors, counsel, accountants and other agents of such Person.

"**Restricted Period**" has the meaning set forth in Section 5.03(a) below.

"**Schedule Supplement**" has the meaning set forth in Section 5.11 below.

"**Schedule Supplement Termination Right**" has the meaning set forth in Section 5.11 below.

"**Securities Act**" means the Securities Act of 1933, as amended.

"**Seller Indemnitees**" has the meaning set forth in Section 8.03 below.

"**Seller Parties**" has the meaning set forth in the preamble above.

"**Sellers**" has the meaning set forth in the preamble above.

"**Sellers' Knowledge**" means (a) as to all references herein, the actual knowledge of Sellers' Stockholder, David Wilkerson, and Jeffrey Plaster, in each case after reasonable inquiry, and (b) as to any references herein to the Leased Real Property (including but not limited to the representations and warranties set forth in Sections 3.12 and 3.26), the actual knowledge of William Bratt after reasonable inquiry.

"**Sellers' Stockholder**" has the meaning set forth in the preamble above.

"**Source Code**" means human-readable computer software and code, in a form other than Object Code form or machine-readable form, including related programmer comments and annotations, help text, data and data structures, object-oriented and other code, which may be printed out or displayed in human-readable form, and, for purposes of this Source Code definition, "**Object Code**" means computer software code, substantially or entirely in binary form, which is intended to be directly executable by a computer after suitable processing and linking but without the intervening steps of compilation or assembly.

"**Special Limitation Representation and Warranty**" means the representations and warranties of Sellers set forth in Sections 3.15(a) and 3.17.

"**Subsidiary**" means, with respect to any Person, any corporation, limited liability company, partnership, association, or other business entity of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers, or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof or (ii) if a limited liability company, partnership, association, or other business entity (other than a corporation), a majority of the

partnership or other similar ownership interests thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more Subsidiaries of that Person or a combination thereof and for this purpose, a Person or Persons own a majority ownership interest in such a business entity (other than a corporation) if such Person or Persons shall be allocated a majority of such business entity's gains or losses or shall be or control any managing director or general partner of such business entity (other than a corporation). The term "**Subsidiary**" shall include all Subsidiaries of such Subsidiary.

"**Target Inventory Amount**" means [redacted] ([redacted]).

"**Tax**" or "**Taxes**" means any federal, state, local, or non-U.S. income, gain, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental (including taxes under Code § 59A), customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated or other tax of any kind whatsoever, whether computed on a separate or consolidated, unitary or combined basis or in any other manner, including any interest, penalty or addition thereto, whether disputed or not and including any obligation to indemnify or otherwise assume or succeed to the Tax liability of any other Person.

"**Tax Return**" means any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

"**Territory**" means the United States of America.

"**Third-Party Claim**" has the meaning set forth in Section 8.05(a) below.

"**Threatened Release**" means a reasonable likelihood of a Release that may require action under any Environmental, Health and Safety Requirements in order to prevent or mitigate damage to the Environment that may result from such Release.

"**Transaction Documents**" means this Agreement, the Post-Closing Leases, the Bill of Sale, the Assignment and Assumption Agreement, the Escrow Agreement and the other agreements, instruments and documents required to be delivered at the Closing.

"**Transaction Expense Credit**" means an amount of up to Seventy-Five Thousand Dollars ($75,000) payable by Buyer in reimbursement for, or direct payment of, the legal fees and expenses incurred by the Seller Parties in connection with the consummation of the transaction contemplated by this Agreement; it being understood that such payment shall not become due unless and until the consummation of the Closing.

"**Transfer Taxes**" has the meaning set forth in Section 7.01 below.

"**WARN Act**" has the meaning set forth in Section 3.08(t) below.

"**Weil**" has the meaning set forth in the preamble above.

"**WPC**" has the meaning set forth in Section 3.22 below.

## ARTICLE 2

## BASIC TRANSACTION

Section 2.01 Purchase and Sale of Assets. On and subject to the terms and conditions of this Agreement, Buyer agrees to purchase from Sellers, and Sellers agree to sell, transfer, convey, and deliver to Buyer, all of the Acquired Assets at the Closing for the consideration specified below in this Article 2.

Section 2.02 Assumption of Liabilities. On and subject to the terms and conditions of this Agreement, Buyer agrees to assume and become responsible for the Assumed Liabilities at the Closing. Buyer will not assume or have any responsibility, however, with respect to any Excluded Liability or other Liability of Sellers not included in the definition of Assumed Liabilities.

Section 2.03 Closing. The closing of the transactions contemplated by this Agreement (the "**Closing**") shall take place electronically by the exchange of emailed documents and signed signature pages, commencing at 9:00 a.m. local Fort Lauderdale, Florida time on (a) March 3, 2017, (b) the second Business Day following the satisfaction or waiver of all conditions to the obligations of the Parties to consummate the transactions contemplated hereby (other than conditions with respect to actions the respective Parties will take at the Closing itself) or (c) such other date as the Parties may mutually determine (the "**Closing Date**"). The purchase and sale of the Acquired Assets, and the other transactions contemplated herein, shall be deemed to occur as of 12:01 a.m., local time at the location of such Acquired Assets, on the Closing Date.

Section 2.04 Actions and Deliveries at Closing. At the Closing:

(a) The Seller Parties will deliver to Buyer the various certificates, instruments and documents referred to in Section 6.01 below;

(b) Buyer will deliver to the Seller Parties the various certificates, instruments and documents referred to in Section 6.02 below;

(c) Buyer will deliver to Sellers, by wire transfer or delivery of other immediately available funds to the account or accounts designated by Sellers in writing not less than two (2) Business Days prior to the Closing Date, an amount equal to the Purchase Price minus the Escrow Amount plus the Transaction Expense Credit; and

(d) Buyer will deliver to the Escrow Agent, by wire transfer or delivery of other immediately available funds to the account set forth in the Escrow Agreement, the Escrow Amount, which amount, plus any interest accrued thereon will be available to satisfy any amounts owed by the Seller Parties to Buyer under this Agreement in accordance with the terms of the Escrow Agreement.

Section 2.05 Allocation of Purchase Price. Within forty five (45) days after the Closing Date, Buyer shall deliver to each Seller a schedule allocating the Purchase Price (including any

Assumed Liabilities treated as consideration for the Acquired Assets for Tax purposes) among the Acquired Assets (the "**Allocation Schedule**"). The Allocation Schedule shall be prepared in accordance with Section 1060 of the Code. The Allocation Schedule shall be deemed final unless Sellers' Stockholder notifies Buyer in writing that the Seller Parties object to one or more items reflected in the Allocation Schedule within thirty (30) days after delivery of the Allocation Schedule to each Seller. In the event of any such objection, Sellers and Buyer shall negotiate in good faith to resolve such dispute; *provided, however*, that if Sellers and Buyer are unable to resolve any dispute with respect to the Allocation Schedule within fifteen (15) days after the delivery of the Allocation Schedule to Buyer, such dispute shall be resolved by an independent nationally recognized firm of independent certified public accountants mutually appointed by Buyer and Sellers. The fees and expenses of such accounting firm shall be borne equally by Sellers and Buyer. The Allocation Schedule as prepared in accordance with this Section 2.05 shall be binding on all Parties, and Sellers and Buyer covenant and agree to file their respective IRS Forms 8594 and all federal, state and local Tax Returns in accordance with such Allocation Schedule.

## ARTICLE 3

## SELLERS' REPRESENTATIONS AND WARRANTIES

Sellers, jointly and severally, represent and warrant to Buyer that the statements contained in this Article 3 are correct and complete as of the date hereof and as of the Closing Date, except as set forth in the disclosure schedule accompanying this Agreement (the "**Disclosure Schedule**").

Section 3.01 Organization of Sellers; Capitalization. Except as set forth on Section 3.01 of the Disclosure Schedule, each Seller is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware and is duly authorized to conduct business and is in good standing under the Laws of each jurisdiction in which such qualification is required. All of the issued and outstanding shares of capital stock of each Seller have been duly authorized and validly issued and are fully paid and non-assessable. Sellers' Stockholder holds, of record and beneficially, all of the outstanding shares of capital stock of each Seller, free and clear of any restrictions on transfer (other than restrictions under the Securities Act and state securities Laws), Taxes, Liens, options, warrants, purchase rights, contracts, commitments, equities, claims and demands. There are no outstanding or authorized options, warrants, purchase rights, subscription rights, conversion rights, exchange rights or other contracts or commitments that could require Sellers' Stockholder or any Seller to sell, transfer or otherwise dispose of any capital stock of any Seller or that could require any Seller to issue, sell or otherwise cause to become outstanding any of its own capital stock. There are no outstanding stock appreciation, phantom stock, profit participation or similar rights with respect to any Seller. There are no voting trusts, proxies or other agreements or understandings with respect to the voting of any capital stock of any Seller.

Section 3.02 Authorization of Transaction. Each Seller Party has full power and authority (including full corporate power and authority, as applicable) to execute and deliver this Agreement and the other Transaction Documents to which it is a party, and to perform its obligations hereunder and thereunder. Without limiting the generality of the foregoing, Sellers'

Stockholder, in his capacity as the sole stockholder of each Seller, and the board of directors of each Seller have duly authorized the execution, delivery and performance of this Agreement and each Transaction Document by each Seller. This Agreement has been duly executed and delivered by each Seller Party, and (assuming due authorization, execution and delivery by Buyer) this Agreement constitutes the legal, valid and binding obligation of such Seller Party enforceable against such Seller Party in accordance with its terms except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity. When each other Transaction Document to which such Seller Party is or will be a party has been duly executed and delivered by such Seller Party (assuming due authorization, execution and delivery by each other party thereto), such Transaction Document will constitute a legal and binding obligation of such Seller Party enforceable against it in accordance with its terms except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity.

Section 3.03 Non-contravention. Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby (including the assignments and assumptions referred to in Article 2 above), will (i) violate any Law, constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge or other restriction of any Governmental Authority to which any Seller Party is subject or any provision of the charter or bylaws of any Seller or (ii) except as otherwise stated on Section 3.03 of the Disclosure Schedule, conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify or cancel, or require any notice under any agreement, contract, lease, license, instrument or other arrangement to which any Seller Party is a party or by which it is bound or to which any of its assets is subject (or result in the imposition of any Lien upon any of its assets). Except as otherwise stated on Section 3.03 of the Disclosure Schedule, no Seller Party needs to give any notice to, make any filing with, or obtain any authorization, consent or approval of any Person (including any Governmental Authority or counterparty to any contract included in the Acquired Assets) in order for the Parties to consummate the transactions contemplated by this Agreement (including the assignments and assumptions referred to in Article 2 above).

Section 3.04 Brokers' Fees. No Seller Party has any Liability to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement for which Buyer could become liable or obligated.

Section 3.05 Title to and Sufficiency of Assets.

(a) Sellers have good and marketable title to all of the Acquired Assets, free and clear of any Liens or restrictions on transfer other than any Permitted Encumbrances. No other Person including, without limitation, Sellers' Stockholder or any of his other Affiliates (including AWAK Corp.) and any Family Members, has any ownership of or any Lien, right, claim or interest in or to any of the Acquired Assets.

(b) The Acquired Assets are sufficient for the continued conduct of the Business after the Closing in substantially the same manner as conducted prior to the Closing and constitute all of the rights, property and assets necessary to conduct the Business in

substantially the same manner as currently conducted. None of the Excluded Assets is material to the continued operation of the Business.

Section 3.06 Subsidiaries. There are no Subsidiaries of any Seller. No Seller (i) owns or has any right to acquire, directly or indirectly, any outstanding capital stock of, or other equity interests in, any Person or (ii) controls, directly or indirectly, or has any direct or indirect equity participation in any corporation, partnership, trust or other business association.

Section 3.07 Financial Statements. Set forth on Section 3.07 of the Disclosure Schedule are the following financial statements (collectively the "**Financial Statements**"): (i) unaudited balance sheets and statements of income of Sellers as of and for the fiscal years ended December 31, 2013, December 31, 2014, December 31, 2015 and December 31, 2016 (the "**Most Recent Fiscal Year End**"); and (ii) unaudited balance sheets and statements of income of Sellers (the "**Most Recent Financial Statements**") as of and for the one (1) month ended January 31, 2017 (the "**Most Recent Fiscal Month End**"). Except as set forth on Section 3.07 of the Disclosure Schedule, the Financial Statements have been prepared on a consistent basis throughout the periods covered thereby, present fairly (in all material respects) the financial condition of Sellers as of such dates and the results of operations of Sellers for such periods (subject to normal yearend adjustments), are correct and complete (in all material respects), and are consistent with the books and records of Sellers (which books and records are correct and complete in all material respects).

Section 3.08 Events Subsequent to Most Recent Fiscal Year End. Since the Most Recent Fiscal Year End, no event has occurred that resulted in a Material Adverse Effect. Additionally, and without limiting the generality of the foregoing, since that date:

(a) no Seller has sold, leased, transferred or assigned any of its assets, tangible or intangible (including any of the Inventory of any of Sellers), other than for fair consideration in the Ordinary Course of Business;

(b) no Seller has entered into any agreement, contract, lease or license (or series of related agreements, contracts, leases, and licenses) either involving more than Fifty Thousand Dollars ($50,000) or outside the Ordinary Course of Business;

(c) no party (including any Seller) has accelerated, terminated, modified or cancelled any agreement, contract, lease or license (or series of related agreements, contracts, leases or licenses) involving more than Fifty Thousand Dollars ($50,000) to which any Seller is a party or by which any of them is bound;

(d) no Seller has imposed or permitted to exist any Lien upon any of its assets, tangible or intangible;

(e) no Seller has made any capital expenditure (or series of related capital expenditures) either involving more than Fifty Thousand Dollars ($50,000) or outside the Ordinary Course of Business;

(f) no Seller has made any capital investment in, any loan to, or any acquisition of the securities or assets of, any other Person (or series of related capital investments, loans and acquisitions);

(g) no Seller has issued any note, bond or other debt security or created, incurred, assumed, or guaranteed any indebtedness for borrowed money or capitalized lease obligation;

(h) no Seller has (i) delayed or postponed the payment of accounts payable and other Liabilities other than pursuant to the express terms and conditions of such Liabilities, (ii) accelerated the collection of any accounts receivables or (iii) settled, compromised or forgiven the amount of any accounts receivables;

(i) no Seller has cancelled, compromised, waived or released any right or claim (or series of related rights and claims);

(j) no Seller has transferred, assigned or granted any license, sublicense, agreement, covenant not to sue or permission with respect to any Intellectual Property;

(k) there has been no change made or authorized in the certificate of incorporation or bylaws of any Seller;

(l) no Seller has issued, sold or otherwise disposed of any of its capital stock, or granted any options, warrants or other rights to purchase or obtain (including upon conversion, exchange or exercise) any of its capital stock;

(m) no Seller has declared, set aside or paid any dividend or made any distribution with respect to its capital stock (whether in cash or in kind) or redeemed, purchased or otherwise acquired any of its capital stock;

(n) no Seller has experienced any damage, destruction or loss (whether or not covered by insurance) to its property;

(o) no Seller has made any loan to, or entered into any other transaction with, any of its directors, officers and employees, other than advances of travel and other business expenses in the Ordinary Course of Business;

(p) no Seller has entered into or terminated any employment contract or collective bargaining agreement, written or oral, or modified the terms of any existing such contract or agreement, or become bound by any collective bargaining relationship;

(q) no Seller has granted any increase in the base compensation of any of its directors, officers and employees outside the Ordinary Course of Business;

(r) no Seller has adopted, amended, modified or terminated any bonus, profit sharing, incentive, severance or other plan, contract or commitment for the benefit of any of its directors, officers and employees (or taken any such action with respect to any other Employee Benefit Plan);

(s) no Seller has made any other change in employment terms for any of its directors, officers and employees outside the Ordinary Course of Business;

(t) no Seller has implemented any employee layoffs that could implicate the Worker Adjustment and Retraining Notification Act of 1988, as amended, or any similar state, local or non-U.S. Law, regulation or ordinance (collectively, the "**WARN Act**");

(u) no Seller has made or pledged to make any charitable or other capital contribution;

(v) no Seller has made, changed, rescinded or terminated any Tax election, adopted or changed any accounting method or principle, filed any amended Tax Return or consented to any extension or waiver of the limitations period applicable to any Tax claim;

(w) there has not been any other occurrence, event, incident, action, failure to act or transaction outside the Ordinary Course of Business involving any Seller;

(x) no Seller has discharged a material Liability or Lien outside the Ordinary Course of Business;

(y) no Seller has made any loans or advances of money other than those not required to be disclosed pursuant to clause (o) of this Section 3.08;

(z) no Seller has disclosed any Confidential Information (except in the Ordinary Course of Business); and

(aa) no Seller has committed to any of the foregoing.

