AGREEMENT AND PLAN OF MERGER

BY AND AMONG

MISSION READY HOLDINGS USA INC.,

MRS MERGER SUB, INC.,

MISSION READY SOLUTIONS, INC.,

UNIFIRE, INC.,

DARRELL SIRIA,

AND

DAN RACZYKOWSKI

DATED: JANUARY 18, 2019

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AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (this "**Agreement**") is entered into as of January 18, 2019 (the "**Effective Date**") by and among (i) Mission Ready Holdings USA Inc., a Washington corporation ("**Buyer**"), (ii) MRS Merger Sub, Inc., a Washington corporation ("**Merger Sub**"), (iii) Mission Ready Solutions, Inc., a British Columbia corporation ("**Mission Ready**"), (iv) Unifire, Inc., a Washington corporation (the "**Company**"), and (v) Darrell Siria and Dan Raczykowski, together the sole shareholders of the Company (each a "**Shareholder**" and together, the "**Shareholders**"). Buyer, Merger Sub, the Company and the Shareholders are sometimes referred to throughout this Agreement individually as a "**Party**" and collectively as the "**Parties**."

Recitals

WHEREAS, the Parties desire to enter into this Agreement and, subject to the conditions hereof and in accordance with the relevant provisions of the Washington Business Corporation Act (the "**WBCA**"), consummate the transactions contemplated herein pursuant to which Merger Sub, a wholly-owned subsidiary of Buyer, will merge with and into the Company (the "**Merger**"), following which the Company shall continue as the surviving company, and the Shareholders will receive a combination of cash and shares of common stock of Mission Ready in consideration for the Merger;

WHEREAS, as a result of the Merger, Buyer will own one hundred percent (100%) of the issued and outstanding shares of capital stock in the Company (the "**Shares**"), thus making the Company a wholly-owned subsidiary of Buyer;

WHEREAS, (i) the Board of Directors of the Company (the "**Board**") has determined that the Merger is fair to, and in the best interests of, the Company and the Shareholders, and approved this Agreement, the Merger and the other transactions contemplated by this Agreement; and (ii) the Shareholders have adopted and approved this Agreement, the Merger and the other transactions contemplated by this Agreement; and

WHEREAS, the respective Boards of Directors of Mission Ready, Buyer, and Merger Sub have, on the terms and subject to the conditions set forth in this Agreement, approved this Agreement, the Merger and the other transactions contemplated by this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. DEFINITIONS.

1.1 Defined Terms. The following capitalized terms shall have the meanings ascribed to them below:

"**Accounts Receivable**" means all accounts and notes receivable of the Company.

"**Affiliate**" means, with respect to any specified Person, any other Person that directly or indirectly, through one or more intermediaries, Controls, is Controlled by or is under common Control with, such specified Person.

"**Agent**" means, with respect to a particular Person, any officer, director, manager, employee, agent, consultant, advisor or other representative of such Person, including legal counsel, accountants, and financial advisors.

"**Applicable Law**" means, with respect to any Person, any Law applicable to such Person or any of its properties, assets, officers, directors, managers, owners, employees, consultants or agents (in connection with such officer's, director's, manager's, owner's, employee's, consultant's or agent's activities on behalf of such Person).

"**Assets**" means all Cash, Personal Property and real property of the Company, all Contracts, Leases and manufacturers', vendors' or other warranties to which the Company is a party, all Permits held by the Company, all Intellectual Property Rights of the Company (including all Intellectual Property Assets), and all other assets and properties of the Company.

"**Benefit Plan**" means any (a) "employee benefit plans," as defined in Section 3(3) of ERISA, together with plans or arrangements that would be so defined if they were not (i) otherwise exempt from ERISA by Section 3(3) of ERISA or another Section of ERISA, (ii) maintained outside the United States or (iii) individually negotiated or applicable only to one individual and (b) any other written or oral benefit arrangement or obligation to provide benefits as compensation for services rendered, including employment or consulting agreements (except for agreements that provide for at-will employment that can be terminated at no cost to the Company and its Subsidiaries and do not provide for any obligations which would otherwise constitute a Benefit Plan), severance agreements, arrangements, plans or pay policies, stay or retention bonuses or compensation, incentive (including equity or equity-linked) plans, programs or arrangements, patent award programs, sick leave, vacation pay or other paid time off benefit, plant closing benefits, salary continuation or insurance for disability, consulting, or other compensation arrangements, retirement, deferred compensation, bonus, material fringe benefit, stock option or purchase plans or programs, hospitalization, medical insurance, employee assistance benefits, life insurance, educational assistance, tuition reimbursement or scholarship programs, any plans subject to Section 125 of the Code and any plans providing benefits or payments in the event of a change of control, change in ownership or effective control, or sale of a substantial portion (including all or substantially all) of the assets of any business or portion thereof.

"**Business Day**" means any day other than a Saturday or Sunday or any other day on which commercial banks in Washington are authorized or required by Applicable Law to be closed for business.

"**Mission Ready Stock**" means the publicly traded common shares in the capital of Mission Ready listed on the TSX Venture Exchange.

"**Capital Contribution Payment**" means an amount equal to $6,000,000.00, *minus* the Pring Payment paid pursuant to Section 2.7(b)(ii).

"**Cash**" means, as of the Closing, (a) the aggregate amount of the Company's cash and cash equivalents, *plus* (b) the value of all outstanding checks payable to the Company that have not either cleared or been cashed (but only to the extent such checks are fully paid and not dishonored), *minus* (c) the aggregate balance of all outstanding checks written by the Company or drafts that have not been cashed or cleared.

"**Cash Consideration**" means an amount equal to $4,000,000.00 and will be paid by delivery of a $3,000,000 Promissory Note payable to Darrell Siria (the "**Siria Promissory Note**") attached hereto as Exhibit H and by delivery of a $1,000,000 Promissory Note payable to the order of Dan Raczykowski (the "**Raczykowski Promissory Note**") attached hereto as Exhibit I and jointly referred to as (the "**Shareholder Notes**").

"**Claim**" means any claim (including any cross-claim or counterclaim), cause of action, litigation, proceeding (including any civil, criminal, arbitral, administrative, appellate, legal or otherwise), suit, third-party investigation, hearing, charge, complaint or demand.

"**Closing Merger Consideration**" means an amount equal to the Cash Consideration *plus* the Stock Consideration.

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

"**Confidential Information**" means any information concerning the business and affairs of the Company or the Assets that is not generally available to the public, including know-how, trade secrets, customer lists, details of customer or consultant contracts, pricing policies, operational methods and marketing plans or strategies, and any information disclosed to the Company by third parties (to the extent that the Company has an obligation or expectation of confidentiality in connection therewith).

"**Contract**" means any agreement, contract, lease, license, instrument, obligation, promise, undertaking or other binding arrangement.