Section 3.09 Undisclosed Liabilities. Except as set forth on Section 3.09 of the Disclosure Schedule, no Seller has any Liability (and to Sellers' Knowledge there is no Basis for any present or future action, suit, proceeding, hearing, investigation, charge, complaint, claim or demand against any of them giving rise to any Liability), except for (i) Liabilities set forth on the face of the Most Recent Balance Sheet (rather than in any notes thereto) and (ii) Liabilities that have arisen after the Most Recent Fiscal Month End in the Ordinary Course of Business (none of which results from, arises out of, relates to, is in the nature of or was caused by any breach of contract, breach of warranty, tort, infringement or violation of Law).

Section 3.10 Legal Compliance; Permits. Except as otherwise provided in Section 3.10 of the Disclosure Schedule:

(a) Each Seller has complied in all material respects with all applicable Laws (including rules, regulations, codes, plans, injunctions, judgments, orders, decrees, rulings and charges thereunder and including the Foreign Corrupt Practices Act, 15 U.S.C. § 78dd-1 et seq.) of federal, state, local and non-U.S. governments (and all agencies thereof), and no action, suit, proceeding, hearing, investigation, charge, complaint, claim, demand or notice has been filed or commenced against any of them alleging any failure so to comply.

(b) None of the Seller Parties, nor, to Sellers' Knowledge, any director, manager or officer of any Seller or any other Person associated with or acting on behalf of any Seller has, directly or indirectly: (i) made any contribution, gift, bribe, rebate, payoff, influence payment, kickback or other payment to any Person, regardless of form, whether in money, property or services, (w) to obtain favorable treatment in securing business for any Seller, (x) to pay for favorable treatment for business secured by any Seller, (y) to obtain special concessions or for special concessions already obtained for or in respect of any Seller for any such purposes or (z) in violation of any Law, or (ii) established or maintained any fund or asset with respect to Sellers that has not been recorded in the books and records of Sellers.

(c) Section 3.10 of the Disclosure Schedule sets forth a true and correct list and description of all material permits, licenses, franchises, approvals, authorizations, registrations, certificates, variances and similar rights obtained, or required to be obtained, from Governmental Authorities ("**Permits**") held by any Seller. Each Seller is in compliance with the terms of all such Permits, and there is no pending or, to Sellers' Knowledge, threatened termination, expiration, suspension, withdrawal or revocation of any of such Permits. Other than the Permits set forth on Section 3.10 of the Disclosure Schedule, there are no Permits, whether written or oral, necessary or required for the conduct of the Business. Each Permit is valid and in full force and effect, and none of the Permits will lapse, terminate, expire or otherwise be impaired as a result of the performance of this Agreement by the Seller Parties or the consummation of the transactions contemplated hereby.

(d) None of the representations and warranties in this Section 3.10 shall be deemed to relate to tax matters (which are governed by Section 3.11), employment matters (which are governed by Section 3.23), employee benefits matters (which are governed by Section 3.24) or environmental matters (which are governed by Section 3.26).

Section 3.11 Tax Matters. Except as otherwise provided in Section 3.11 of the Disclosure Schedule:

(a) Each Seller has timely filed all income Tax Returns and all other Tax Returns that it was required to file. All such Tax Returns were correct and complete in all material respects and were prepared in substantial compliance with all applicable Laws and regulations. All Taxes owed by Sellers (whether or not shown or required to be shown on any Tax Return) have been paid. No Seller is currently the beneficiary of any extension of time within which to file any Tax Return. No claim has ever been made by an authority in a jurisdiction in which any Seller does not file Tax Returns that such Seller is or may be subject to taxation by that jurisdiction. There are no Liens on any of the assets of Sellers, including any Acquired Assets, that arose in connection with any failure (or alleged failure) to pay any Tax.

(b) Each Seller has withheld and paid all Taxes required to have been withheld and paid in connection with any amounts paid or owing to any employee, independent contractor, creditor, stockholder, or other third party, and all Forms W-2 and 1099 required with respect thereto have been properly completed and timely filed.

(c) To Sellers' Knowledge, there is no Basis for any Tax authority to assess any additional Taxes for any period for which Tax Returns have been filed. There is no dispute

or claim concerning any Tax Liability of any Seller either (A) claimed or raised by any authority in writing or (B) to Sellers' Knowledge, threatened. Section 3.11 of the Disclosure Schedule lists all federal, state, local and non-U.S. income Tax Returns filed with respect to Sellers for taxable periods ended on or after December 31, 2013, indicates those Tax Returns that have been audited, and indicates those Tax Returns that currently are the subject of audit. Sellers have delivered to Buyer all income Tax Returns, examination reports and statements of deficiencies assessed against or agreed to by Sellers since December 31, 2013.

(d) No Seller has waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency.

(e) The unpaid Taxes of Sellers (A) did not, as of the Most Recent Fiscal Month End, exceed the reserve for Tax Liability (rather than any reserve for deferred Taxes established to reflect timing differences between book and Tax income) set forth on the face of the Most Recent Balance Sheet (rather than in any notes thereto) and (B) do not exceed that reserve as adjusted for the passage of time through the Closing Date in accordance with the past custom and practice of Sellers in filing their Tax Returns.

(f) None of the Assumed Liabilities is an obligation to make a payment that is not deductible under Code § 280G. Each Seller has disclosed on its federal income Tax Returns all positions taken therein that could give rise to a substantial understatement of federal income Tax within the meaning of Code § 6662. No Seller is a party to any Tax allocation or sharing agreement. No Seller (A) has been a member of an Affiliated Group filing a consolidated federal income Tax Return and (B) has any Liability for the Taxes of any Person under Treasury Regulations § 1.1502-6 (or any similar provision of state, local, or non-U.S. Law), as a transferee or successor, by contract or otherwise.

(g) No Seller is or has been a party to any "reportable transaction," as defined in Code § 6707A(c)(1) and Treasury Regulations § 1.6011-4(b).

(h) Each Seller has been a validly electing S corporation within the meaning of Code § 1361 and § 1362 at all times since the effective date of its S corporation election (which, in the case of all three Sellers, was more than ten (10) years before the date of this Agreement) and will be a validly electing S corporation up to and including the Closing Date.

Section 3.12 Real Property.

(a) No Seller owns any real property.

(b) Section 3.12(b) of the Disclosure Schedule sets forth the address of each parcel of Leased Real Property and a true and complete list of all Leases for each such Leased Real Property (including the date and name of the parties to such Lease document). Sellers have confirmed to Buyer that there are no formal written Leases for the Leased Real Property. Except as set forth on Section 3.12(b) of the Disclosure Schedule, with respect to each of the Leases:

(i) such Lease is legal, valid, binding, enforceable and in full force and effect;

(ii) no Seller's possession and quiet enjoyment of the Leased Real Property under such Lease has been disturbed, and there are no disputes with respect to such Lease;

(iii) no Seller or any other party to the Lease is in breach of or default under such Lease, and no event has occurred or circumstance exists that, with the delivery of notice, the passage of time or both, would constitute such a breach or default, or permit the termination, modification or acceleration of rent under such Lease;

(iv) no Seller has subleased, licensed or otherwise granted any Person the right to use or occupy the Leased Real Property or any portion thereof;

(v) no Seller has collaterally assigned or granted any other Lien in such Lease or any interest therein; and

(vi) there are no Liens on the estate or interest created by such Lease.

(c) The Leased Real Property identified on Section 3.12(b) of the Disclosure Schedule comprises all of the real property used in Sellers' conduct of the Business; and no Seller is a party to any agreement or option to purchase any real property or interest therein.

(d) No Seller has received any written notice of (i) violations of building codes and/or zoning ordinances or other governmental or regulatory Laws affecting the Leased Real Property, (ii) existing, pending or threatened condemnation proceedings affecting the Leased Real Property, or (iii) existing, pending or threatened zoning, building code or other moratorium proceedings, or similar matters which could reasonably be expected to adversely affect the ability to operate the Leased Real Property as currently operated. Neither the whole nor any material portion of any Leased Real Property has been damaged or destroyed by fire or other casualty.

(e) The Leased Real Property is sufficient for the continued conduct of the Business after the Closing in substantially the same manner as conducted prior to the Closing and constitutes all of the real property necessary to conduct the Business in substantially the same manner as currently conducted.

(f) All buildings, structures, fixtures, building systems and equipment, and all components thereof, including the roof, foundation, load-bearing walls and other structural elements thereof, heating, ventilation, air conditioning, mechanical, electrical, plumbing and other building systems, environmental control, remediation and abatement systems, sewer, storm and wastewater systems, irrigation and other water distribution systems, parking facilities, fire protection, security and surveillance systems, and telecommunications, computer, wiring and cable installations, included in the Leased Real Property (the "**Improvements**") are in good condition and repair and sufficient in all material respects for the operation of the Business as conducted by Sellers. There are no structural deficiencies or latent defects affecting any of the Improvements, and there are no facts or conditions affecting any of the Improvements which would, individually or in the aggregate, interfere in any respect with the use or occupancy of the Improvements or any portion thereof in the operation of Sellers' Business in substantially the same manner as currently conducted thereon.

Section 3.13 Intellectual Property.

(a) Section 3.13(a) of the Disclosure Schedule identifies all of the Intellectual Property necessary for or used in connection with, the operation of the Business of Sellers as presently conducted including, without limitation: (i) each registration that has been issued to Sellers with respect to any of its Intellectual Property; (ii) each pending application for registration that any Seller has made with respect to any of its Intellectual Property; (iii) unregistered trademarks, service marks, logos, slogans, trade names, corporate names or other source identifiers; (iv) Internet domain names (along with, in the case of each such Internet domain name, the registrar, registered holder and administrative contact of record); (v) computer software items (other than commercially available off-the-shelf software purchased or licensed solely for internal use and not in connection with any product or service offered by Sellers, for which the purchase or license fee for such computer software items was less than a total cost of Fifty Thousand Dollars ($50,000) in the aggregate); (vi) material unregistered copyrights; and (vii) descriptions of material trade secrets and Confidential Information.

(b) Sellers own or have the right to access and use (pursuant to a valid and enforceable written license, sublicense, agreement, covenant not to sue or permission set forth on Section 3.13(b) of the Disclosure Schedule) all Intellectual Property necessary for the operation of the Business of Sellers in substantially the same manner as presently conducted. Each item of Intellectual Property owned, accessed or used by Sellers immediately prior to the Closing will be owned or available for access and use by Buyer on identical terms and conditions immediately subsequent to the Closing hereunder. Each Seller has taken all necessary action to maintain and protect each material item of Intellectual Property that it owns or uses.

(c) Except as set forth on Section 3.13(c) of the Disclosure Schedule: (i) the conduct of the Business as currently conducted (including the manufacture and sale of Sellers' current lines of products) does not infringe, misappropriate, dilute or otherwise violate the Intellectual Property of any Person, and (ii) to Sellers' Knowledge, no Person is infringing, misappropriating or otherwise violating any Intellectual Property of Sellers.

(d) No portion of the Intellectual Property necessary for, or used in connection with, the operation of the Business of Sellers as presently conducted requires the use of any inventions of any of employee or consultant of Sellers made prior to their employment or engagement by Sellers. Except as otherwise provided in Section 3.13(d) of the Disclosure Schedule, each employee and consultant has assigned to Sellers all Intellectual Property rights he, she or it owns that is related to, necessary or convenient for or used in connection with the operation of the Business of Sellers as presently conducted and presently proposed to be conducted. Other than those items of Intellectual Property which are the subject of the written agreements set forth on Section 3.13(b) of the Disclosure Schedule, no Person other than Sellers owns or has any right, title or interest in or to any material portion of the Intellectual Property necessary for, or used in connection with, the operation of the Business of Sellers as presently conducted.

Section 3.14 Tangible Assets. Sellers own all leasehold improvements, fixtures, machinery, equipment and other tangible assets necessary for the conduct of their business as presently conducted and as presently proposed to be conducted. Each such tangible asset is free

from material defects (patent and latent), has been maintained in accordance with normal industry practice, is in good operating condition and repair (subject to normal wear and tear) and is suitable in all material respects for the purposes for which it presently is used.

Section 3.15 Inventory.

(a) All of Sellers' inventories of raw materials and supplies, manufactured and purchased parts, goods in process, and finished goods (collectively, the "**Inventory**") is included in the Acquired Assets and includes the items set forth on Section 3.15(a) of the Disclosure Schedule, as of the close of business on February 24, 2017, subject to changes in the Ordinary Course of Business between such date and the Closing Date. On the Closing Date, the Seller Parties shall provide updated inventory reports showing the Inventory of Sellers as of the close of business on the day immediately preceding the Closing Date (the "**Closing Inventory**"). Except as set forth on Section 3.15(a) of the Disclosure Schedule, all of the Closing Inventory is merchantable and fit for the purpose for which it was procured or manufactured, and none of which is slow-moving, obsolete, damaged, or defective.

(b) The quantities of each item of Inventory (whether raw materials and supplies, manufactured and purchased parts, goods in process, or finished goods) are not inadequate or excessive, but are reasonable in the present circumstances of Sellers.

Section 3.16 Contracts.

(a) Section 3.16(a) of the Disclosure Schedule lists the following contracts and other agreements to which any Seller is a party or by which any of the Acquired Assets are bound:

(i) any agreement (or group of related agreements) for the lease of personal property to or from any Person;

(ii) any agreement (or group of related agreements) for the purchase or sale of raw materials, commodities, supplies, products or other personal property, or for the furnishing or receipt of services, the performance of which will extend over a period of more than one (1) year, result in a loss to Sellers or involve consideration in excess of Fifty Thousand Dollars ($50,000) on an annualized basis;

(iii) any agreement concerning a partnership or joint venture;

(iv) any agreement (or group of related agreements) under which it has created, incurred, assumed or guaranteed any indebtedness for borrowed money, or any capitalized lease obligation or under which it has imposed a Lien on any of its assets, tangible or intangible;

(v) any agreement concerning confidentiality or non-competition;

(vi) any agreement between one or more of Sellers, on the one hand, and one or more of Sellers' Stockholder and his other Affiliates and/or Family Members, on the other hand;

(vii) any profit sharing, stock option, stock purchase, stock appreciation, deferred compensation, severance or other plan or arrangement for the benefit of its current or former directors, officers and employees;

(viii) any agreement for the employment of any individual on a full-time, part-time, consulting or other basis providing annual compensation in excess of Fifty Thousand Dollars ($50,000), providing severance benefits, or providing any right triggered by the transactions contemplated hereby;

(ix) any agreement under which it has advanced or loaned any amount to any other Person, including any of its directors, officers and employees;

(x) any agreement under which the consequences of a default or termination would have a Material Adverse Effect;

(xi) any settlement, conciliation or similar agreement with any Governmental Authority or which will require satisfaction of any obligations after the execution date of this Agreement; and

(xii) any other agreement (or group of related agreements) the performance of which involves consideration in excess of Twenty-Five Thousand Dollars ($25,000) on an annualized basis or which cannot be terminated by Sellers without penalty or without more than ninety (90) days' notice.

(b) Sellers have delivered to Buyer a correct and complete copy of each written agreement listed in Section 3.16(a) of the Disclosure Schedule (as amended to date) and a written summary setting forth the terms and conditions of each oral agreement referred to on Section 3.16(a) of the Disclosure Schedule. With respect to each such agreement, and except as otherwise contained in Section 3.16(b) of the Disclosure Schedule: (i) such agreement is legal, valid, binding, enforceable and in full force and effect; (ii) such agreement will continue to be legal, valid, binding, enforceable and in full force and effect on identical terms following the consummation of the transactions contemplated hereby (including the assignments and assumptions referred to in Article 2 above); (iii) no party is in breach or default, and no event has occurred that with notice or lapse of time would constitute a breach or default, or permit termination, modification or acceleration, under such agreement; (iv) no party has repudiated any provision of such agreement; and (v) no advance notice or consent to assignment is required for the effective assignment of such agreement to Buyer as contemplated herein.

Section 3.17 Accounts Receivable and Accounts Payable.

(a) Section 3.17(a) of the Disclosure Schedule sets forth a true, complete and correct list of all of the Accounts Receivable of Sellers as of the close of business on February 24, 2017 (except for Scot Marine which is as of March 1, 2017), except the items that are excluded in the last sentence of this Section 3.17(a). Section 3.17(a) of the Disclosure Schedule shall be updated by Sellers immediately prior to the Closing to set forth a true, complete and correct list of all of the Accounts Receivable of Sellers as of the close of business on the day immediately preceding the Closing Date (the "**Closing Accounts Receivable**"). Except as contained on Section 3.17(a) of the Disclosure Schedule, all of the Closing Accounts Receivable:

(i) have arisen from bona fide transactions entered into by Sellers involving the sale of goods or the rendering of services in the Ordinary Course of Business consistent with past practice, (ii) constitute only valid, undisputed claims of Sellers not subject to claims of set-off or other defenses or counterclaims, and (iii) are current and collectible, and will be collected, in full within ninety (90) days after billing net in each case of any reserve for bad debts shown on the Most Recent Balance Sheet. None of the Closing Accounts Receivable is due or owing from any Seller Party or any of its Affiliates or Family Members.

(b) Section 3.17(b) of the Disclosure Schedule sets forth a true, complete and correct list of all of the Accounts Payable of Sellers as of the close of business on March 1, 2017 (except for Scot Marine which is as of March 2, 2017), except the items that are excluded in the last sentence of this Section 3.17(b). Section 3.17(b) of the Disclosure Schedule shall by supplemented by Sellers immediately prior to the Closing to set forth a true, complete and correct list of all of the Accounts Payable of Sellers as of the close of business on the day immediately preceding the Closing Date (the "**Closing Accounts Payable**"). All of the Closing Accounts Payable have arisen from bona fide transactions entered into by Sellers involving the purchase of goods or the receipt of services in the Ordinary Course of Business consistent with past practice. Except as contained on Section 3.17(b) of the Disclosure Schedule, (i) none of the Closing Accounts Payable is overdue as of the Closing Date, and (ii) none of the Closing Accounts Payable is due or owing to any Seller Party or any of its Affiliates or Family Members.

Section 3.18 Powers of Attorney. There are no outstanding powers of attorney executed on behalf of any Seller.

Section 3.19 Insurance. Section 3.19 of the Disclosure Schedule sets forth a list of each insurance policy (including policies providing property, casualty, liability, and workers' compensation coverage and bond and surety arrangements) to which any Seller has been a party, a named insured, or otherwise the beneficiary of coverage at any time within the past three (3) years (the "**Insurance Policies**"), and true and complete copies of each Insurance Policy have previously been made available to Buyer. With respect to each Insurance Policy: (i) such Insurance Policy is legal, valid, binding, enforceable and in full force and effect; (ii) such Insurance policy will continue to be legal, valid, binding, enforceable and in full force and effect on identical terms following the consummation of the transactions contemplated hereby (including the assignments and assumptions referred to in Article 2 above); (iii) no Seller or, to Sellers' Knowledge, any other party to the policy is in breach or default (including with respect to the payment of premiums or the giving of notices) and no event has occurred (and no Seller has received any notice regarding) that, with notice or the lapse of time, would constitute such a breach or default, or permit termination, modification or acceleration, under the policy; and (iv) no party to the policy has repudiated any provision thereof. Each Seller has been covered during the past five (5) years by insurance in scope and amount customary and reasonable for the business in which it has engaged during the aforementioned period.

Section 3.20 Litigation. Section 3.20 of the Disclosure Schedule sets forth each instance in which any Seller (i) is, or has been since January 1, 2014, subject to any outstanding injunction, judgment, order, decree, ruling or charge or (ii) is a party or, to Sellers' Knowledge, is threatened to be made a party to any action, suit, proceeding, hearing, or investigation of, in or before (or that could come before) any Governmental Authority or before (or that could come

before) any arbitrator. None of the actions, suits, proceedings, hearings and investigations set forth on Section 3.20 of the Disclosure Schedule have resulted or reasonably could be expected to result in any Material Adverse Effect. To Sellers' Knowledge, there is no Basis for any other action, suit, proceeding, hearing or investigation to be brought or threatened against any Seller.

Section 3.21 Product Warranty. Except as set forth on Section 3.21 of the Disclosure Schedule, each product manufactured, sold, leased or delivered by any Seller has been in conformity, in all material respects, with all applicable specifications and other contractual commitments and all express and implied warranties, and no Seller has any Liability (and to Sellers' Knowledge there is no Basis for any present or future action, suit, proceeding, hearing, investigation, charge, complaint, claim or demand against any of them giving rise to any Liability) for replacement or repair thereof or other damages in connection therewith, subject only to the reserve for product warranty claims set forth on the face of the Most Recent Balance Sheet (rather than in any notes thereto) as adjusted for the passage of time through the Closing Date in accordance with the past custom and practice of Sellers. Section 3.21 of the Disclosure Schedule includes copies of the standard terms and conditions of sale for each Seller (containing applicable guaranty, warranty and indemnity provisions). No product manufactured, sold, leased or delivered by any Seller is subject to any guaranty, warranty or other indemnity beyond the applicable standard terms and conditions of sale set forth on Section 3.21 of the Disclosure Schedule.

Section 3.22 Product Liability. No Seller has any Liability (and to Seller's Knowledge there is no Basis for any present or future action, suit, proceeding, hearing, investigation, charge, complaint, claim or demand against any of them giving rise to any Liability) arising out of any injury to individuals or property as a result of the ownership, possession or use of any product manufactured, sold, leased or delivered by Sellers. Additionally, no Seller has any such Liability as a successor to any other manufacturer or seller of any products. Without limiting the generality of the foregoing sentence or the provisions of Section 3.26(f) below, and except as set forth on Section 3.22 of the Disclosure Schedule, Sellers represent and warrant that (a) Weil is an independently organized and operated entity and is not a successor to the now-defunct and dissolved Illinois corporation formerly known as "Weil Pump Company" ("**WPC**"), (b) Weil did not at any time purchase all or a material portion of the assets of WPC, (c) Weil did not hire any of the former employees of WPC, (d) Weil has never operated its business within the State of Illinois but has always maintained its business operations exclusively in the State of Wisconsin and (e) no Seller has ever manufactured or sold any products containing asbestos.

Section 3.23 Employees.

(a) Except as otherwise provided in Section 3.23(a) of the Disclosure Schedule, with respect to the business of Sellers:

(i) there is no collective bargaining agreement or collective bargaining relationship with any labor organization, no labor organization or group of employees has filed any representation petition or made any written or oral demand for recognition, and, to Sellers' Knowledge, no union organizing or decertification efforts have occurred, or are underway or threatened, and no other question concerning representation exists;

(ii) to Sellers' Knowledge, no executive or manager of Sellers (1) has any present intention to terminate his or her employment, or (2) is a party to any confidentiality, non-competition, proprietary rights or other such agreement between such employee and any Person besides such entity that would be material to the performance of such employee's employment duties, or the ability of such entity or Buyer to conduct the business of such entity;

(iii) no labor strike, work stoppage, slowdown or other material labor dispute has occurred, and none is underway or, to Sellers' Knowledge, threatened;

(iv) there is no workers' compensation liability or matter outside the Ordinary Course of Business;

(v) there is no employment-related charge, complaint, grievance, investigation, inquiry or obligation of any kind, pending or, to Sellers' Knowledge, threatened in any forum, relating to an alleged violation or breach by Sellers (or their officers or directors) of any Law, regulation or contract; and

(vi) to Sellers' Knowledge, no employee or agent of Sellers has committed any act or omission giving rise to material liability for any violation or breach identified in clause (v) above.

(b) Except as set forth on Section 3.23(b) of the Disclosure Schedule, (i) there are no employment contracts or severance agreements with any employees of Sellers and (ii) there are no written personnel policies, rules or procedures applicable to employees of Sellers. True and complete copies of all such documents have been provided to Buyer prior to the date of this Agreement.

(c) With respect to this transaction, any notice required under any Law or collective bargaining agreement has been or prior to the Closing Date will be given, and all bargaining obligations with any employee representative have been or prior to the Closing Date will be satisfied. Excluding this transaction, no Seller has implemented any plant closing or layoff of employees that could implicate the WARN Act.

Section 3.24 Employee Benefits.

(a) Section 3.24(a) of the Disclosure Schedule lists each Employee Benefit Plan that any Seller maintains or sponsors, to which any Seller contributes or has any obligation to contribute, or with respect to which any Seller may have any material Liability. Employee Benefit Plan, in addition to any "employee benefit plan" (as such term is defined in ERISA § 3(3)), includes but is not limited to all specified fringe benefit plans as defined in Section 6039D of the Code, and all other bonus, incentive compensation, deferred compensation, profit sharing, stock option, stock appreciation right, stock bonus, stock purchase, employee stock ownership, savings, severance, supplemental unemployment, layoff, salary continuation, retirement, pension, health, life insurance, dental, disability, accident, group insurance, vacation, holiday, sick leave, fringe benefit or welfare plan, and any other employee compensation or benefit plan, agreement, policy, practice, commitment, contract, or understanding (whether qualified or nonqualified, written or unwritten), and any trust, escrow or other agreement related

thereto. Additionally, Employee Benefit Plan includes any Multiemployer Plan and any plan that is subject to Title IV of ERISA or Section 412 of the Code which each Seller or any ERISA Affiliate has maintained or contributed to or been required to contribute to at any time within six (6) years prior to the Closing Date or with respect to which, such Seller or any ERISA Affiliate may have any Liability. Except as set forth on Section 3.24(a) of the Disclosure Schedule:

(i) Each such Employee Benefit Plan (and each related trust, insurance contract or fund) has been maintained, funded and administered in accordance with the terms of such Employee Benefit Plan and the terms of any applicable collective bargaining agreement and complies in form and in operation in all respects with the applicable requirements of ERISA, the Code and other applicable Laws.

(ii) All required reports and descriptions (including Form 5500 annual reports, summary annual reports and summary plan descriptions) have been timely filed and/or distributed in accordance with the applicable requirements of ERISA and the Code with respect to each such Employee Benefit Plan. The requirements of COBRA have been met with respect to each such Employee Benefit Plan and each Employee Benefit Plan maintained by an ERISA Affiliate that is an Employee Welfare Benefit Plan subject to COBRA.

(iii) All contributions (including all employer contributions and employee salary reduction contributions) that are due have been made within the time periods prescribed by ERISA and the Code to each such Employee Benefit Plan that is an Employee Pension Benefit Plan, and all contributions for any period ending on or before the Closing Date have been made to each such Employee Pension Benefit Plan or have been accrued as provided in the Most Recent Financial Statements. All premiums or other payments for all periods ending on or before the Closing Date have been paid, or will be paid consistent with normal business practices, with respect to each such Employee Benefit Plan that is an Employee Welfare Benefit Plan.

(iv) Each such Employee Benefit Plan that is intended to meet the requirements of a "qualified plan" under Code § 401(a) has received a determination from the Internal Revenue Service that such Employee Benefit Plan is so qualified, or with respect to a prototype plan, can rely on an opinion letter from the Internal Revenue Service to the prototype plan sponsor, to the effect that such Employee Benefit Plan is so qualified and that the plan and the trust related thereto are exempt from federal income Taxes under Sections 401(a) and 501(a), respectively, of the Code, and, to Sellers' Knowledge, nothing has occurred since the date of such determination that could reasonably be expected to cause the revocation of such determination, or the unavailability of reliance on such opinion letter from the Internal Revenue Service, as applicable. All such Employee Benefit Plans have been timely amended for all such requirements and have been submitted to the Internal Revenue Service for a favorable determination letter within the latest applicable remedial amendment period.

(v) There have been no events that have occurred or are reasonably expected to occur that have resulted or would subject Sellers to a Tax under Section 4975 of the Code with respect to any such Employee Benefit Plan or any Employee Benefit

Plan maintained by an ERISA Affiliate. No Fiduciary has any Liability for breach of fiduciary duty or any other failure to act or comply in connection with the administration or investment of the assets of any such Employee Benefit Plan. No action, suit, proceeding, hearing or investigation with respect to the administration or the investment of the assets of any such Employee Benefit Plan (other than routine claims for benefits) is pending or, to Sellers' Knowledge, threatened. To Sellers' Knowledge, there is no Basis for any such action, suit, proceeding, hearing, or investigation. None of the Acquired Assets of any Seller or of any ERISA Affiliate have or could result in a Lien relating to any obligation under any of the Employee Benefit Plans nor are there any obligations under any Employee Benefit Plans that would result in any Liability to Buyer.

(vi) Sellers have delivered to Buyer true, correct and complete copies, with respect to each Employee Benefit Plan, of all the plan documents and summary plan descriptions, all amendments thereto (or a description of each of the Employee Benefit Plans that is not in writing), the most recent determination letter received from the Internal Revenue Service, or opinion letter from the Internal Revenue Service to the prototype plan sponsor, as applicable, in the case of an Employee Benefit Plan for which an annual report is required to be filed, the most recent annual report (Form 5500, with all applicable attachments), all related trust agreements, insurance contracts, and other funding arrangements that implement each such Employee Benefit Plan, and any other material information relating to each of the Employee Benefit Plans.

(b) No Seller or any ERISA Affiliate contributes to, has any obligation to contribute to or has any Liability under or with respect to any Employee Pension Benefit Plan that is a "defined benefit plan" (as defined in ERISA § (35)). No asset of Sellers is subject to any Lien under ERISA or the Code.

(c) No Seller, or any ERISA Affiliate contributes to, has any obligation to contribute to, or has any Liability (including withdrawal liability as defined in ERISA § 4201) under or with respect to any Multiemployer Plan.

(d) No Seller maintains, contributes to or has an obligation to contribute to, or has any Liability with respect to, any Employee Welfare Benefit Plan or other arrangement providing health or life insurance or other welfare-type benefits for current or future directors, officers or employees of Sellers or of any other Person who is retired or terminated (or any spouse or other dependent thereof) other than in accordance with COBRA.