"**Control**" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by Contract or otherwise.

"**Copyrights**" means copyrights, copyright registrations and applications therefor, and all other rights corresponding thereto throughout the world.

"**Current Government Contract**" means any Government Contract (a) the period of performance of which has not yet expired, (b) for which final payment has not yet been received, or (c) for which any Claims (existing as of the Effective Date) have not been fully and finally resolved.

"**Debt**" means, without duplication, (a) all indebtedness of the Company for borrowed money, or indebtedness issued or incurred in substitution or exchange for indebtedness for borrowed money, together with all accrued and unpaid interest thereon and all premiums, penalties, fees and other amounts related to the payment of such amounts on the Closing Date; (b) all indebtedness of the Company evidenced by any note, bond, debenture, mortgage or other debt instrument or debt security, including all accrued and unpaid interest thereon; (c) all obligations of the Company as lessee under leases that are required to be recorded as capital leases in accordance with GAAP; (d) all outstanding obligations of the Company under any performance bond or letter of credit; (e) any guarantee by the Company of any Debt of any other Person; (f) all interest rate and currency swaps, caps, collars and similar agreements or hedging devices under which payments are obligated to be made by the Company, whether periodically or upon the happening of a contingency; (g) all obligations of the Company to pay the deferred purchase or acquisition price of property or services; (h) all obligations of the Company or another Person secured by a Lien on any of the Assets, whether or not the obligation is assumed by the Company; and (i) any liability in respect of interest, fees (including prepayment fees), costs or charges in respect of any of the items described in clauses (a) – (h) above.

"**Disclosure Schedules**" means the disclosure schedules to this Agreement.

"**Effective Time**" means 11:59 p.m. Pacific Time on the Closing Date.

"**Environment**" means soil, water, air and biota, including fill material, the land surface and subsurface, surface waters, groundwater, wetlands, drinking water and drinking water supplies or sources, outdoor and indoor air and any other natural resources, including all biota, flora, or fauna or environmental features.

"**Environmental Laws**" means any Applicable Laws relating to protection of the Environment or human health and safety, including such Laws related to management, investigation or remediation of Hazardous Materials.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended.

"**ERISA Affiliate**" means any entity (whether or not incorporated) other than the Company that would have ever been considered, together with the Company, to be a single employer under Section 414(b), (c), (m) or (o) of the Code.

"**Excluded Debt**" means the Debt listed on Exhibit E. For avoidance of a doubt, the aggregate amount of the Excluded Debt shall not exceed $6,000,000.00.

"**FAR**" means the Federal Acquisition Regulation.

"**Final Merger Consideration**" means an amount equal to (A) the Closing Merger Consideration, *minus* (B) the Net Working Capital Deficit, if any, *plus* (C) the Net Working Capital Surplus, if any.

"**Fraud-Type Claims**" means Claims based upon (i) criminal matters, (ii) actual fraud or (iii) intentional misrepresentation by the Company or a Shareholder with the specific intent to deceive and mislead Buyer and Merger Sub.

"**Fundamental Representations**" means the representations and warranties made in Section 3.1 (Organization), Section 3.2 (Authorization and Binding Agreement), Section 3.4

(Capitalization), Section 3.10 (Subsidiaries), Section 3.11 (Liabilities), Section 3.21 (Tax Matters), Section 3.22 (Employee Benefits Matters) and Section 3.26 (Brokers).

"**GAAP**" means generally accepted accounting principles as in effect in the United States of America as of the Effective Time.

"**Governing Documents**" means, with respect to a Person, such Person's Articles or Certificate of Incorporation, Organization or Formation (or their equivalent), together with such Person's bylaws, partnership agreement, limited liability company/operating agreement or any organizational or other constituent document, as applicable, each as it may be amended from time to time.

"**Government Bid**" means any bid, proposal, offer or quote for supplies, services or construction, whether solicited or unsolicited, made by the Company or a contractor team or joint venture in which the Company is participating that is intended by the Company to result in a Government Contract.

"**Government Contract**" means any Contract, including any prime contract, subcontract, facility contract, teaming agreement or arrangement, joint venture, basic ordering agreement, blanket purchase agreement, pricing agreement, letter contract, contract awarded under the Federal Supply Schedule program, individual purchase order, task order or delivery order, between the Company and (a) any Governmental Authority (acting on its own behalf or on behalf of another Governmental Authority), (b) any prime contractor of a Governmental Authority in its capacity as a prime contractor or (c) any subcontractor (or lower tier subcontractor) with respect to any Contract of a type described in clauses (a) or (b) immediately above.

"**Governmental Authority**" means any federal, state, local, foreign or other governmental, quasi-governmental or administrative body, instrumentality, department or agency or any court, tribunal, administrative hearing body, commission or other similar body. The term "Governmental Authority" includes any Person acting on behalf of, or at the direction of, a Governmental Authority.

"**Hazardous Materials**" means hazardous or toxic wastes or substances, pollutants, contaminants, petroleum and its derivatives, asbestos, radon, polychlorinated biphenyls, solid wastes and any other substance, waste, or material harmful to health or the Environment or regulated by or that can give rise to liability under any Environmental Laws.

"**Intellectual Property Assets**" means all embodiments of Intellectual Property Rights (in whatever form or medium), including Confidential Information, Software, Technology, research and development results, formulas, compositions of matter, prototypes, manufacturing and production processes and techniques, business methods, technical data, domain name registrations, operating and maintenance manuals, reports, designs, drawings, specifications, customer and supplier lists, web sites and web pages, website analytics, information gained from data mining activities, pricing and cost information, license rights and other contractual rights to Intellectual Property Rights, and business and marketing plans and proposals.

"**Intellectual Property Rights**" means any and all of the following, and all worldwide common law and statutory rights in, arising out of or associated therewith: (a) Patents, (b)

Copyrights, (c) rights in trade secrets, Confidential Information, know-how and all rights in and to Technology, (d) rights in domain names and uniform resource identifiers, (e) rights in industrial designs, (f) rights in trade names, logos, trademarks, service marks and other similar indicia and designations of source, sponsorship, association or origin, and goodwill related thereto, (g) rights in software, databases and data collections, (h) moral and economic rights of authors and inventors, however denominated, (i) any similar or equivalent rights to any of the foregoing, and (j) rights to apply for, prosecute, perfect or obtain any of the foregoing through administrative prosecution, registration, recordation, or other proceeding, including all registrations, recordations, renewals, reissues, reexaminations, combinations, divisions, continuations, continuations in part, extensions, applications, and the like for any of the foregoing, and all causes of action and rights to sue, recover and retain damages, or seek and obtain other remedies arising from or relating to any of the foregoing, including for any past, present or future infringement, misuse, misappropriation, dilution or violation anywhere in the world.