(e) The consummation of the transactions contemplated by this Agreement will not accelerate the time of the payment or vesting of, or increase the amount of, or result in the forfeiture of compensation or benefits under, any Employee Benefit Plan.

(f) Section 3.24(f) of the Disclosure Schedule lists each agreement, contract, plan, or other arrangement—whether or not written and whether or not an Employee Benefit Plan (collectively a "**Plan**")—to which any Seller is a party that is a "nonqualified deferred compensation plan" subject to Code § 409A. Each Plan complies with the requirements of Code § 409A(a)(2), (3), and (4) and any Internal Revenue Service guidance issued thereunder (except that to the extent Internal Revenue Service guidance allows Code § 409A to be satisfied by

maintenance of a Plan in good-faith compliance with Code § 409A, such Plan has been so maintained), and no amounts under any such Plan are or have been subject to the interest and additional tax set forth under Code § 409A(a)(1)(B). No Seller has any actual or potential obligation to reimburse or otherwise "gross-up" any Person for the interest or additional tax set forth under Code § 409A(a)(1)(B).

Section 3.25 Guaranties. Except as set forth on Section 3.25 of the Disclosure Schedule, no Seller is a guarantor or otherwise is liable for any Liability (including indebtedness) of any other Person.

Section 3.26 Environmental, Health and Safety Matters. Except as otherwise provided in Section 3.26 of the Disclosure Schedule:

(a) Each Seller has at all times complied and is in compliance with all Environmental, Health and Safety Requirements in all respects except where lack of such compliance would not have a Material Adverse Effect.

(b) Without limiting the generality of the foregoing, each Seller and its Affiliates has obtained and at all times complied with, and is in compliance with all Permits, licenses and other authorizations that are required pursuant to Environmental, Health and Safety Requirements for the occupation of its facilities and the operation of its business except where failure to obtain any such item would not result in a Material Adverse Effect; and a list of all such Permits, licenses and other authorizations is set forth on Section 3.26 of the Disclosure Schedule.

(c) To Sellers' Knowledge, no Seller or its Affiliates has received any notice, report, order, directive or other information regarding any actual or alleged violation of Environmental, Health and Safety Requirements, or any Liabilities, including any investigatory, remedial or corrective obligations, relating to any of them, their business, or their past or current facilities arising under Environmental, Health and Safety Requirements.

(d) No Seller or its Affiliates has treated, stored, disposed of, arranged for or permitted the disposal of, transported, handled, manufactured, distributed, exposed any person to or released any substance, including without limitation any Hazardous Material, or owned or operated any property or facility which is or has been contaminated by any Hazardous Material so as to give rise to any current or future Liabilities, including any Liability for fines, penalties, response costs, corrective-action costs, personal injury, property damage, natural-resources damages or attorneys' fees, pursuant to any other Environmental, Health and Safety Requirements.

(e) Neither this Agreement nor the consummation of the transactions that are the subject of this Agreement nor the pre-closing condition of any of the Leased Real Properties will result in any obligations for site investigation or cleanup, or notification to or consent of government agencies or third parties, pursuant to any of the so-called "transaction-triggered" or "responsible property transfer" Environmental, Health and Safety Requirements.

(f) No Seller or its Affiliates has designed, manufactured, sold, marketed, installed or distributed products or other items containing asbestos, and none of such entities is or

will become subject to any Liabilities with respect to the presence of asbestos in any product or item or in or upon any property, premises or facility.

(g) No Seller has assumed, undertaken, provided an indemnity with respect to or otherwise become subject to any Liability, including without limitation any obligation for corrective or remedial action, of any other Person relating to Environmental, Health and Safety Requirements.

(h) To Sellers' Knowledge, no facts, events or conditions relating to the past or present facilities, properties or operations of Sellers, or any of their Affiliates, including the Leased Real Property, will prevent, hinder or limit continued compliance with Environmental, Health and Safety Requirements, give rise to any investigatory, remedial or corrective obligations pursuant to Environmental, Health and Safety Requirements, or give rise to any other Liabilities pursuant to Environmental, Health and Safety Requirements, including without limitation any relating to on-site or off-site Releases or Threatened Releases of, or exposure to, Hazardous Materials, personal injury, property damage or natural-resources damage.

(i) Sellers have furnished to Buyer all environmental audits, reports and other material environmental documents relating to their or their Affiliates' past or current properties, facilities or operations that are in their possession or custody or under their reasonable control.

Section 3.27 Certain Business Relationships with Sellers. Except as set forth on Section 3.27 of the Disclosure Schedule, none of Sellers' Stockholder, his Affiliates and his Family Members is or has been involved in any business arrangement or relationship with Sellers within the past twelve (12) months. As of the Closing, (a) there is no outstanding indebtedness of any kind or amount owed by any of Sellers to Sellers' Stockholder or any of his other Affiliates or his Family Members and (b) there are no outstanding guarantees made by any of Sellers on behalf of Sellers' Stockholder or any of his other Affiliates or his Family Members.

Section 3.28 Customers and Suppliers.

(a) Section 3.28(a)(i) of the Disclosure Schedule lists the twenty (20) largest customers of Ardox and Karak (on a consolidated basis) for each of the two (2) most recent calendar years. Section 3.28(a)(ii) of the Disclosure Schedule lists the twenty (20) largest customers of Weil for each of the two (2) most recent calendar years. Since the date of the Most Recent Balance Sheet, no customer listed on Section 3.28(a)(i) or Section 3.28(a)(ii) of the Disclosure Schedule has indicated that it shall stop, or materially decrease the rate of, buying materials, products or services from Sellers.

(b) Since the date of the Most Recent Balance Sheet, no material supplier of any Seller has indicated that it shall stop, or materially decrease the rate of, supplying materials, products or services to Sellers.

Section 3.29 Bank Accounts. Section 3.29 of the Disclosure Schedule lists all bank accounts, safety deposit boxes and lock boxes (designating each authorized signatory with respect thereto) for each Seller that have been used for depositing payments of Accounts Receivable at any time since January 1, 2015 (collectively, the "**Bank Accounts**"). Since January 1, 2015, no actual or prospective client, customer, supplier or licensor of the Business

has ever deposited, or has ever been advised, required or requested to deposit, any amount payable to a Seller into any account other than one of the Bank Accounts.

Section 3.30 Disclosure. No representation or warranty by Sellers in this Agreement and no statement contained in the Disclosure Schedule to this Agreement or any certificate or other document furnished or to be furnished to Buyer pursuant to this Agreement contains any untrue statement of a material fact, or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances in which they are made, not materially misleading.

## ARTICLE 4

## BUYER'S REPRESENTATIONS AND WARRANTIES

Buyer represents and warrants to Sellers and Sellers' Stockholder that the statements contained in this Article 4 are correct and complete as of the date hereof and as of the Closing Date.

Section 4.01 Organization of Buyer. Buyer is a limited liability company duly formed, validly existing and in good standing under the Laws of the State of Delaware.

Section 4.02 Authorization of Transaction. Buyer has full power and authority (including full limited liability company power and authority) to execute and deliver this Agreement and the other Transaction Documents to which it is a party, and to perform its obligations hereunder and thereunder. This Agreement has been duly executed and delivered by Buyer, and (assuming due authorization, execution and delivery by each Seller Party) this Agreement constitutes a legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with its terms except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity. When each other Transaction Document to which Buyer is or will be a party has been duly executed and delivered by Buyer (assuming due authorization, execution and delivery by each other party thereto), such Transaction Document will constitute a legal and binding obligation of Buyer enforceable against it in accordance with its terms except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity.

Section 4.03 Non-contravention. Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby (including the assignments and assumptions referred to in Article 2 above), will violate any constitution, Law, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge or other restriction of any Governmental Authority to which Buyer is subject or any provision of the certificate of formation or operating agreement of Buyer. Buyer does not need to give any notice to, make any filing with, or obtain any authorization, consent or approval of any Person in order for the Parties to consummate the transactions contemplated by this Agreement (including the assignments and assumptions referred to in Article 2 above).

Section 4.04 Brokers' Fees. Buyer has no Liability to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement for which Sellers could become liable or obligated.

Section 4.05 Sufficiency of Funds. Buyer has sufficient cash on hand or other sources of immediately available funds to enable it to make payment of the Purchase Price and consummate the transactions contemplated by this Agreement.

Section 4.06 Solvency. Immediately after giving effect to the transactions contemplated hereby, Buyer shall be solvent and shall: (a) be able to pay its debts as they become due; (b) own property that has a fair saleable value greater than the amounts required to pay its debts (including a reasonable estimate of the amount of all contingent liabilities); and (c) have adequate capital to carry on its business. No transfer of property is being made and no obligation is being incurred in connection with the transactions contemplated hereby with the intent to hinder, delay or defraud either present or future creditors of Buyer or any Seller. In connection with the transactions contemplated hereby, Buyer has not incurred, nor plans to incur, debts beyond its ability to pay as they become absolute and matured.

Section 4.07 Legal Proceedings. There are no actions, suits, claims, investigations or other legal proceedings pending or, to Buyer's knowledge, threatened against or by Buyer or any Affiliate of Buyer that challenge or seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement.

## ARTICLE 5

## COVENANTS OF THE PARTIES

Section 5.01 General. In case at any time after the Closing any further actions are necessary or desirable to carry out the purposes of this Agreement, each of the Parties will take such further actions (including the execution and delivery of such further instruments and documents) as any other Party may reasonably request, all at the sole cost and expense of the requesting Party (unless the requesting Party is entitled to indemnification therefor under Article 8 below). Each Seller Party acknowledges and agrees that from and after the Closing, Buyer will be entitled to possession of all documents, books, records (including Tax records), agreements and financial data of any sort relating to Sellers; *provided, however*, that each Seller Party shall be entitled to make and retain copies of any such materials.

Section 5.02 Confidentiality. For a period of three (3) years after the Closing Date, each Seller Party will, and will cause each of its Representatives, Affiliates and Family Members, as applicable, to, treat and hold as confidential all of the Confidential Information, to refrain from using any of the Confidential Information except in connection with this Agreement and the rights of the Seller Parties hereunder, and to deliver promptly to Buyer or destroy, at the request and option of Buyer, all tangible embodiments (and all copies) of the Confidential Information that are in such person's possession. In the event that any of the Seller Parties or any of their respective Representatives, Affiliates or Family Members, as applicable, is requested or required (by oral question or request for information or documents in any legal proceeding, interrogatory, subpoena, civil investigative demand or similar process) to disclose any

Confidential Information, such Person will notify Buyer promptly of the request or requirement so that Buyer may seek an appropriate protective order or waive compliance with the provisions of this Section 5.02. If, in the absence of a protective order or the receipt of a waiver hereunder, any such Person is, on the advice of counsel, compelled to disclose any Confidential Information to any tribunal or else stand liable for contempt, such Person may disclose the Confidential Information to the tribunal; *provided, however*, that the disclosing Person shall use his, her or its best efforts to obtain, at the request of Buyer and at Buyer's sole expense, an order or other assurance that confidential treatment will be accorded to such portion of the Confidential Information required to be disclosed as Buyer shall designate.

Section 5.03 Non-competition; Non-solicitation.

(a) For a period of three (3) years commencing on the Closing Date (the "**Restricted Period**"), no Seller Party shall, and each Seller Party shall not permit any of its Affiliates, to, directly or indirectly (except as an employee, consultant or officer of Buyer), (i) engage in or assist others in engaging in the Business anywhere in the Territory; (ii) have an interest in any Person that engages, directly or indirectly, in the Business anywhere in the Territory, in any capacity, including as a partner, shareholder, member, employee, principal, agent, trustee or consultant; or (iii) cause, induce or encourage any material actual or prospective client, customer, supplier or licensor of the Business (including any existing or former client or customer of any Seller and any Person that becomes a client or customer of the Business during the Restricted Period), or any other Person who has a material business relationship with the Business, to terminate, curtail, reduce, limit or otherwise adversely modify any such actual or prospective relationship. Notwithstanding the foregoing, Sellers' Stockholder and his Family Members may own, directly or indirectly, solely as an investment, securities of any Person traded on any national securities exchange if such Person is not a controlling Person of, or a member of a group which controls, such Person and does not, directly or indirectly, own two percent (2%) or more of any class of securities of such Person.

(b) During the Restricted Period, no Seller Party shall, and each Seller Party shall not permit any of its Affiliates to, directly or indirectly, hire or solicit any person who is offered employment by Buyer pursuant to Section 5.04(a) or is or was employed in the Business during the Restricted Period, or encourage any such employee to leave such employment or hire any such employee who has left such employment, except pursuant to a general solicitation which is not directed specifically to any such employees; *provided* that nothing in this Section 5.03(b) shall prevent the hiring of (i) any employee whose employment has been involuntarily terminated by Buyer or (ii) after one hundred eighty (180) days from the date of termination of employment, any employee whose employment has been voluntarily terminated by the employee.

(c) Each Seller Party acknowledges that a breach or threatened breach of this Section 5.03 would give rise to irreparable harm to Buyer, for which monetary damages would not be an adequate remedy, and hereby agrees that in the event of a breach or a threatened breach by any Seller Party of any such obligations, Buyer shall, in addition to any and all other rights and remedies that may be available to it in respect of such breach, be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance and any other relief

that may be available from a court of competent jurisdiction (without any requirement to post bond).

(d) Each Seller Party acknowledges that the restrictions contained in this Section 5.03 are reasonable and necessary to protect the legitimate interests of Buyer and constitute a material inducement to Buyer to enter into this Agreement and consummate the transactions contemplated by this Agreement. In the event that any covenant contained in this Section 5.03 should ever be adjudicated to exceed the time, geographic, product or service or other limitations permitted by applicable Law in any jurisdiction, then any court is expressly empowered to reform such covenant, and such covenant shall be deemed reformed, in such jurisdiction to the maximum time, geographic, product or service or other limitations permitted by applicable Law. The covenants contained in this Section 5.03 and each provision hereof are severable and distinct covenants and provisions. The invalidity or unenforceability of any such covenant or provision as written shall not invalidate or render unenforceable the remaining covenants or provisions hereof, and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such covenant or provision in any other jurisdiction.

Section 5.04 Employees and Employee Benefits.

(a) Commencing on the Closing Date, each Seller shall terminate all employees of the Business who are actively at work on the Closing Date. Subject to compliance with Buyer's standard on-boarding procedures and applicable Law, Buyer shall (i) offer employment, on an at-will basis, to not less than seventy-five percent (75%) of Sellers' employees at each of Sellers' facilities and (ii) not lay off or otherwise terminate more than twenty-five percent (25%) of the hired employees within ninety (90) days after the Closing. Buyer shall bear any and all obligations and liability incurred by the Seller Parties under the WARN Act resulting from Buyer's failure to honor the commitment set forth in the preceding sentence; *provided, however*, nothing contained in this Section 5.04 confers upon any of Sellers' employees any right to continued employment after the Closing Date.

(b) Except for the Assumed Liabilities, each Seller shall be solely responsible, and Buyer shall have no obligations whatsoever, for any compensation or other amounts payable to any current or former employee, officer, director, independent contractor or consultant of such Seller, including, without limitation, hourly pay, commission, bonus, salary, accrued vacation, fringe, pension or profit sharing benefits or severance pay for any period relating to the service with any Seller at any time on or prior to the Closing Date, and each Seller shall pay all such amounts to all entitled persons consistent with normal business practices.

(c) Each Seller shall remain solely responsible for the satisfaction of all claims for medical, dental, life insurance, health accident or disability benefits brought by or in respect of current or former employees, officers, directors, independent contractors or consultants of such Seller or the spouses, dependents or beneficiaries thereof, which claims relate to events occurring on or prior to the Closing Date. Each Seller also shall remain solely responsible for all worker's compensation claims of any current or former employees, officers, directors, independent contractors or consultants of the Business which relate to events occurring on or prior to the Closing Date. Each Seller shall pay, or cause to be paid, all such amounts to the appropriate persons as and when due.