"**IRS**" means the U.S. Internal Revenue Service.

"**ITAR**" means the International Traffic in Arms Regulations, 22 C.F.R. §§ 120-130, as amended.

"**Knowledge**" means (a) with respect to the Company, the actual knowledge, after reasonable inquiry, of the Shareholders, and (b) with respect to any other Person, the actual knowledge of such Person.

"**Law**" means any federal, state, local, municipal, foreign or other law, statute, legislation, principle of common law, ordinance, code, edict, decree, proclamation, treaty, convention, rule, regulation, directive, requirement, writ, injunction, settlement, Permit or Order that is or has been issued, enacted, adopted, passed, approved, promulgated, made, implemented or otherwise put into effect by or under the authority of any Governmental Authority, including U.S. Export Controls, the FAR, the NISPOM and all directives of any Governmental Authority relating to national security or security clearances for the protection of information and any security agreements relating thereto.

"**Liabilities**" means any and all debts, liabilities, judgments, settlements, commitments and obligations of any kind, whether fixed, contingent or absolute, matured or unmatured, liquidated or unliquidated, accrued or unaccrued, asserted or unasserted, known or unknown, determined, determinable or otherwise, whenever or however arising.

"**Lien**" means any and all liens, encumbrances, charges, mortgages, options, pledges, restrictions on transfer, collateral assignments, security interests, Uniform Commercial Code financing statements, rights of first refusal, preemptive rights, community property interests, restrictions of any nature (including any restriction on the voting of any security, any restriction on the transfer of any security or other asset, any restriction on the possession, exercise or transfer or any other attribute of ownership of any asset), hypothecations, easements, rights-of-way and encroachments of any nature whatsoever, whether voluntarily incurred or arising by operation of Law or otherwise.

"**Losses**" means any and all losses, Liabilities, Taxes, Liens (other than Permitted Liens), costs, expenses and fees (including reasonable attorneys' fees), damages and any other losses related to any Claim or Order.

"**Material Adverse Effect**" means, with respect to any Party, any event, fact, condition, change, circumstance, occurrence or effect, which, either individually or in the aggregate with all other events, facts, conditions, changes, circumstances, occurrences or effects, (a) has had, or would reasonably be expected to cause, result in or have, a material adverse effect on the business, properties, assets, liabilities, capitalization, owners' equity, condition (financial or otherwise), operations, licenses or other franchises or results of operations of such Party, or (b) does or would reasonably be expected to materially impair or delay the ability of such Party to perform its obligations under this Agreement or to consummate the transactions contemplated hereby; provided, however, that any change that results from any of the following circumstances shall not be considered a Material Adverse Effect unless such circumstance shall disproportionately adversely affect such Party, taken as a whole: (i) changes affecting generally the industry or industries in which such Party participates or the U.S. economy as a whole; (ii) changes in financial, banking or securities markets in general, including any disruption thereof and any decline in the price of any marketable security or any market index or any change in prevailing interest rates; (iii) acts of war (whether or not declared), armed hostilities or terrorism, or the escalation or worsening thereof; (iv) changes in applicable Laws or accounting rules (including GAAP); or (v) any natural or man-made disaster or acts of God.

"**Net Working Capital**" means an amount, calculated on a basis consistent with the illustrative example of the calculation of the Net Working Capital attached hereto as Exhibit C, equal to (a) the book value of the total current assets of the Company as of the Effective Time, including Cash, *minus* (b) the book value of the total current liabilities of the Company as of the Effective Time; provided, however, that, for purposes of this definition of "Net Working Capital" and in each case without duplication:

(i) "current assets of the Company as of the Effective Time" excludes (A) any current or deferred Tax assets and (B) any loan receivables from any Related Person; and

(ii) "current liabilities of the Company as of the Effective Time" excludes Excluded Debt.

"**Net Working Capital Deficit**" means the amount, if any, by which the Target Working Capital exceeds the Final Net Working Capital.

"**Net Working Capital Surplus**" means the amount, if any, by which the Final Net Working Capital exceeds the Target Working Capital.

"**NISPOM**" means the National Industrial Security Program Operating Manual, DOD 5220.22-M (January 1995), and any supplements, amendments or revised editions thereof.

"**Order**" means any order, decree, ruling, judgment, injunction, writ, determination, binding decision, verdict, judicial award or other action that is or has been made, entered, rendered, or otherwise put into effect by or under the authority of any Governmental Authority or arbitration tribunal or panel.

"**Ordinary Course of Business**" means, with respect to a Person, the ordinary course of business of such Person consistent with past custom or practice.

"**Pacific Time**" means local time in Seattle, Washington.

"**Patents**" means patents and utility models and applications therefor, and all reissues, divisions, re-examinations, renewals, extensions, provisional, continuations and continuations-in-part thereof.

"**Permit**" means any license, permit, security clearance, approval, consent, registration, franchise, order or certificate of authority, or any extension, modification, amendment or waiver of the foregoing, required to be issued by a Governmental Authority.

"**Permitted Liens**" means (a) statutory Liens for Taxes, assessments and other government charges not yet due and payable; (b) mechanics', workmens', repairmens', warehousemens', carriers' or similar common law or statutory Liens arising or incurred in the ordinary course of business and not yet delinquent; (c) in respect of the Leased Real Property: (i) covenants, conditions, restrictions, easements, rights-of-way, servitudes, Permits, surface leases, ground leases to utilities, municipal agreements, railway siding agreements and other similar rights of record that do not, individually or in the aggregate, materially affect or interfere with the right of the Company to use any of the Leased Real Property in the manner in which the Company uses such Leased Real Property on the date of this Agreement, which is consistent with past practice, (ii) easements for streets, alleys, highways, telephone lines, gas pipelines, power lines, railways and other non-monetary exceptions to title of record on, over or in respect of Leased Real Property that do not, individually or in the aggregate, materially affect or interfere with the right of the Company to use any of the Leased Real Property in the manner in which the Company uses such Leased Real Property on the date of this Agreement, which is consistent with past practice, (iii) zoning, entitlement, building and other land use regulations imposed by Governmental Authorities having jurisdiction over any Leased Real Property that are not violated by the current use or occupancy of such Leased Real Property or the operation of the Company's business as of the date of this Agreement, in each case, which is consistent with past practice and that do not materially detract from the value of such Leased Real Property and (iv) liens in favor of the lessors, or encumbering the interests of the lessors, under the leases in respect of the Leased Real Property; (d) restrictions on resale under applicable state or federal securities laws; and (e) the Liens set forth on Exhibit D.

"**Person**" means any individual, corporation, partnership, limited liability company, firm, association, joint venture, trust, unincorporated organization, Governmental Authority and any other person, group or entity.

"**Personal Property**" means all of the machinery, equipment, tools, vehicles, furniture, leasehold improvements, office equipment, plant, spare parts and other tangible personal property that are owned, used or leased by the Company and used in the conduct of the Company's business as currently conducted.

"**Preferred Bidder Status**" means a small business concern, a small disadvantaged business, an 8(a) concern, a service-disabled veteran-owned small business concern, a veteran-owned small business concern, a historically underutilized business zone small business concern, a woman-owned small business concern, a "protégé" under a mentor-protégé agreement or program, or any other preferential status.

"**Pro-Rata Percentage**" means a percentage determined by dividing (a) the total number of Shares that are held by a Shareholder immediately prior to the Effective Time by (b) the total Shares issued and outstanding immediately prior to the Effective Time.

"**Purchase Price**" means an amount equal to the Closing Merger Consideration, *plus* the Net Working Capital Surplus, if any, *minus* the Net Working Capital Deficit, if any.

"**Reasonable Best Efforts**" means the efforts that a reasonably prudent Person would use to achieve a result as expeditiously as reasonably possible.

"**Related Person**" means (a) any Shareholder of the Company, (b) any individual related by blood, marriage or adoption to any Shareholder, or (c) any trust for the benefit of (i) any Shareholder or (ii) any individual related by blood, marriage or adoption to any Shareholder.

"**Seller Expenses**" means, without duplication, all of the fees and expenses incurred by or on behalf of the Company or the Shareholders (but only to the extent the same are the responsibility of the Company) in connection with or on account of the transactions contemplated by this Agreement and not paid prior to Closing, including (a) any fees and expenses of any legal advisors, accounting advisors, brokers, investment bankers or other advisors or consultants retained by the Company in connection with the transactions contemplated by this Agreement and (b) any success, change of control, liquidity, retention, phantom equity or similar bonuses or fees payable by the Company to any director, officer, manager, employee or other Person on account of or upon the consummation of the transactions contemplated by this Agreement (including the employer portion of any payroll, employment or similar Taxes, if any, required to be paid by the Company with respect to such bonuses or fees). For avoidance of a doubt, the Seller Expenses shall be included in the Excluded Debt.

"**Shareholder**" means each holder of record of any Shares.

"**Software**" means any and all computer programs, software and code, including (a) object code, (b) source code, (c) executable code, (d) software development tools, including software development kits, related flow charts, architecture documents and diagrams, (e) application programming interfaces, (f) assemblers and compilers, (g) data files, (h) software libraries, scripts, routines, methods, functions, and algorithms, (i) device drivers, (j) databases and database schema, and (k) systems software, application software (including mobile apps), middleware and firmware. The term "Software" also includes user manuals, developers' documentation and related instructional materials.

"**Stock Consideration**" means 26,315,790 shares of Mission Ready Stock. For avoidance of a doubt the Parties agree that the Stock Consideration has a deemed value of $5,000.000.10.

"**Subsidiary**" means, with respect to any Person, any corporation, partnership, association or other business entity of which (a) if a corporation, a majority of the total voting power of equity 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 (b) if a partnership, association or other business entity, a majority of the partnership or other similar ownership interests thereof is at the time owned or controlled, directly or indirectly, by any Person or one or more Subsidiaries of that Person or a combination thereof. For purposes of this Agreement, a Person(s) will be deemed to have a majority ownership interest in a corporation, limited liability company, partnership, association or other business entity if such Person(s) is allocated a majority of such entity's gains or losses, or such Person(s) is in Control of such entity. Unless the context requires otherwise, each reference to a Subsidiary will be deemed to be a reference to a Subsidiary of the Company.

"**Target Working Capital**" means an amount equal to $1,856,798.

"**Tax Return**" means any return (including estimated returns), declaration, report, election, claim for refund, information return or other statement relating to Taxes, including any schedule or attachment thereto and any amendment thereof, in each case, whether filed or required to be filed with any Taxing Authority.

"**Taxes**" means any and all taxes of any kind, including all (a) federal, state, local and foreign taxes, assessments, charges, duties, fees, levies or other similar amounts of any kind whatsoever, including all income, franchise, profits, capital gains, capital stock, transfer, sales, use, occupation, property, excise, escheat and unclaimed property, severance, windfall profits, stamp, stamp duty reserve, license, payroll (including withholding, FICA (both employer and employee portions) and FUTA), withholding, ad valorem, value added, alternative minimum, environmental, customs, social security (or similar), unemployment, sick pay, ACA shared responsibility, disability, registration and other taxes, assessments, charges, duties, fees, levies or other similar amounts, whether disputed or not, together with all estimated taxes, deficiency assessments, additions to tax, penalties and interest with respect thereto, (b) transferee or other secondary Liability for the payment of any amount of a type described in clause (a) above and (c) Liability for the payment of any amount of a type described in clause (a) or clause (b) immediately above as a result of any contractual or other obligation to indemnify or otherwise assume or succeed to the Liability of any other Person.

"**Taxing Authority**" means any Governmental Authority exercising any authority to impose, regulate or administer the imposition of Taxes.

"**Technology**" means any and all inventions (whether or not patentable), improvements, trade secrets, proprietary information, know-how, databases and data collections, invention disclosures, technical data, Software, hardware and devices, information technology, product designs, prototypes, mask works, and works of authorship, and documentation relating to any of the foregoing.

"**Transaction Documents**" means this Agreement and each agreement, instrument or document attached hereto as an Exhibit and the other agreements, certificates and instruments to be executed by any of the Parties in connection with or pursuant to this Agreement.

"**Transfer Taxes**" means any federal, state, county, local, foreign and other sales, use, transfer, conveyance, documentary transfer, recording or other similar Taxes imposed with respect to the transactions contemplated by this Agreement.

"**Treasury Regulations**" means the United States treasury regulations promulgated under the Code.

"**U.S. Export Controls**" means all U.S. government export control Laws and regulations, including the Export Administration Regulations and ITAR.

"**WARN Act**" means the Worker Adjustment Retraining Notification Act of 1988, as amended, and any similar state or local Law.