(d) Each employee of Sellers who becomes employed by Buyer in connection with the transactions contemplated by this Agreement shall be eligible to receive (i) the benefits maintained for employees of Buyer on substantially similar terms and conditions in the aggregate as are provided to similarly situated employees of Buyer; and (ii) from Buyer a salary comparable or greater than such employee's salary from such Seller as of the Closing.

(e) With respect to any Employee Benefit Plan maintained by Buyer or an Affiliate of Buyer for the benefit of Buyer's employees, effective as of the Closing, Buyer shall, or shall cause its Affiliate to, recognize all service of employees of Sellers hired by Buyer, as if such service was with Buyer, for vesting, eligibility and accrual purposes; *provided, however*, that such service shall not be recognized to the extent that (i) such recognition would result in a duplication of benefits, or (ii) such service was not recognized under the corresponding Employee Benefit Plan.

(f) Buyer and Sellers agree to utilize, or cause their respective Affiliates to utilize, the standard procedure set forth in Internal Revenue Service Procedure 2004-53 with respect to wage reporting.

(g) Buyer and Sellers will complete and furnish to each other such other employee data and other records and information as is reasonably required from time to time for each Party to perform and fulfill its obligations under this Section 5.04.

Section 5.05 Books and Records.

(a) In order to facilitate the resolution of any claims made against or incurred by the Seller Parties prior to the Closing, or for any other reasonable purpose, for a period of six (6) years after the Closing, Buyer shall:

(i) retain the books and records (including personnel files) relating to periods prior to the Closing in a manner reasonably consistent with the prior practices of Sellers; and

(ii) upon reasonable notice, afford Sellers' Representatives reasonable access (including the right to make, at such Sellers' expense, photocopies), during normal business hours, to such books and records.

(b) In order to facilitate the resolution of any claims made by or against or incurred by Buyer after the Closing, or for any other reasonable purpose, for a period of six (6) years following the Closing, the Seller Parties shall:

(i) retain the books and records (including personnel files) of Sellers which relate to the Business and its operations for periods prior to the Closing; and

(ii) upon reasonable notice, afford Buyer's Representatives reasonable access (including the right to make, at Buyer's expense, photocopies), during normal business hours, to such books and records.

(c) Neither Buyer nor any Seller shall be obligated to provide the other Party with access to any books or records (including personnel files) pursuant to this Section 5.05 where such access would violate any Law.

Section 5.06 Bulk Sales Laws. The Parties hereby waive compliance with the provisions of any bulk sales, bulk transfer or similar Laws of any jurisdiction that may otherwise be applicable with respect to the sale of any or all of the Acquired Assets to Buyer (other than any "bulk sale" or "bulk transfer" laws that address Taxes, which are governed by Article 7 and not this Section 5.06); it being understood that any Liabilities arising out of the failure of any Seller to comply with the requirements and provisions of any bulk sales, bulk transfer or similar Laws of any jurisdiction shall be Excluded Liabilities unless the same are expressly identified as Assumed Liabilities in Article 1 above.

Section 5.07 Receivables. From and after the Closing, if any Seller Party, or any of its Affiliates, receives or collects any funds (whether by check, wire transfer or otherwise) relating to any Accounts Receivable or any other Acquired Asset, such Seller or its Affiliate shall remit such funds to Buyer within ten (10) days after its receipt thereof. Without limiting the foregoing, the Seller Parties agree that any checks received by them after the Closing for any of the Closing Accounts Receivable shall be remitted to Buyer (either in the form received or endorsed over to Buyer for deposit) at the address set forth in Section 10.07 below by Federal Express (or other national overnight courier service) at Buyer's cost on a weekly (or more frequent) basis. The Seller Parties hereby authorize Buyer to endorse all checks (*i.e.*, pertaining to the payment of Closing Accounts Receivable) in the name of the applicable Seller entity for deposit into Buyer's account(s). In the event that Buyer is unable to endorse any such check or other payment for deposit into Buyer's account(s), the Seller Parties agree to do so upon request by Buyer. From and after the Closing, if Buyer or any of its Affiliates receives or collects any funds relating to any Excluded Asset, Buyer or its Affiliate shall remit any such funds to the applicable Seller within ten (10) days after its receipt thereof.

Section 5.08 Customers and Suppliers. From and after the Closing, each Seller Party shall, and shall cause each of its respective Affiliates to, use commercially reasonable efforts to direct any and all inquiries, requests, orders and other communications, whether written (including any faxes, e-mails, letters, notices and the like) or oral, from actual or prospective clients, customers, suppliers or licensors of the Business, or otherwise concerning the Business in any way, to Buyer. If requested by Buyer, Sellers' Stockholder shall, during the thirty (30) day period following the Closing Date, use his reasonable efforts, at Buyer's sole expense, to execute and deliver to each actual or prospective client, customer, supplier, or licensor, a letter or other communication, in form and substance reasonable to Sellers' Stockholder and Buyer, generally describing the transactions consummated pursuant to this Agreement and directing such Persons to deal exclusively with Buyer in connection with the Business. Buyer shall be responsible for preparing any such letter or other communication subject to approval by Sellers' Stockholder, which approval will not be unreasonably withheld, and shall assist Sellers' Stockholder in all actions that arise under this Section 5.08.

Section 5.09 Use of Name. Within ten (10) Business Days after the Closing Date, each Seller shall file appropriate documentation with the Secretary of State of the State of Delaware and of each other state in which such Seller is qualified to do business, changing the name of

such Seller to a name dissimilar to "Weil Pump Company," "Scot Pump Company," "Scot Marine" or "Karak Machine Corp.," and shall cease using the names "Weil," "Scot" or "Karak" in connection with any business activities.

Section 5.10 Maintenance of Corporate Existence.

(a) The Seller Parties shall cause each Seller to maintain its corporate existence and shall refrain from liquidating, terminating and filing any dissolution or similar documentation with the State of Delaware or any other jurisdiction in which such Seller is qualified to do business (and shall not otherwise allow the involuntary termination or dissolution of any Seller) during the five (5) year period after the Closing Date.

(b) To the extent the Disclosure Schedule hereto shows that one or more of Sellers is/are not duly registered to do business in State of Wisconsin, such Seller(s) shall have filed (or shall file as soon as reasonably possible after the Closing) appropriate applications for authority and shall obtain authority to do business in Wisconsin within thirty (30) days after the Closing retroactive to the date such authority should have been obtained.

Section 5.11 Supplementing Disclosure Schedule. From time to time prior to the Closing, Sellers shall have the right (and, in regards to any matter that constitutes a Material Adverse Effect, the obligation) to supplement or amend the Disclosure Schedule with respect to any matter hereafter arising or of which it becomes aware after the date hereof (each, a "**Schedule Supplement**"). Any disclosure in any such Schedule Supplement shall not be deemed to have cured any inaccuracy in or breach of any representation or warranty contained in this Agreement, including for purposes of the indemnification or termination rights contained in this Section 5.11; *provided, however*, if Sellers deliver a Schedule Supplement to Buyer as contemplated above, Buyer (a) shall have the right (the "**Schedule Supplement Termination Right**") to terminate this Agreement within five (5) Business Days of its receipt of such Schedule Supplement by delivery of written notice of such termination to Sellers or (b) may proceed with the closing of the transactions described herein subject to any claim for breach of representation and warranty that may arise by virtue of the matters disclosed in the applicable Schedule Supplement.

Section 5.12 Consents. Each Party shall, as promptly as possible, use its commercially reasonable efforts to obtain, or cause to be obtained, all consents, authorizations, orders and approvals from all third parties, including Governmental Authorities, that may be or become necessary for the consummation of the transactions contemplated in this Agreement. Each Party shall cooperate fully with the other Party or Parties in promptly seeking to obtain all such consents, authorizations, orders and approvals. No Party shall willfully take any action that will have the effect of delaying, impairing or impeding the receipt of any required consents, authorizations, orders and approvals. Notwithstanding any other provision of this Agreement, no Seller Party shall be obligated to pay any consideration to any third party from whom consent or approval is requested.

Section 5.13 Insurance. Each Seller will continue to be covered for a period of not less than five (5) years after the Closing by insurance in scope and amount customary and reasonable for the business in which it has engaged prior to the Closing.

Section 5.14 Leases. Each Lease will be terminated as of the Closing Date, and at all times prior to the Closing Date each Lease will not be amended and will remain in full force and effect. No Seller shall sublease any portion of the Leased Real Property.

Section 5.15 Access to Information. From the date hereof until the Closing, Sellers shall (a) afford Buyer and its Representatives reasonable access to and the right to inspect all of the properties, assets, premises, books and records, contracts and other documents and data related to the Business; (b) furnish Buyer and its Representatives with such financial, operating and other data and information related to the Business as Buyer or any of its Representatives may reasonably request; and (c) instruct the Representatives of Sellers to cooperate with Buyer in regard to its preparations for the Closing. Any activities of Buyer pursuant to this Section 5.15 shall be conducted in such manner as not to interfere unreasonably with the conduct of the Business. No information received by Buyer shall operate as a waiver or otherwise affect any representation, warranty or agreement given or made by the Seller Parties in this Agreement.

Section 5.16 No Solicitation of Other Bids. The Seller Parties shall not, and shall not authorize or permit any of their Affiliates or any of their Representatives to, directly or indirectly, (i) encourage, solicit, initiate, facilitate or continue inquiries regarding an Acquisition Proposal; (ii) enter into discussions or negotiations with, or provide any information to, any Person concerning a possible Acquisition Proposal; or (iii) enter into any agreements or other instruments (whether or not binding) regarding an Acquisition Proposal. For purposes hereof, "**Acquisition Proposal**" means any inquiry, proposal or offer from any Person (other than Buyer or any of its Affiliates) relating to the direct or indirect disposition, whether by sale, merger or otherwise, of all or any portion of the Business, the Acquired Assets, or any capital stock or other voting securities of any Seller.

Section 5.17 Notice of Certain Events.

(a) From the date hereof until the Closing, the Seller Parties shall promptly notify Buyer in writing of:

(i) any fact, circumstance, event or action the existence, occurrence or taking of which (A) has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (B) has resulted in, or could reasonably be expected to result in, any representation or warranty made by any Seller Party hereunder not being true and correct or (C) has resulted in, or could reasonably be expected to result in, the failure of any of the conditions set forth in Section 6.01 to be satisfied;

(ii) 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 contemplated by this Agreement;

(iii) any notice or other communication from any Governmental Authority in connection with the transactions contemplated by this Agreement; and

(iv) any actions commenced or, to Sellers' Knowledge, threatened against, relating to or involving or otherwise affecting the Business, the Acquired Assets or the Assumed Liabilities that, if pending on the date of this Agreement, would have

been required to have been disclosed pursuant to Section 3.20 of the Disclosure Schedule or that relates to the consummation of the transactions contemplated by this Agreement.

(b) Buyer's receipt of information pursuant to this Section 5.17 shall not operate as a waiver or otherwise affect any representation, warranty or agreement given or made by any Seller Party in this Agreement (including Section 8.02 and Section 9.01(b)) and shall not be deemed to amend or supplement the Disclosure Schedule.

Section 5.18 Operation of Business. From the date of this Agreement through the Closing, no Seller Party shall engage in any practice, take any action, or enter into any transaction outside the Ordinary Course of Business (including with respect to the Inventory of Sellers). Without limiting the generality of the foregoing, no Seller Party will, except as set forth in this Agreement, engage in any practice, take any action, or enter into any transaction of the sort described in Section 3.08 above.

Section 5.19 Preservation of Business. Between the date hereof and the Closing, each Seller shall keep its business and properties substantially intact, including its present operations, physical facilities, working conditions, insurance policies, and relationships with lessors, licensors, suppliers, customers, and employees.

## ARTICLE 6

## CONDITIONS TO OBLIGATION TO CLOSE

Section 6.01 Conditions to Buyer's Obligation. Buyer's obligation to consummate the transactions to be performed by it in connection with the Closing is subject to satisfaction of the following conditions:

(a) the representations and warranties set forth in Article 3 above shall be true and correct in all respects at and as of the Closing;

(b) the Seller Parties shall have performed and complied with all of their covenants hereunder in all respects through the Closing;

(c) the Seller Parties shall have given all of the notices and procured all of the third-party consents specified in Section 3.03 of the Disclosure Schedule unless waived by Buyer;

(d) no action, suit or proceeding shall be pending or threatened before (or that could come before) any court or quasi-judicial or administrative agency of any federal, state, local or non-U.S. jurisdiction wherein an unfavorable injunction, judgment, order, decree, ruling or charge would (i) prevent consummation of any of the transactions contemplated by this Agreement, (ii) cause any of the transactions contemplated by this Agreement to be rescinded following consummation, (iii) cause Adverse Consequences of Three Hundred Seventy-Five Thousand Dollars ($375,000) or more, or (iv) cause a Material Adverse Effect (and no such injunction, judgment, order, decree, ruling or charge shall be in effect); *provided, however*, the Parties agree that, for purposes of this Section 6.01(d), the asbestos litigation matters referred to

in the Disclosure Schedule (none of which, to Sellers' Knowledge, has resulted in a judgment or other adverse ruling against any of Sellers) shall be disregarded;

(e) From the date of this Agreement, there shall not have occurred any Material Adverse Effect, nor shall any event or events have occurred that, individually or in the aggregate, with or without the lapse of time, could reasonably be expected to result in a Material Adverse Effect;

(f) the Seller Parties shall have delivered to Buyer a certificate to the effect that each of the conditions specified in clauses (a) through (e) of this Section 6.01 are satisfied in all respects;

(g) the Seller Parties shall have delivered to Buyer evidence, reasonably satisfactory to Buyer, of the termination of each Lease effective as of the Closing;

(h) each Seller shall have delivered to Buyer a non-foreign affidavit dated as of the Closing Date, sworn under penalty of perjury and in form and substance required under Treasury Regulations issued pursuant to Code § 1445, stating that such Seller Party is not a "foreign person" as defined in Code § 1445;

(i) the Seller Parties shall have delivered to Buyer copies of the certificate of incorporation of such Seller certified on or soon before the Closing Date by the Secretary of State of the jurisdiction of each such Person's incorporation;

(j) the Seller Parties shall have delivered to Buyer copies of the certificates of good standing of such Seller issued on or soon before the Closing Date by the Secretary of State of the jurisdiction of each such Person's incorporation and of each jurisdiction in which each such Person is qualified to do business;

(k) the Seller Parties shall have delivered to Buyer a certificate of the secretary or an assistant secretary of such Seller, dated the Closing Date, in form and substance reasonably satisfactory to Buyer, certifying: (i) that there have been no amendments to the certificate of incorporation of such Seller since the date specified in Section 6.01(i) above; (ii) the bylaws of such Seller; (iii) the resolutions of the board of directors and stockholders of such Seller authorizing the execution, delivery and performance of this Agreement and the transactions contemplated hereby; and (iv) the incumbency and signatures of the officers of such Seller executing this Agreement or any other agreement contemplated hereby;

(l) each Seller shall have delivered to Buyer a Bill of Sale, duly executed by such Seller and dated as of the Closing Date;

(m) each Seller shall have delivered to Buyer a counterpart of the Assignment and Assumption Agreement, duly executed by such Seller and dated as of the Closing Date;

(n) the Seller Parties shall have delivered to Buyer the titles for all titled vehicles, trailers and other equipment included in the Acquired Assets, duly endorsed for transfer to Buyer;

(o) the Seller Parties shall have delivered to Buyer counterparts, duly executed by each party thereto other than Buyer, of each of the Post-Closing Leases;

(p) the Seller Parties shall have delivered to Buyer counterparts, duly executed by each Seller Party and the Escrow Agent, of the Escrow Agreement;

(q) Sellers' Stockholder shall have delivered to Buyer, in form and substance reasonably satisfactory to Buyer, certificates (i) from each of Jonathan Bratt (Sellers' Stockholder's son) and Linda Johnson (Sellers' Stockholder's daughter) confirming, among other things, that they do not own or hold, or have any other right to acquire, any equity interests of any class in any Seller, and that they do not object to the transactions contemplated herein, (ii) from William Bratt (Sellers' Stockholder's son) confirming, among other things, that he is not a member of the board of directors of any of Sellers, does not own or hold, or have any other right to acquire, any equity interests of any class in any Seller, and that he does not object to the transactions contemplated herein, and (iii) from Sellers' Stockholder's wife, Joanne Bratt, confirming, among other things, that she does not own or hold, or have any other right to acquire, any equity interests of any class in any Seller, and consenting to the transactions contemplated by this Agreement;

(r) each Seller shall have delivered to Buyer such instruments of sale, transfer, conveyance and assignment, in form and substance reasonably satisfactory to Buyer and, if necessary or appropriate, for filing with the proper authorities, concerning the transfer and sale of the Acquired Assets owned by such Seller to Buyer, in each case duly executed by such Sellers;

(s) Sellers shall have obtained all consents, authorizations and approvals of any kind from any third party or Governmental Authority that are required in connection with the consummation of the transactions contemplated herein;

(t) the Seller Parties shall have inactivated all Seller's permits in the State of Wisconsin immediately prior to the Closing;

(u) the Seller Parties shall have delivered a non-password protected electronic copy of all data bases containing financial books, records and information of Sellers, as of the Closing Date, heretofore maintained in conjunction with the Sage 50/Peachtree software; and

(v) if Sellers delivered a Schedule Supplement to Buyer pursuant to Section 5.11 hereof, Buyer must not have elected to timely exercise its Schedule Supplement Termination Right.