1.2 Other Defined Terms. In addition to the terms defined in Section 1.1, the following terms shall have the meanings ascribed to such terms in the Sections set forth below:

Term	Section
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Effective Date	Preamble
End Date	8.1(e)

1.3 Certain Matters of Construction. Except where expressly stated otherwise in this Agreement, the following rules of interpretation apply to this Agreement: (a) unless the context otherwise requires, "either" and "or" are not exclusive, and "include," "includes" and "including" when used herein shall be deemed in each case to be followed by the words "without limitation"; (b) "hereof," "hereto," "hereby," "herein" and "hereunder" and words of similar import when used in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement; (c) "date of this Agreement" refers to the date set forth in the initial caption of this Agreement; (d) "extent" in the phrase "to the extent" means the degree to which a subject or other thing extends, and such phrase does not mean simply "if"; (e) the descriptive headings and table of contents included herein are included for convenience only and shall not affect in any way the meaning or interpretation of this Agreement or any provision hereof; (f) definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such terms; (g) references to an agreement, instrument or Law mean such agreement, instrument or Law as amended or otherwise supplemented or modified from time to time, including (in the case of agreements or instruments) by waiver or consent and (in the case of Laws) by formal guidance and regulations issued thereunder and successor Laws; (h) references to a Person are also to its permitted successors and assigns; (i) references to an "Article," "Section," "Exhibit" or "Schedule" refer to an Article or Section of, or an Exhibit or Schedule to, this Agreement; (j) references to "$" or otherwise to dollar amounts refer to the lawful currency of the United States of America; (k) references to a federal, state, local or foreign Law include any rules and regulations issued thereunder; (l) references to accounting terms used and not otherwise defined herein have the meaning assigned to them under GAAP; and (m) a term that begins with an initial capital letter, is not defined herein and reflects a different part of speech than a term that begins with an initial capital letter and is defined herein, shall be interpreted in a correlative manner. The language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party. No summary of this Agreement prepared by any Party shall affect the meaning or interpretation of this Agreement. If any date on which a Party is required to make a payment or a delivery pursuant to the terms hereof is not a Business Day, then such Party shall make such payment or delivery on the next succeeding Business Day. Each Disclosure Schedule will be deemed incorporated into this Agreement. Time shall be of the essence in this Agreement.

2. MERGER.

2.1 Merger; Effect of the Merger. On the terms and subject to the conditions of this Agreement, and in accordance with the applicable provisions of the WBCA, at the Effective Time, Merger Sub shall be merged with and into the Company, whereupon the separate existence of Merger Sub shall cease, and the Company shall be the surviving company of the Merger (the "**Surviving Company**"). At the Effective Time, the effect of the Merger shall be as provided in this Agreement and the applicable provisions of the WBCA. Without limiting the generality of the foregoing, and subject thereto, from and after the Effective Time, all of the assets, property, rights, privileges, powers and franchises of the Company and Merger Sub shall vest in the Surviving Company, and all debts, obligations, liabilities, restrictions and duties of the Company and Merger Sub shall become the debts, obligations, liabilities, restrictions and duties of the Surviving Company, all as provided under the WBCA.

2.2 Closing; Effective Time. Subject to the provisions of Section 6 and Section 7, the closing of the Merger (the "**Closing**") will take place at the offices of Pillsbury Winthrop Shaw Pittman, LLP 1650 Tysons Blvd, 14th Floor, McLean, VA 22102-4856 (or, if agreed by the Parties, by conference call and electronic (i.e., email/PDF) or facsimile exchange of documents with exchange of original signatures following by overnight mail), as soon as practicable, but in no event later than 10:00 a.m. Pacific Time two (2) Business Days after each of the conditions set forth in Section 6 and Section 7 (other than those conditions that, by their nature, are to be satisfied at the Closing, but subject to the satisfaction or, to the extent permissible, waiver of such conditions at the Closing by the Party entitled to the benefit thereof) is satisfied or, to the extent permissible, waived by the Party entitled to the benefit thereof. The date on which the Closing actually occurs shall be the "**Closing Date**." At the Closing, the Company shall file articles of merger (the "**Articles of Merger**") in the form attached hereto as Exhibit A, executed in accordance with the relevant provisions of the WBCA, and make all other filings, recordings or publications required by Applicable Law in connection with the Merger. The Articles of Merger shall specify that the Merger becomes effective on the Effective Time. Subject to the provisions of Section 8, failure to consummate the Merger contemplated in this Agreement on the date and time and at the place determined pursuant to this Section 2.2 will not result in the termination of this Agreement and will not relieve any Party of any obligation under this Agreement.

2.3 Articles of Incorporation; Bylaws; Directors and Officers. The Articles of Incorporation of the Company in effect at the Effective Time shall be the Articles of Incorporation of the Surviving Company until amended in accordance with Applicable Law. The bylaws of Merger Sub in effect at the Effective Time shall be the bylaws of the Surviving Company until amended in accordance with Applicable Law. From and after the Effective Time, until successors are duly elected or appointed in accordance with Applicable Law, (i) the members of Board of Directors of Merger Sub at the Effective Time shall be the members of the Board of Directors of the Surviving Company; and (ii) the officers of Merger Sub at the Effective Time and Dan Raczykowski shall be the officers of the Surviving Company.

2.4 Conversion of Shares. On the terms and subject to the conditions of this Agreement, at the Effective Time, by virtue of the Merger and without any action on the part of the Parties or any of the Shareholders, the following shall occur:

(a) All Shares held by Darrell Siria immediately prior to the Effective Time shall automatically be cancelled and extinguished and converted into the right to receive (i) 15,789,474 shares of Mission Ready Stock and (ii) $3,000,000.00 of Cash Consideration to be paid pursuant to Section 2.8(a);

(b) All Shares held by Dan Raczykowski immediately prior to the Effective Time shall automatically be cancelled and extinguished and converted into the right to receive (i) 10,526,316 shares of Mission Ready Stock and (ii) $1,000,000.00 of Cash Consideration to be paid pursuant to Section 2.8(a);

(c) All Shares held by the Company immediately prior to the Effective Time shall be cancelled and shall cease to exist without payment of any consideration with respect thereto; and

(d) All shares of capital stock of Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted into and exchanged for one hundred percent (100%) of the shares of capital stock of the Surviving Company.

2.5 Paying Agent. The Buyer shall act as paying and exchange agent ("**Paying Agent**") for the purpose of causing the distribution of the Closing Merger Consideration to the Shareholders.

2.6 Required Withholding. Each of Buyer and the Surviving Company shall be entitled, after consultation with the Shareholders, to deduct and withhold from any consideration payable or otherwise deliverable pursuant to this Agreement to any Shareholder such amounts as may be required to be deducted or withheld therefrom under the Code, or under any provision of state, local or non-United States Tax Law. To the extent such amounts are so deducted or withheld, such deducted or withheld amounts shall be paid over to the appropriate taxing authority (with copies of the appropriate receipts for such payments provided to such Shareholder) and shall be treated for all purposes under this Agreement as having been paid to the Person to whom such consideration would otherwise have been paid.

2.7 Closing Actions and Deliverables.

(a) Estimated Closing Statement. Not later than two (2), nor more than five (5), Business Days prior to the Closing Date, the Company shall prepare and deliver to Buyer a statement (the "**Estimated Closing Statement**"), signed by the Company, certifying: (i) the estimated unaudited balance sheet of the Company as of the Effective Time (the "**Estimated Closing Date Balance Sheet**"); (ii) a good faith estimate (including all calculations in reasonable detail) of the Net Working Capital of the Company; (iii) the amount of Seller Expenses; and (iv) a worksheet setting forth the wiring instructions of the payment contemplated in Section 2.7(b) (the "**Funds Flow Worksheet**"). As promptly as practicable, but not later than one (1) Business Day prior to the Closing Date, Buyer will identify any adjustments that it believes, in good faith, are required to the Estimated Closing Date Balance Sheet delivered by the Company. If the Shareholders dispute any such adjustments, then Buyer and the Shareholders will use reasonable best efforts to resolve such dispute (without delaying the anticipated Closing Date). If such a dispute cannot be resolved prior to Closing, Buyer shall proceed to the Closing despite such dispute and note the applicable items in dispute, so that such disputed items may be resolved pursuant to Section 2.8(b).

(b) Closing Actions and Payments. At the Closing, Buyer shall take or cause to be taken the following actions:

(i) pay, on behalf of Company, an amount equal to $260,000 to the Pring Corporation (the "**Pring Payment**")

(ii) cause Mission Ready to issue 15,789,474 shares of Mission Ready Stock to Darrell Siria; which shall be released and become tradeable (subject to applicable securities laws) according to the vesting schedule set forth on Exhibit F-1 attached hereto; and

(iii) cause Mission Ready to issue 10,526,316 shares of Mission Ready Stock to Dan Raczykowski, which shall be released and become tradeable (subject to applicable securities laws) according to the vesting schedule set forth on Exhibit F-2 attached hereto.

Except as may be otherwise agreed to by the Parties, all payments of cash made pursuant to this Section 2.7(b) shall be made by wire transfer of immediately available funds to the applicable account(s) specified in the Funds Flow Worksheet.

(c) Closing Deliverables of the Company. In addition to any other documents specifically required to be delivered pursuant to this Agreement, at the Closing, the Company shall deliver or cause to be delivered to Buyer:

(i) the Articles of Merger, duly executed on behalf of the Company;

(ii) a certificate of an officer of the Company, dated as of the Closing Date, certifying and attaching (A) the Governing Documents of the Company; (B) the resolutions, duly adopted by the Board, authorizing and approving the Company's execution, delivery and performance of this Agreement and the Transaction Documents to which the Company is a party and the transactions contemplated hereby and thereby, including a statement that such resolutions have not been rescinded or modified and remain in full force and effect as of the Closing Date; (C) the resolutions, duly adopted by the Shareholders holding the requisite amount of membership interest of the Company, authorizing and approving the Company's execution, delivery and performance of this Agreement and the Transaction Documents to which the Company is a party and the transactions contemplated hereby and thereby, including a statement that such resolutions have not been rescinded or modified and remain in full force and effect as of the Closing Date; and (D) an incumbency certificate executed by the an appropriate officer of the Company certifying as to the incumbency and signature of the officer(s) of the Company executing any of the Transaction Documents;

(iii) a closing certificate, duly executed by the Company, certifying that the conditions set forth in Section 6.1 and Section 6.2 have been met;

(iv) an employment agreement, in substantially the form attached hereto as Exhibit B (the "**Raczykowski Employment Agreement**"), duly executed by Dan Raczykowski;

(v) a certificate of existence or equivalent issued by the Secretary of State of the State of Washington, dated as of a date reasonably close to the Closing Date;

(vi) an affidavit of non-foreign status, in a form conforming to the requirements of Section 1.1445-2(b)(2) of the Treasury Regulations, duly executed by the Company and dated as of the Closing Date;

(vii) the resignation of Darrell Siria as a director, officer, manager and employee of the Company;

(viii) a written real estate lease agreement for the Company's office located at 3904 E Trent Ave, Spokane, WA 99202, effective as of the Closing Date, in form and substance satisfactory to Buyer, duly executed by Darrell Siria and the Company;

(ix) an opinion from Witherspoon Kelley, counsel for the Company ("**Witherspoon Kelley**") in form and substance satisfactory to Buyer;

(x) the Company's corporate minute books, ledgers and records, including all documents supporting the Company's filed Tax Returns;

(xi) one or more CD-ROMs or DVDs in PC-readable format, that contain readable working Adobe or other (e.g., Microsoft Office) portable document format files that set forth all of the documents made available or provided to Buyer prior to and as of the Closing Date on the electronic data site;

(i) Siria Promissory Note, duly executed by Darrell Siria;

(xii) Raczykowski Promissory Note, duly executed by Dan Raczykowski; and

(xiii) such other instruments or documents reasonably deemed necessary by Buyer to effect the Closing.

(d) <u>Closing Deliverables of Mission Ready, Buyer and Merger Sub</u>. In addition to any other documents specifically required to be delivered pursuant to this Agreement, at the Closing, Buyer and Merger Sub shall deliver or cause to be delivered to the Shareholders:

(i) the Raczykowski Employment Agreement, duly executed by the Company;

(ii) a certificate of the Secretary (or other officer) of Buyer, dated as of the Closing Date, certifying and attaching the resolutions, duly adopted by the board of directors of Buyer, authorizing and approving Buyer's execution, delivery and performance of this Agreement and the Transaction Documents to which Buyer is a party and the transactions contemplated hereby and thereby, including a statement that such resolutions have not been rescinded or modified and remain in full force and effect as of the Closing Date;

(iii) a certificate of the Secretary or other officer of Mission Ready, dated as of the Closing Date, certifying and attaching the resolutions, duly adopted by the board of directors of Buyer, authorizing and approving Buyer's execution, delivery and performance of this Agreement and the Transaction Documents to which Buyer is a party and the transactions contemplated hereby and thereby, including a statement that such resolutions have not been rescinded or modified and remain in full force and effect as of the Closing Date;

(iv) a certificate of an officer of Merger Sub, dated as of the Closing Date, certifying and attaching (A) the resolutions, duly adopted by the board of directors of Merger Sub, authorizing and approving Merger Sub's execution, delivery and performance of this Agreement and the Transaction Documents to which Merger Sub is a party and the transactions contemplated hereby and thereby, including a statement that such resolutions have not been rescinded or modified and remain in full force and effect as of the Closing Date; and (B) the resolutions, duly adopted by the sole shareholder of Merger Sub, authorizing and approving Merger Sub's execution, delivery and performance of this Agreement and the Transaction Documents to which Merger Sub is a party and the transactions contemplated hereby and thereby, including a statement that such resolutions have not been rescinded or modified and remain in full force and effect as of the Closing Date;

(v) a closing certificate, duly executed by Buyer, Merger Sub, and Mission Ready certifying that the conditions set forth in <u>Section 7.1</u> and <u>Section 7.2</u> have been met;

(vi) documentation evidencing the issuance to the Shareholders of the Stock Consideration;

(vii) such other instruments or documents reasonably deemed necessary by the Company or the Shareholders to effect the Closing;

(viii) Siria Promissory Note, duly executed by Buyer and Mission Ready; and

(ix) Raczykowski Promissory Note, duly executed by Buyer and Mission Ready.