Buyer may waive any condition specified in this Section 6.01 if it executes a writing so stating at or prior to the Closing.

Section 6.02 Conditions to Sellers' Obligation. The Seller Parties' obligation to consummate the transactions to be performed by them in connection with the Closing is subject to satisfaction of the following conditions:

(a) the representations and warranties set forth in Article 4 above shall be true and correct in all respects at and as of the Closing Date;

(b) Buyer shall have performed and complied with all of its covenants hereunder in all respects through the Closing;

(c) no action, suit or proceeding shall be pending before any Governmental Authority wherein an unfavorable injunction, judgment, order, decree, ruling or charge would (A) prevent consummation of any of the transactions contemplated by this Agreement or (B) cause any of the transactions contemplated by this Agreement to be rescinded following consummation (and no such injunction, judgment, order, decree, ruling or charge shall be in effect);

(d) Buyer shall have delivered to the Seller Parties a certificate to the effect that each of the conditions specified above in clauses (a) through (c) of this Section 6.02 is satisfied in all respects;

(e) all actions to be taken by Buyer in connection with consummation of the transactions contemplated hereby and all certificates, instruments and other documents required to effect the transactions contemplated hereby will be reasonably satisfactory in form and substance to the Seller Parties;

(f) Buyer shall have delivered to the Seller Parties a counterpart of an Assignment and Assumption Agreement, duly executed by Buyer and dated as of the Closing Date;

(g) Buyer shall have delivered to the Seller Parties counterparts, duly executed by Buyer, of each of the Post-Closing Leases;

(h) Buyer shall have delivered to the Seller Parties a counterpart, duly executed by Buyer, of the Escrow Agreement;

(i) Buyer shall have delivered to Sellers copies of the certificate of formation of Buyer certified on or soon before the Closing Date by the Secretary of State of Delaware;

(j) Buyer shall have delivered to Sellers copies of the certificates of good standing of Buyer issued on or soon before the Closing Date by the Secretary of State of Delaware and of each jurisdiction in which Buyer is qualified to do business;

(k) Buyer shall have delivered to Sellers a certificate of the secretary or an assistant secretary of Buyer, dated the Closing Date, in form and substance reasonably satisfactory to Sellers, certifying: (i) that there have been no amendments to the certificate of formation of Buyer since the date specified in Section 6.02(i) above; (ii) that there have been no changes to the operating agreement of Buyer; (iii) the resolutions of the board of directors (or

other managing body) and members of Buyer authorizing the execution, delivery and performance of this Agreement and the transactions contemplated hereby; and (iv) the incumbency and signatures of the officers of Buyer executing this Agreement or any other agreement contemplated hereby;

(l) Buyer shall have obtained all consents, authorizations and approvals of any kind from any third party or Governmental Authority that are required in connection with the consummation of the transactions contemplated herein; and

(m) To the extent reasonably requested by the Seller Parties, Buyer shall have delivered to the Seller Parties counterparts of each instrument of sale, transfer, conveyance and assignment, concerning the transfer and sale to Buyer of the Acquired Assets owned by, and the assumption by Buyer of the Assumed Liabilities of, such Seller, in each case duly executed by Buyer.

The Seller Parties, acting unanimously, may waive any condition specified in this Section 6.02 if they execute a writing so stating at or prior to the Closing.

## ARTICLE 7

## TAX MATTERS

Section 7.01 Transfer Taxes and Fees. All transfer, documentary, sales, use, stamp, registration, value added and other such Taxes and fees (including penalties and interest) imposed on Buyer or any Seller in connection with this Agreement and the transactions contemplated herein ("**Transfer Taxes**") shall be shared equally (*i.e.*, fifty percent (50%) each) between Buyer and the respective Seller and shall be paid by such Seller when due, and such Seller, at its own expense, will prepare or cause to be prepared and cause to be timely filed all necessary Tax Returns and other documentation with respect to such Transfer Taxes. Buyer and each Seller Party shall use reasonable commercial efforts to obtain all necessary exemptions from, and take all such other action as may be required under applicable law, to claim all necessary exemptions from, such Transfer Taxes. Buyer will promptly reimburse Sellers for Buyer's fifty percent (50%) share of such Transfer Taxes upon written request supported by evidence of Sellers payment of same.

Section 7.02 Cooperation; Audits. In connection with the preparation and/or filing of Tax Returns of any Party hereto or its agents, audit examinations and any other proceeding relating to Taxes, Buyer and the Seller Parties shall cooperate fully with each other, including the furnishing or making available during normal business hours of records, personnel (as reasonably required), books of account, powers of attorney or other materials necessary or helpful for the preparation and/or filing of such Tax Returns, the conduct of audit examinations or the defense of Tax claims regarding the imposition of Taxes.

Section 7.03 Wisconsin Tax Clearance Certificate. Buyer and the Seller Parties hereby agree that, within five (5) Business Days after the Closing Date, Buyer shall submit a written request to the Wisconsin Department of Revenue for a tax clearance certificate with respect to each such Seller's Wisconsin sales and use tax liability. The Parties shall cooperate with each

other with respect to obtaining the tax clearance certificate, and in connection therewith, the Seller Parties agree to promptly and timely file all required Wisconsin sales and use tax returns for all periods prior to and including the Closing Date. Each Seller expressly agrees that, notwithstanding anything to the contrary in this Agreement, it will be responsible for all Wisconsin sales and use taxes assessed by the Wisconsin Department of Revenue (including with respect to any sales and use tax notice issued by the Wisconsin Department of Revenue) in connection with the issuance of a tax clearance certificate.

## ARTICLE 8

## INDEMNIFICATION

Section 8.01 Survival. Subject to the limitations and other provisions of this Agreement, the representations and warranties contained herein shall survive the Closing and continue in full force and effect for a period of eighteen (18) months thereafter; *provided, however*, that (i) the representations and warranties set forth in Section 3.01, Section 3.02, Section 3.04, Section 3.05(a), Section 4.01, Section 4.02 and Section 4.04 hereof (collectively, the "**Fundamental Representations and Warranties**") shall survive the Closing and continue in full force and effect indefinitely and (ii) the representations and warranties set forth in Section 3.11, Section 3.22, Section 3.24 and Section 3.26 (the "**Extended Representations and Warranties**") shall survive the Closing and continue in full force and effect until the expiration of any applicable statutes of limitations (after giving effect to any extensions or waivers) plus thirty (30) days. All covenants and agreements of the Parties contained herein shall survive the Closing indefinitely or for the period explicitly specified therein. Notwithstanding the foregoing, to the extent any claims are asserted in good faith with reasonable specificity (to the extent known at such time) and in writing by notice from the non-breaching party to the breaching party prior to the expiration date of the applicable survival period, such claims (a) shall not thereafter be barred by the expiration of the relevant representation or warranty and (b) shall survive until finally resolved.

Section 8.02 Indemnification by the Seller Parties. The Seller Parties shall, jointly and severally, indemnify Buyer and its Affiliates and their respective Representatives (collectively, the "**Buyer Indemnitees**") from and against the entirety of any Adverse Consequences any Buyer Indemnitee may suffer resulting from, arising out of, relating to, in the nature of or caused by:

(a) any inaccuracy in or breach of any of the representations or warranties of any Seller Party contained in this Agreement or in any certificate or instrument delivered by or on behalf of any Seller Party pursuant hereto;

(b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by any Seller Party pursuant to this Agreement or any certificate or instrument delivered by or on behalf of any Seller Party pursuant to this Agreement;

(c) any Excluded Liability or any other Liability of Sellers that is not an Assumed Liability;

(d) any Liability of the Seller Parties or their Affiliates from the pre-Closing condition of the Leased Real Property, including any Liability relating to any Releases or non-compliance with any Environmental, Health and Safety Requirements;

(e) any Liability of any Seller for unpaid Taxes with respect to any Tax year or portion thereof ending before the Closing Date (or for any Tax year beginning before and ending on or after the Closing Date to the extent allocable to the portion of such period beginning before and ending on the day prior to the Closing Date); or

(f) Any of the unresolved claims and litigation set forth on Section 3.20 of the Disclosure Schedule.

Section 8.03 Indemnification by Buyer. Buyer shall indemnify the Seller Parties and their Affiliates and their respective Representatives (collectively, the "**Seller Indemnitees**") from and against the entirety of any Adverse Consequences any Seller Indemnitee may suffer resulting from, arising out of, relating to, in the nature of or caused by:

(a) any inaccuracy in or breach of any of the representations or warranties of Buyer contained in this Agreement or in any certificate or instrument delivered by or on behalf of Buyer pursuant hereto;

(b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by Buyer pursuant to this Agreement or any certificate or instrument delivered by or on behalf of Buyer pursuant to this Agreement;

(c) any Assumed Liability; or

(d) the business, operations, properties, assets or obligations of Buyer relating to the Business as conducted by Buyer on and after to the Closing Date.

Section 8.04 Certain Limitations. The indemnification provided for in this Article 8 shall be subject to the following limitations:

(a) The Seller Parties shall not be liable to the Buyer Indemnitees for indemnification under Section 8.02(a) hereof until the aggregate amount of all Adverse Consequences in respect of indemnification under Section 8.02(a) exceeds Four Hundred Fifty Thousand Dollars ($450,000) (the "**Basket**"), in which event the Seller Parties shall be required to pay or be liable for such Adverse Consequences only to the extent that such payments or liabilities exceed the amount of the Basket; *provided, however*, that the Basket shall not apply to any inaccuracy in or breach of any Fundamental Representation and Warranty, any Extended Representation and Warranty, or any Special Limitation Representation and Warranty by any of the Seller Parties. Notwithstanding any other provision of this Agreement, the aggregate amount of all Adverse Consequences for which the Seller Parties shall be liable pursuant to Section 8.02(a) shall not exceed (i) [redacted] ($[redacted]) with respect to indemnification claims asserted during the period beginning on the Closing Date and ending on the date which is eighteen (18) months after the Closing Date and (ii) [redacted] ($[redacted]) with respect to indemnification claims asserted after the date that is eighteen (18) months after the Closing Date (in each case, the "**Cap**"); *provided, however,* that the Cap shall

not apply to any inaccuracy in or breach of any Fundamental Representation and Warranty by Buyer.

(b) The Seller Parties shall not be liable to the Buyer Indemnitees for indemnification under Section 8.02(a) with respect to any breach of the representations and warranties set forth in Section 3.15(a) arising from an overstatement of the aggregate quantity of the Closing Inventory unless such Closing Inventory (calculated using cost of production or purchasing as shown on Section 3.15(a) of the Disclosure Schedule) is overstated by at least ten percent (10%) as compared against the Target Inventory Amount. The amount of the Closing Inventory shall be subject to verification by Buyer by conducting a physical inventory count within five (5) Business Days after the Closing.

(c) The Seller Parties shall not be liable to the Buyer Indemnitees for indemnification under Section 8.02(a) with respect to any breach of the representations and warranties set forth in Section 3.17(a) hereof unless the amount of all Adverse Consequences of such breach exceeds Twenty-Five Thousand Dollars ($25,000), in which event the Seller Parties shall be required to pay or be liable for such Adverse Consequences that exceed Twenty-Five Thousand Dollars ($25,000); *provided, however*, that this amount shall be the sole deductible applicable to claims for breach of the representations and warranties set forth in Section 3.17(a), it being understood that the Basket shall not apply to such claims.

(d) Buyer shall not be liable to the Seller Indemnitees for indemnification under Section 8.03(a) until the aggregate amount of all Adverse Consequences in respect of indemnification under Section 8.03(a) exceeds the Basket, in which event Buyer shall be required to pay or be liable for such Adverse Consequences only to the extent that such payments or liabilities exceed the amount of the Basket; *provided, however*, that the Basket shall not apply to any inaccuracy in or breach of any Fundamental Representation and Warranty by Buyer. The aggregate amount of all Adverse Consequences for which Buyer shall be liable pursuant to Section 8.03(a) shall not exceed the Cap.

(e) For the purpose of determining the amount of Adverse Consequences (and not for determining whether any breach of any representation and warranty has occurred), the representations and warranties of each Seller shall not be deemed to be qualified by any references to materiality or to Material Adverse Effect.

(f) Notwithstanding the foregoing, the limitations set forth in this Section 8.04 shall not apply to Adverse Consequences based upon, arising out of, with respect to or by reason of fraud or intentional misrepresentation.

(g) Payments by an Indemnifying Party pursuant to Section 8.02 or Section 8.03 in respect of any Adverse Consequence shall be limited to the amount of any liability or damage that remains after deducting therefrom any insurance proceeds and any indemnity, contribution or other similar payment actually received by the Indemnified Party in respect of any such claim *provided* that such proceeds shall be deemed reduced to reflect all costs and expenses incurred in recovering such proceeds, and any increased premiums related thereto. Any Indemnified Party shall use its commercially reasonable efforts to recover under insurance policies or indemnity, contribution or other similar agreements for any Adverse

Consequences simultaneously with or prior to seeking indemnification under this Agreement; *provided, however*, that the failure of an Indemnified Party to do so shall not be a defense to an Indemnifying Party's obligations hereunder unless the Indemnified Party fails or refuses to make a claim under a valid insurance policy or indemnity, contribution or other similar agreements that provides coverage for same after a written demand from the Indemnifying Party to do so (nor shall the denial of any such coverage or indemnification following the making of a claim provide a defense to the Indemnifying Party hereunder).