2.8 <u>Post-Closing Adjustments and Payments</u>.

(a) <u>Cash Consideration Installment Payments</u>. The Buyer shall pay or cause to be paid the Cash Consideration to the Shareholders in the form of the Shareholder Notes with the payment schedule attached hereto as <u>Exhibit G</u> (the "**Cash Consideration Payment Schedule**"), in the specified installments (each, an "**Installment**").

(b) <u>Closing Statement</u>. Within seventy-five (75) calendar days after the Closing Date, Buyer will prepare and deliver to the Shareholders a statement (the "**Closing Statement**"), signed by Buyer, containing (i) an unaudited balance sheet of the Company as of the Effective Time (the "**Closing Date Balance Sheet**"), and (ii) Buyer's good faith determination (including all calculations in reasonable detail) of (A) the actual Net Working Capital of the Company, and (B) the actual amount of Seller Expenses as of the Closing.

(c) Determining Final Net Working Capital; Dispute Resolution. If the Shareholders disagree in whole or in part with the Closing Statement, then, within thirty (30) calendar days after the Shareholders' receipt of the Closing Statement from Buyer, the Shareholders will notify Buyer in writing of the amount, nature and basis of such disagreement (the "**Notice of Disagreement**"). To the extent possible, the Notice of Disagreement should (i) include a copy of the Closing Statement marked to indicate the specific line items or omissions of the Closing Statement that are in dispute (the "**Disputed Line Items**") and (ii) be accompanied by the Shareholders' calculation of each of the Disputed Line Items. All items that are not set forth in the Notice of Disagreement will be final, binding and conclusive for all purposes under this Agreement. If the Shareholders do not timely deliver a Notice of Disagreement, the Closing Statement (as delivered by Buyer) will become final, binding and conclusive on all Parties for all purposes under this Agreement. If the Shareholders timely deliver a Notice of Disagreement, Buyer and the Shareholders shall use Reasonable Best Efforts for a period of fifteen (15) calendar days thereafter (or such longer period as they may mutually agree) to resolve any Disputed Line Items. All Disputed Line Items agreed to during such fifteen (15)-calendar day period will be final, conclusive and binding on the Parties and not subject to further appeal. If, at the end of such fifteen (15)-calendar day period, Buyer and the Shareholders are unable to resolve all Disputed Line Items, then the remaining Disputed Line Items will be referred to Frost & Company (the "**Accounting Firm**"). Buyer and the Shareholders will enter into reasonable and customary arrangements for the services to be rendered by the Accounting Firm under this Section 2.8(b), such services to be provided in the Accounting Firm's capacity as an accounting expert, and not as an arbitrator. The Accounting Firm will be directed to determine, as promptly as practicable, the value of the Disputed Line Items based solely on the application of the express terms of this Agreement. The Accounting Firm will be instructed that, in making such determination, it may not assign a value to any Disputed Line Items greater than the greatest value for such item claimed by Buyer or the Shareholders or less than the smallest value for such item claimed by Buyer or the Shareholders. Buyer and the Shareholders will each furnish to the Accounting Firm any work papers and other documents and information relating to the Disputed Line Items, and will provide any interviews and answer any questions as the Accounting Firm may reasonably request. The determination of the Accounting Firm will be final, conclusive and binding on the Parties. The costs and expenses for the services of the Accounting Firm will be allocated and borne by Buyer, on the one hand, and the Shareholders, on the other hand, based upon the percentage by which the portion of the contested amount not awarded to such Party bears to the total amount contested by both of such Parties (e.g., if there is $100 in dispute and the Accounting Firm awards $40 in favor of the Shareholders and $60 in favor of Buyer, then the Shareholders bear sixty percent (60%) and Buyer bears forty percent (40%) of the fees and expenses of the Accounting Firm). Subject to the immediately preceding sentence, each of Buyer and the Shareholders will be responsible for its own fees and expenses incurred in connection with this Section 2.8(b).

(d) Post-Closing Adjustments. Within five (5) Business Days after (i) the actual amount of the Net Working Capital (the "**Final Net Working Capital**") and (ii) the actual amount of the Seller Expenses as of the Closing (the "**Final Seller Expenses**") have been finally determined in accordance with the procedures set forth in Section 2.8(b), the Parties shall make the following payments:

(1) if the Final Merger Consideration exceeds the Closing Merger Consideration, then each Shareholder shall be entitled to receive the amount by

which the Final Merger Consideration exceeds the Closing Merger Consideration (the "**Surplus**") *multiplied by* such Shareholder's Pro-Rata Percentage, distributed proportionately over the Installments yet to be paid to such Shareholder (an example of an adjustment to the Installments for a Surplus is shown on the Cash Consideration Payment Schedule); or

(2) if the Closing Merger Consideration exceeds the Final Merger Consideration, then the Installments yet to be paid to the Shareholders shall be reduced proportionately, such that the aggregate amount of such reductions equals the amount by which the Closing Merger Consideration exceeds the Final Merger Consideration (the "**Shortfall**") (an example of a reduction adjustment to the Installments for a Shortfall is shown on the Cash Consideration Payment Schedule). As illustrated on the Cash Consideration Payment Schedule, if the aggregate amount of Installments yet to be paid to a certain Shareholder is less than the amount equal to the Shortfall *multiplied by* such Shareholder's Pro-Rata Percentage, then such Shareholder shall not receive any further Installments and shall pay or cause to be paid to Buyer on the date the next Installment would have otherwise been paid (by wire transfer of immediately available funds to the applicable account(s) specified by Buyer) an amount equal to the amount by which such Shareholder's Pro-Rata Percentage of the Shortfall exceeds the aggregate amount of Installments which were then yet to be paid to such Shareholder.

2.9 Post-Closing Capital Contribution Payment. Within a reasonable time after the Closing, the Buyer shall pay or cause to be paid to the Capital Contribution Payment to the Company, which shall be used to pay off the Excluded Debt and to provide general operating capital to the Company as follows:

(a) The first $1,200,000.00 of the Capital Contribution Payment shall be used to pay off the Excluded Debt as pre-determined and directed by Darrell Siria and such payment shall be made no later than 45 days after Closing;

(b) The amount of the Capital Contribution Payment in excess of $1,200,000.01 but under $2,000,000.00 shall be used first to pay all Seller Expenses and the balance to pay off the Excluded Debt as determined and mutually agreed upon by Darrell Siria and Buyer; and

(c) The amount of the Capital Contribution Payment in excess of $2,000,000.01 shall be allocated as determined and directed by Buyer in its sole discretion.