(h) Payments by an Indemnifying Party pursuant to Section 8.02 or Section 8.03 in respect of any Adverse Consequences shall be reduced by an amount equal to a Tax benefit actually realized as a result of such Adverse Consequences to the Indemnified Party. For purposes of this Section 8.04(h), an Indemnified Party is deemed to actually realize a Tax benefit with respect to a taxable year if, and to the extent that, the Indemnified Party's liability for Taxes for such taxable year, calculated by excluding any Tax items attributable to the Adverse Consequences for such taxable year, exceeds the Indemnified Party's liability for such taxable year, calculated by taking into account any Tax items attributable to the Adverse Consequences for such taxable year (to the extent permitted by relevant Tax law and treating such Tax items as the last items taken into account for such taxable year).

(i) In no event shall any Indemnifying Party be liable to any indemnified Party for any punitive, incidental, consequential, special or indirect damages, including loss of future revenue or income, loss of business reputation or opportunity relating to the breach or alleged breach of this Agreement, or diminution of value or any damages based on any type of multiple except to the extent (a) the value of the Business of one or more of Sellers has been diminished as a direct or reasonably foreseeable result of such breach or (b) such damages were actually paid to or the subject of a final judgment or other legally binding determination in favor of a third party in respect of any matter for which the Indemnifying Party owes a duty of indemnification hereunder.

(j) Each Indemnified Party shall use commercially reasonable efforts to mitigate any Adverse Consequences upon becoming aware of any event or circumstance that would be reasonably expected to, or does, give rise thereto, including incurring costs only to the minimum extent necessary to remedy the breach that gives rise to such Adverse Consequences; *provided, however*, that (A) unless an Indemnified Party willfully refuses to use commercially reasonable efforts to attempt to mitigate Adverse Consequences after written notice from the Indemnifying Party, no such failure shall give rise to a defense by the Indemnifying Party in regards to such Party's indemnification obligations hereunder and (B) under no circumstances shall an Indemnified Party be required to pursue litigation or incur any material out-of-pocket expenses as part of its efforts at mitigation of Adverse Consequences.

Section 8.05 Procedures for Third Party Claims.

(a) If any third party notifies any Party (the "**Indemnified Party**") with respect to any matter (a "**Third-Party Claim**") that may give rise to a claim for indemnification against any other Party (the "**Indemnifying Party**") under this Agreement, then the Indemnified Party shall promptly notify each Indemnifying Party thereof in writing; *provided, however*, that no delay on the part of the Indemnified Party in notifying any Indemnifying Party shall relieve

the Indemnifying Party from any obligation hereunder unless (and then solely to the extent) the Indemnifying Party is thereby prejudiced. Such notice by the Indemnified Party shall describe the Third Party Claim in reasonable detail (and to the extent permitted by Law or legal process the Indemnified Party shall make available upon request copies of all material, non-privileged written evidence thereof) and shall indicate the estimated amount, if reasonably practicable, of the Adverse Consequences that have been or may be sustained by the Indemnified Party.

(b) Any Indemnifying Party shall have the right to defend the Indemnified Party against the Third-Party Claim with counsel of its choice reasonably satisfactory to the Indemnified Party so long as (i) the Indemnifying Party notifies the Indemnified Party in writing within fifteen (15) days after the Indemnified Party has given notice of the Third-Party Claim that the Indemnifying Party shall indemnify the Indemnified Party to the extent provided in this Agreement from and against any Adverse Consequences the Indemnified Party may suffer resulting from, arising out of, relating to, in the nature of or caused by the Third-Party Claim to the extent provided in this Agreement, (ii) the Third-Party Claim involves only money damages and does not seek an injunction or other equitable relief against the Indemnified Party and (iii) the Indemnifying Party conducts the defense of the Third Party Claim in a diligent manner. The Indemnifying Party shall have the right to take such action as it deems necessary in its reasonable judgment to avoid, dispute, defend, appeal or make counterclaims pertaining to any such Third Party Claim in the name and on behalf of the Indemnified Party. Sellers and Buyer shall cooperate with each other in all reasonable respects in connection with the defense of any Third Party Claim, including furnishing (subject to the provisions of Section 5.02) records relating to such Third Party Claim and making available, without expense (other than reimbursement of actual reasonable out-of-pocket expenses) to the defending party, management employees of the non-defending party as may be reasonably necessary for the preparation of the defense of such Third Party Claim.

(c) So long as the Indemnifying Party is conducting the defense of the Third-Party Claim in accordance with Section 8.05(b) above, (i) the Indemnified Party may retain separate co-counsel at its sole cost and expense and participate in the defense of the Third-Party Claim, (ii) the Indemnified Party shall not consent to the entry of any judgment on or (subject to the terms of Section 8.05(e) below) enter into any settlement with respect to the Third-Party Claim without the prior written consent of the Indemnifying Party (such consent not to be unreasonably withheld or delayed), and (iii) the Indemnifying Party shall not consent to the entry of any judgment with respect to the Third-Party Claim without the prior written consent of the Indemnified Party (such consent not to be unreasonably withheld).

(d) In the event any of the conditions in Section 8.05(b)(i) through (iii) above is or becomes unsatisfied, however, (i) the Indemnified Party may defend against, and consent to the entry of any judgment on or enter into any settlement with respect to, the Third-Party Claim in any manner it may reasonably deem appropriate (and the Indemnified Party need not consult with, or obtain any consent from, any Indemnifying Party in connection therewith), (ii) the Indemnifying Parties shall reimburse the Indemnified Party promptly and periodically for the reasonable costs of defending against the Third-Party Claim (including reasonable attorneys' fees and expenses), and (iii) the Indemnifying Parties shall remain responsible for any Adverse Consequences the Indemnified Party may suffer resulting from, arising out of, relating to, in the nature of or caused by the Third-Party Claim to the fullest extent provided in this Article 8.

(e) Notwithstanding any other provision of this Agreement, the Indemnifying Party shall not enter into settlement of any Third Party Claim without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld, delayed or conditioned), except as provided in this Section 8.05(e). If a firm offer is made to settle a Third Party Claim without leading to liability or the creation of a financial or other obligation on the part of the Indemnified Party and provides, in customary form, for the unconditional release of each Indemnified Party from all liabilities and obligations in connection with such Third Party Claim and the Indemnifying Party desires to accept and agree to such offer, the Indemnifying Party shall give written notice of such situation to the Indemnified Party. If the Indemnified Party fails to consent to such firm offer within ten (10) days after its receipt of such notice, the Indemnified Party may continue to contest or defend such Third Party Claim and in such event, the maximum liability of the Indemnifying Party as to such Third Party Claim shall not exceed the amount of such settlement offer. If the Indemnified Party fails to consent to such firm offer and also fails to assume defense of such Third Party Claim, the Indemnifying Party may settle the Third Party Claim upon the terms set forth in such firm offer to settle such Third Party Claim. If the Indemnified Party has assumed the defense of a claim hereunder, it shall not agree to any settlement without the written consent of all Indemnifying Parties (which consent shall not be unreasonably withheld, delayed or conditioned).

Section 8.06 Procedures for Direct Claims. Any claim for indemnification which is not a Third-Party Claim (a "**Direct Claim**") shall be asserted by an Indemnified Party promptly notifying each Indemnifying Party thereof in writing; *provided, however*, that no delay on the part of the Indemnified Party in notifying any Indemnifying Party shall relieve the Indemnifying Party from any obligation hereunder unless (and then solely to the extent) the Indemnifying Party is thereby prejudiced. Such notice by the Indemnified Party shall describe the Direct Claim in reasonable detail (and to the extent permitted by Law or legal process the Indemnified Party shall make available upon request copies of all material, non-privileged written evidence thereof) and shall indicate the estimated amount, if reasonably practicable, of the Adverse Consequences that have been or may be sustained by the Indemnified Party. The Indemnifying Party shall have thirty (30) days after its receipt of such notice to respond in writing to such Direct Claim. The Indemnified Party shall allow the Indemnifying Party and its Representatives to investigate the matter or circumstance alleged to give rise to the Direct Claim, and whether and to what extent any amount is payable in respect of the Direct Claim, and the Indemnified Party shall assist the Indemnifying Party's investigation by giving such information and assistance (including access to the Indemnified Party's premises and personnel and the right to examine and copy any accounts, documents or records) as the Indemnifying Party or any of its Representatives may reasonably request. If the Indemnifying Party does not so respond within such thirty (30) day period, the Indemnifying Party shall be deemed to have rejected such claim, in which case the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party on the terms and subject to the provisions of this Agreement.

Section 8.07 Payments. Once the amount of Adverse Consequences to which an Indemnified Party is entitled to indemnification for from the Indemnifying Party is agreed to by the Indemnifying Party or finally adjudicated to be payable pursuant to this Article 8, the Indemnifying Party shall satisfy its obligations within ten (10) Business Days of such final, non-appealable adjudication by wire transfer of immediately available funds. Any such obligations of a Seller Party shall be satisfied as follows:

(a) first, pursuant to the terms of the Escrow Agreement, from the Escrow Account; and

(b) then jointly and severally by the Seller Parties.

Section 8.08 Treatment of Indemnification Payments. All indemnification payments made under this Agreement shall be treated by the Parties as an adjustment to the Purchase Price for all purposes, including Tax purposes, unless otherwise required by Law.

Section 8.09 Effect of Investigation. The representations, warranties and covenants of the Indemnifying Party, and the Indemnified Party's right to indemnification with respect thereto, shall not be affected or deemed waived by reason of any investigation made by or on behalf of the Indemnified Party (including by any of its Representatives) or by reason of the fact that the Indemnified Party or any of its Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate or by reason of the Indemnified Party's waiver of any condition set forth in Section 6.01 or Section 6.02, as the case may be.

Section 8.10 Exclusive Remedy. Subject to Section 8.04, the Parties acknowledge and agree that their sole and exclusive remedy with respect to any and all claims (other than claims arising from fraud or intentional misrepresentation on the part of a Party hereto in connection with the transactions contemplated by this Agreement) for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement, shall be pursuant to the indemnification provisions set forth in this Article 8; *provided, however*, nothing in this Section 8.10 shall limit any Person's right to seek and obtain any equitable relief to which any Person shall be entitled hereunder.

Section 8.11 Disbursements from Escrow Account.

(a) Pursuant to the Escrow Agreement, if, on the 18-month anniversary of the Closing Date, there are funds remaining in the Escrow Account, then Sellers shall be entitled to receive [redacted] ($[redacted]) out of the funds remaining in the Escrow Account, *less* (i) any portion of the Escrow Amount that has been paid out pursuant to a Buyer indemnification claim and (ii) any portion of the Escrow Amount that is subject to an unresolved indemnification claim asserted by Buyer on or prior to the 18-month anniversary hereof, subject in all instances to the provisions set forth in Section 8.11(c).

(b) Pursuant to the Escrow Agreement, if, upon thirty (30) days after the expiration of the statutes of limitations applicable to the income Tax Returns of each Seller to be filed for all periods through December 31, 2016 (the "**Escrow Termination Date**"), there are funds remaining in the Escrow Account, then Sellers shall be entitled to receive all of the funds remaining in the Escrow Account (less any portion of the Escrow Amount that is subject to an unresolved indemnification claim asserted by Buyer on or prior to the Escrow Termination Date), subject to the provisions set forth in Section 8.11(c). On or after the Escrow Termination Date (but prior to requesting the release of the remaining funds in the Escrow Account), the Seller Parties shall deliver to Buyer (i) a certificate, in form and substance reasonably satisfactory to Buyer, confirming the expiration of the statutes of limitations applicable to the

income Tax Returns of each Seller to be filed for all periods through December 31, 2016 and (ii) any back-up documentation reasonably requested by Buyer evidencing same.

(c) If Sellers shall be entitled to receive any portion of the funds remaining in the Escrow Account pursuant to Section 8.11, then (i) Buyer and Sellers' Stockholder shall provide a joint written instruction to the Escrow Agent to deliver such funds, by wire transfer of immediately available funds to accounts and in the amounts designated in writing by Sellers' Stockholder (on behalf of Sellers) in accordance with the other provisions of Section 8.11 and the Escrow Agreement or (ii) Sellers shall be required to provide a notice to the Escrow Agent and Buyer attaching a certified copy of a final, non-appealable order of a court of competent jurisdiction awarding such amount to Sellers.

## ARTICLE 9

## TERMINATION

Section 9.01 Termination. This Agreement may be terminated at any time prior to the Closing:

(a) by the mutual written consent of the Seller Parties and Buyer;

(b) by Buyer by written notice to the Seller Parties if:

(i) Buyer is not then in material breach of any provision of this Agreement and there has been a breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by any Seller Party pursuant to this Agreement that would give rise to the failure of any of the conditions specified in Article 6 and such breach, inaccuracy or failure has not been cured by such Seller Party within ten (10) Business Days of such Seller Party's receipt of written notice of such breach from Buyer;

(ii) any of the conditions set forth in Section 6.01 shall not have been, or if it becomes apparent that any of such conditions will not be, fulfilled by March 10, 2017, unless such failure shall be due to the failure of Buyer to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it prior to the Closing; or

(iii) Buyer is not reasonably satisfied with the results of its continuing business, legal, and accounting due diligence regarding Sellers;

(c) by the Seller Parties by written notice to Buyer if:

(i) the Seller Parties are not then in material breach of any provision of this Agreement and there has been a breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by Buyer pursuant to this Agreement that would give rise to the failure of any of the conditions specified in Article 6 and such breach, inaccuracy or failure has not been cured by Buyer within ten (10)

Business Days of Buyer's receipt of written notice of such breach from the Seller Parties; or

(ii) any of the conditions set forth in Section 6.02 shall not have been, or if it becomes apparent that any of such conditions will not be, fulfilled by March 10, 2017, unless such failure shall be due to the failure of the Seller Parties to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it prior to the Closing; or

(d) by Buyer or the Seller Parties in the event that (i) there shall be any Law that makes consummation of the transactions contemplated by this Agreement illegal or otherwise prohibited or (ii) any Governmental Authority shall have issued an order restraining or enjoining the transactions contemplated by this Agreement, and such order shall have become final and non-appealable.

Section 9.02 Effect of Termination. In the event of the termination of this Agreement in accordance with this Article, this Agreement shall forthwith become void and there shall be no liability on the part of any Party hereto except:

(a) as set forth in this Article 9 and Section 5.02 and Article 10 hereof; and;

(b) that nothing herein shall relieve any Party hereto from liability for any willful breach of any provision hereof.

## ARTICLE 10

## MISCELLANEOUS

Section 10.01 Press Releases and Public Announcements. No Seller Party shall issue any press release or make any public announcement relating to the subject matter of this Agreement without the prior written approval of Buyer; *provided, however*, that any Party may make any public disclosure it believes in good faith is required by applicable Law (in which case the disclosing Party will use its reasonable best efforts to advise the other Parties prior to making the disclosure). Buyer may issue any press release or make any public announcement relating to the subject matter of this Agreement without the prior written approval of the Seller Parties; *provided, however*, that such press release or public announcement shall not include any references to or disclosure of the Purchase Price except (i) as required by applicable Law or (ii) upon the Seller Parties' advance written consent.

Section 10.02 No Third-Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns.

Section 10.03 Entire Agreement. This Agreement (including the documents referred to herein) constitutes the entire agreement between the Parties and supersedes any prior understandings, agreements or representations by or between the Parties, written or oral, to the extent they relate in any way to the subject matter hereof.

Section 10.04 Succession and Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. No Party may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written approval of the other Party, *except* that Buyer may (i) assign any or all of its rights and interests hereunder to one or more of its Affiliates so long as Buyer remains responsible for the performance of its original obligations hereunder, (ii) designate one or more of its Affiliates to perform its obligations hereunder so long as Buyer remains ultimately responsible for the performance of all of its original obligations hereunder or (iii) assign its rights and obligations hereunder to any purchaser of all or substantially all of the assets of the Business acquired from Sellers, *provided* that Buyer shall make proper provision so that the assignee shall assume all of Buyer's remaining obligations set forth in this Agreement.

Section 10.05 Counterparts; Electronic Signatures. 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. Any signature provided by a Party as an attachment to an email message or by facsimile will be fully effective, valid and binding for all purposes, and each Party hereto hereby irrevocably waives any objection that he or it has or may have in the future to the effectiveness, validity or binding nature of any such electronic signature.

Section 10.06 Headings. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 10.07 Notices. All notices, requests, demands, claims and other communications hereunder shall be in writing. Any notice, request, demand, claim or other communication hereunder shall be deemed duly given (i) when delivered personally to the recipient, (ii) one (1) Business Day after being sent to the recipient by reputable overnight courier service (charges prepaid), (iii) one (1) Business Day after being sent to the recipient by electronic mail (provided a copy is also sent by regular U.S. mail), or (iv) four (4) Business Days after being mailed to the recipient by certified or registered mail, return receipt requested and postage prepaid, and addressed to the intended recipient as set forth below:

If to Buyer:

Wilo USA LLC
9550 W. Higgins Road, Suite 300
Rosemont, IL 60018
Attn: Tim Ruppert, Managing Director
E-Mail: Tim.Ruppert@wilo-usa.com

With a copy (not constituting notice) to:

Vedder Price P.C.
222 N. LaSalle Street, Suite 2600
Chicago, Illinois 60601
Attn: William A. Kummerer
E-Mail: wkummerer@vedderprice.com

If to any Seller Party:

Russell I. Bratt
P.O. Box 460446
Fort Lauderdale, FL 33346
E-Mail: Bratt24@att.net

With a copy (not constituting notice) to:

Gunster, Yoakley & Stewart, P.A.
777 South Flagler Drive, Suite 500 East
West Palm Beach, Florida 33401
Attn: Michael V. Mitrione
E-Mail: mmitrione@gunster.com

Any Party may change the address to which notices, requests, demands, claims and other communications hereunder are to be delivered by giving the other Party notice in the manner herein set forth.

Section 10.08 Governing Law. This Agreement shall be governed by and construed in accordance with the domestic Laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the Laws of any jurisdiction other than the State of Delaware.

Section 10.09 Amendments and Waivers. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by Buyer and each Seller Party. No waiver by any Party of any provision of this Agreement or any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be valid unless the same shall be in writing and signed by the Party making such waiver, nor shall such waiver be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such default, misrepresentation, or breach of warranty or covenant.

Section 10.10 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

Section 10.11 Expenses. Each of the Seller Parties, on the one hand, and Buyer, on the other hand, will bear his or its own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby; *provided, however*, that Sellers' Stockholder shall be jointly and severally liable with each Seller for the costs and expenses of Sellers (including all of their legal fees and expenses) in connection with this Agreement and the transactions contemplated hereby. Without limiting the generality of the foregoing, all conveyance fees, recording charges and other fees and charges (including any penalties and interest), incurred in connection with the consummation of the transactions contemplated by this Agreement shall be paid by the Seller Parties when due.

Section 10.12 Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any federal, state, local or non-U.S. statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. For purposes of this Agreement, (a) the words "include," "includes" and "including" shall be deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; and (c) the words "herein," "hereof," "hereby," "hereto" and "hereunder" refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (x) to Articles, Sections, Disclosure Schedules and Exhibits mean the Articles and Sections of, and Disclosure Schedules and Exhibits attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. The Disclosure Schedules and Exhibits referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein. The Parties intend that each representation, warranty and covenant contained herein shall have independent significance.

Section 10.13 Disclosure Schedule; Incorporation of Exhibits and Schedules. Nothing in the Disclosure Schedule shall be deemed adequate to disclose an exception to a representation or warranty made herein unless the Disclosure Schedule identifies the exception with reasonable particularity and describes the relevant facts in reasonable detail. If any Party has breached any representation, warranty or covenant contained herein in any respect, the fact that there exists another representation, warranty or covenant relating to the same subject matter (regardless of the relative levels of specificity) that the Party has not breached shall not detract from or mitigate the fact that the Party is in breach of the first representation, warranty or covenant. The Exhibits and Schedules identified in this Agreement, including the Disclosure Schedule, are incorporated herein by reference and made a part hereof. Without limiting the generality of the foregoing, the mere listing (or inclusion of a copy) of a document or other item shall not be deemed adequate to disclose an exception to a representation or warranty made herein (unless the representation or warranty has to do with the existence of the document or other item itself).

Section 10.14 Specific Performance. Each Party acknowledges and agrees that the other Party would be damaged irreparably in the event any provision of this Agreement is not performed in accordance with its specific terms or otherwise is breached, so that a Party shall be entitled to injunctive relief to prevent breaches of the provisions of this Agreement and to enforce specifically this Agreement and the terms and provisions hereof in addition to any other remedy to which such Party may be entitled, at law or in equity. In particular, the Parties acknowledge that the Business of Sellers is unique, and they recognize and affirm that in the event that any Seller Party breaches this Agreement, money damages would be inadequate and Buyer would have no adequate remedy at law, so that Buyer shall have the right, in addition to any other rights and remedies existing in its favor, to enforce its rights and the other Parties' obligations hereunder not only by action for damages but also by action for specific performance and injunctive and/or other equitable relief.

Section 10.15 Submission to Jurisdiction. Each of the Parties submits to the jurisdiction of any state or federal court sitting in the State of Wisconsin in any action or proceeding arising out of or relating to this Agreement and agrees that all claims in respect of such action or proceeding may be heard and determined in any such court. Each Party also agrees not to bring any action or proceeding arising out of or relating to this Agreement in any other court. Each of the Parties waives any defense of inconvenient forum to the maintenance of any action or proceeding so brought and waives any bond, surety or other security that might be required of any other Party with respect thereto. Each Party hereby consents to service on it in any action commenced in compliance with this Agreement by sending or delivering a copy of the process to the Party to be served at the address and in the manner provided for the giving of notices in Section 10.07 above. Nothing in this Section 10.15, however, shall affect the right of any Party to serve legal process in any other manner permitted by law or in equity. Each Party agrees that a final judgment in any action or proceeding so brought shall be conclusive and may be enforced by suit on the judgment or in any other manner provided by law or in equity.

Section 10.16 Limitations on Recourse. This Agreement may only be enforced against, and any claim, action, suit or other legal proceeding based upon, arising out of, or related to this Agreement, or the negotiation, execution or performance of this Agreement, may only be brought against the Person or Persons that are expressly named as Parties hereto and then only with respect to the specific obligations set forth herein with respect to such Party. Except as specifically provided herein regarding Sellers' Stockholder, no past, present or future director, officer, employee, incorporator, manager, stockholder, agent, attorney or other Representative of any Party hereto, or any of their successors or permitted assigns, shall have any liability for any obligations or liabilities of any Party hereto under this Agreement or for any claim, action, suit or other legal proceeding based on, in respect of or by reason of the transactions contemplated hereby; *provided, however*, that nothing herein shall limit the liability of any Person who, in connection with the transaction contemplated hereby, enters into (or has previously entered into) any agreement or instrument binding upon such Person (including but not limited to any of the Transaction Documents).

[Signature Page Follows]

*(Signature Page to Asset Purchase Agreement)*

**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement on the date first above written.

**BUYER:**

**WILO USA LLC,**
a Delaware limited liability company

By: _____
Title: DIRECTOR OF FINANCE / MANAGER

**SELLERS:**

**ARDOX CORP.,**
a Delaware corporation

By: _____
Name: Russell I. Bratt
Title: President

**WEIL PUMP COMPANY, INC.,**
a Delaware corporation

By: _____
Name: Russell I. Bratt
Title: President

**KARAK MACHINE CORP.,**
a Delaware corporation

By: _____
Name: Russell I. Bratt
Title: President

**SELLERS' STOCKHOLDER:**

_____
Russell I. Bratt

*(Signature Page to Asset Purchase Agreement)*

**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement on the date first above written.

**BUYER:**

**WILO USA LLC,**
a Delaware limited liability company

By: _____
Title: _____

**SELLERS:**

**ARDOX CORP.,**
a Delaware corporation

By: _____
Name: Russell I. Bratt
Title: President

**WEIL PUMP COMPANY, INC.,**
a Delaware corporation

By: _____
Name: Russell I. Bratt
Title: President

**KARAK MACHINE CORP.,**
a Delaware corporation

By: _____
Name: Russell I. Bratt
Title: President

**SELLERS' STOCKHOLDER:**

_____
Russell I. Bratt

**DISCLOSURE SCHEDULE**

**to**

**ASSET PURCHASE AGREEMENT**

**DATED AS OF MARCH 3, 2017**

This Disclosure Schedule is delivered pursuant to that certain Asset Purchase Agreement, dated as of March 3, 2017 (the "**Agreement**"), by and among WILO USA LLC, a Delaware limited liability company ("**Buyer**"), ARDOX CORP., a Delaware corporation d/b/a Scot Pump Company and Scot Marine ("**Ardox**"), WEIL PUMP COMPANY, INC., a Delaware corporation ("**Weil**"), KARAK MACHINE CORP., a Delaware corporation ("**Karak**," and, collectively, with Ardox and Weil, "**Sellers**"), and RUSSELL I. BRATT, a resident of Fort Lauderdale, Florida ("**Sellers' Stockholder**"). Sellers and Sellers' Stockholder are referred to collectively herein as the "**Seller Parties**." Buyer and the Seller Parties are referred to individually herein as a "**Party**" and collectively herein as the "**Parties**." Capitalized terms used but not defined in this Disclosure Schedule shall have the respective meanings given to such terms in the Agreement.

Section numbers in this Disclosure Schedule correspond to the section numbers in the Agreement; provided, however, that disclosure under any section of this Disclosure Schedule will constitute disclosure under all other reasonably relevant sections of this Disclosure Schedule without the need for cross-references, but only to the extent that such relevance is reasonably apparent on the face of such disclosure.

In no event will inclusion of any item in this Disclosure Schedule constitute or be deemed to constitute an admission to any third party concerning such item by any of Sellers or Sellers' Stockholder, or an agreement by any of Sellers or Sellers' Stockholder that a violation, right of termination, default, liability or other obligation of any kind exists with respect to any item. In addition, matters reflected in this Disclosure Schedule are not necessarily limited to matters required by the Agreement to be reflected in this Disclosure Schedule. Such additional matters are set forth for informational purposes only and do not necessarily include other matters of a similar nature. Such matters and the dollar thresholds set forth in the Agreement shall not be used as a basis for interpreting the terms "material" or "Material Adverse Effect" or similar terms whether used in the Agreement or otherwise.

The headings in this Disclosure Schedule are for convenience of reference only and will not affect the disclosures contained in this Disclosure Schedule.

The representations and warranties (each to the extent applicable) of any of Sellers or Sellers' Stockholder in the Agreement are made, given and undertaken subject to the disclosures in this Disclosure Schedule and as provided in the Agreement. Nothing in this Disclosure Schedule is intended to (a) broaden the scope of any representation or warranty of any of the Seller Parties contained in the Agreement, (b) create any covenant on the part of any of the Seller Parties, or (c) limit, negate or reduce the scope of any covenant or other undertaking on the part of any of the Seller Parties contained in the Agreement.

Nothing in this Disclosure Schedule shall be deemed adequate to disclose an exception to a representation or warranty made herein unless the Disclosure Schedule identifies the exception with reasonable particularity and describes the relevant facts in reasonable detail.

## SECTION 3.26

## ENVIRONMENTAL, HEALTH AND SAFETY MATTERS

Memorandum from Liberty Mutual Insurance to Scot Pump regarding Lead Survey with a visit date as of March 3, 2016 and a confirmation date as of May 4, 2016

Memorandum from Liberty Mutual Insurance to Karak regarding Spray Paint and Dip Paint Survey with a visit date as of March 3, 2016 and a confirmation date as of May 2, 2016

Memorandum from Liberty Mutual Insurance to Scot Pump regarding Noise Survey with a visit date as of November 20, 2013 and a confirmation date as of December 6, 2013

Work Plan for Remedial Investigation of Former Mercury Marine Plan No. 1, dated as of June 15, 1992; Prepared for Mercury Marine Division of Brunswick Corporation; Prepared by CH2MHILL; Remedial Investigation Report Former Mercury Marine Plan No. 1, dated as of April 8, 1993; Prepared for Mercury Marine Division of Brunswick Corporation; Prepared by CH2MHILL – This relates to a contamination study of the property leased by Karak. There were three (3) previous Department of Natural Resources studies of contamination in connection with this property, including an initial analysis in 1982, a periodic monitoring of the water quality since 1982 to present and an investigation by Strand Associates in 1989-1990. Mercury Marine Division of Brunswick Corporation may have performed some cleanup of this property in connection with the Environmental Protection Agency and/or the State of Wisconsin Department of Natural Resources.

> Letter, dated as of June 21, 1989, from the State of Wisconsin Department of Natural Resources to Ardox-Scot Pump Division
>
> Letter, dated as of October 16, 1989, from the State of Wisconsin Department of Natural Resources to Ardox-Scot Pump Division
>
> Letter, dated as of November 14, 1991, from the State of Wisconsin Department of Natural Resources to Tom C. Baumgartner
>
> Letter, dated as of November 24, 1992, from the State of Wisconsin Department of Natural Resources to CH2M HILL

Sprinkler Annual Inspection, dated as of July 22, 2016, by J.F. Ahern Co. in favor of Karak; this inspection noted some deficiencies, including, without limitation, the freezing point of antifreeze solution

Sprinkler Annual Inspection, dated as of July 22, 2016, by J.F. Ahern Co. in favor of Weil; this inspection noted some deficiencies; letter, dated as of July 22, 2016, from J.F. Ahern Co. to Weil with respect to unresolved fire protection system deficiencies

Karak is not in compliance with, and has not filed the requisite compliance forms, with respect to NESHAP XXXXXX air emissions regulations regarding air emissions.

Karak has not made any filings with respect to the Wisconsin Department of Natural Resources in approximately the past ten (10) years, as the Wisconsin Department of Natural Resources verbally told Karak to stop reporting a number of years ago because Karak was below the permit threshold VOC tons per year.

Karak, Ardox and Weil are not in compliance with the current Emergency Planning and Community Right-to-Know Act (EPCRA) regulations.

OSHA conducted a surprise inspection of Karak on or around April 17, 2015. Later, OSHA performed an audit inspection at Karak, pursuant to which several violations were found. OSHA and Karak entered into that certain Informal Settlement Agreement, dated as of October 13, 2015, pursuant to which Karak paid a total penalty of approximately $6,660.

OSHA conducted a surprise inspection of Ardox on or around July 12, 2016. Pursuant to that certain letter, dated as of July 13, 2016, OSHA requested further information regarding such inspection. Later, OSHA performed an audit inspection at Ardox, pursuant to which several violations were found. OSHA and Ardox entered into that certain Informal Settlement Agreement, dated as of November 17, 2016, pursuant to which Ardox paid a total penalty of approximately $7,480.

City of Cedarburg, Ozaukee County, Wisconsin, Certificate of Occupancy, dated April 30, 1982, issued to Scot – Division of Ardox Corp., with respect to the property located at N49 W6337 Western Road, to be used for manufacturing and fabrication.

UL Certifications of Weil:

Industrial Control Panels – NITW.E56795
Industrial Control Panels Relating to Hazardous Locations – NRBX.E229452
Motors for Use in Hazardous Locations – PTDR.E40353
Industrial Control Panels Certified for Canada – NITW7.E56795
Industrial Control Panels Relating to Hazardous Locations Certified for Canada – NRBX7.E229452