3. REPRESENTATIONS AND WARRANTIES OF THE COMPANY. Subject to the Disclosure Schedules, the Company hereby represents and warrants to Buyer the following:

3.1 Organization. The Company is a corporation duly incorporated, validly existing and in good standing under the Laws of the State of Washington and has all requisite power and authority to own, lease and operate its properties and Assets and to carry on its business as presently conducted. The Company is qualified or registered to do business, and is in good standing, in each jurisdiction in which the nature of its business or operations would require such qualification or registration, except where the failure to be so qualified or registered would not reasonably be expected to result in a Material Adverse Effect on the Company. The Company has delivered to Buyer true, correct and complete copies of the Company's Governing Documents, as amended. Schedule 3.1 lists (i) each jurisdiction in which the Company is qualified or registered to do business; (ii) the address of the Company's principal office and all of the Company's additional places of business; (iii) each company, fictitious or other name used, or by which the Company has been known, in the conduct of the Company's business during the past five (5) years; and (iv) the current officers, directors and managers of the Company.

3.2 Authorization and Binding Agreement. Each of the Company and each Shareholder has the requisite power and authority to execute and deliver this Agreement and the other Transaction Documents to which it is a party, to perform its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance of this Agreement and the other Transaction Documents by the Company and the Shareholders, and the Company's consummation of the transactions contemplated hereby and thereby, have been duly authorized by all requisite action, and no other actions on the part of the Company or the Shareholders is necessary to authorize this Agreement or the other Transaction Documents or the consummation of the transactions contemplated hereby and thereby. This Agreement has been duly executed by each of the Company and each Shareholder and delivered to Buyer, and (assuming this Agreement constitutes a valid, legal and binding obligation of Buyer and Merger Sub) will constitute the legal, valid and binding agreement of the Company and the Shareholders, enforceable against each of the Company and the Shareholders in accordance with its terms, except to the extent that the enforceability thereof may be limited by (a) applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or similar Laws from time to time in effect affecting generally the enforcement of creditors' rights and remedies and (b) general principles of equity (collectively, the "**Enforceability Exceptions**"). Upon execution and delivery at the Closing by the Company, each other Transaction Document to which the Company is, or is specified to be, a party, will be duly and validly executed by the Company and delivered to Buyer on the Closing Date, and will constitute (assuming, in each case, the due authorization, execution and delivery by each other party thereto) the Company's legal, valid and binding obligations, enforceable against it in accordance with its terms, except as enforceability may be limited by the Enforceability Exceptions.

3.3 No Conflicts. Except as set forth on Schedule 3.3, the execution, delivery and performance by the Company of this Agreement and the other Transaction Documents to which the Company is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not (a) violate or conflict with the Governing Documents of the Company, (b) violate or conflict with any Applicable Law to which the Company, the Assets or the Shares are subject in any material respects, (c) with or without the giving of notice or the lapse of time or both, breach or conflict with, result in the acceleration of any obligations or any right of termination under, or constitute a default under any Material Contract, Company IP Contract or Government Contract to which the Company is a party or by which the Company, the Assets or the Shares may be bound, (d) result in the imposition of a Lien on any of the Shares or the Assets, or (e) require any material filing with, notice to or consent, approval or waiver from any Person.

3.4 Capitalization.

(a) Shareholders. All of the issued and outstanding Shares are held, beneficially and of record, as set forth on Schedule 3.4(a). The Pro-Rata Percentages of the Shareholders are set forth on Schedule 3.4(a).

(b) Shares. All of the Shares are free and clear of all Liens (other than Permitted Liens), have been duly authorized and validly issued and were not issued or transferred in violation of any preemptive rights, rights of first refusal, first offer or applicable federal and state securities Laws.

(c) No Restrictions. Except as set forth on Schedule 3.4(c), there are no (i) voting trusts, proxies or any other agreements or understandings with respect to the voting or dividend rights of the Shares; (ii) preemptive rights or rights of first refusal or first offer with respect to the Shares; (iii) restrictions on transfer with respect to the Shares; (iv) outstanding or authorized options, warrants, convertible securities (including convertible promissory notes) or other rights to subscribe for or purchase any Shares; or (v) Contracts to which the Company is a party which require the Company to repurchase, redeem or otherwise acquire any of the Shares. Except as set forth on Schedule 3.4(c), there are no outstanding or authorized equity appreciation, phantom equity or similar rights with respect to the Company.

3.5 Compliance with Laws; Permits.

(a) Compliance. The Company has complied in all material respects with all Applicable Laws. The Company has not received any notice alleging that the Company is in violation of any Applicable Laws, and, except as set forth on Schedule 3.5(a), the Company has not filed any disclosures with any Governmental Authority with respect to any potential violation by the Company arising under any Applicable Laws.

(b) Company Permits. The Company holds all Permits required by Applicable Law for the conduct of the Company's business as currently conducted (the "**Company Permits**"), each of which is set forth on Schedule 3.5(b). The Company is in compliance in all material respects with each Company Permit and no legal action is pending or, to the Knowledge of the Company, threatened to revoke or cancel any Company Permit. No Permit has been revoked in the last five (5) years.

3.6 Anti-Corruption. Neither the Company nor any officers, directors, employees or agents of the Company have taken any action that would cause the Company to be in violation of the Foreign Corrupt Practices Act of 1977, as amended (the "**FCPA**"), the Anti-Kickback Act of 1986 ("**Anti-Kickback Act**") or any Applicable Laws of similar effect. There is no charge, proceeding or investigation by any Governmental Authority with respect to a violation of the FCPA or Anti-Kickback Act that has been asserted or, to the Knowledge of the Company, threatened with respect to the Company. The Company has not made any voluntary, mandatory or other disclosure with respect to a possible violation of the FCPA or Anti-Kickback Act.

3.7 Litigation. Except as set forth on Schedule 3.7, there are no (a) Claims pending or, to the Knowledge of the Company, threatened, or (b) Order pending now or rendered by a Governmental Authority in the past five (5) years, in either case (a) or (b), by or against the

Company or any of its Assets or the Shares. Within the past three (3) years, the Company has not initiated or threatened to initiate any Claim against another Person.

3.8 Related Person Transactions. Except as set forth on Schedule 3.8, there are no Contracts between the Company, on the one hand, and any one or more Related Persons, on the other hand, except for the Governing Documents and routine Contracts for employee benefits under a Company Benefit Plan entered into in the Ordinary Course of Business. No Related Person owns, directly or indirectly, in whole or in part, or maintains any direct or indirect interest in, any tangible or intangible property which the Company is using in its business.

3.9 Financial Statements.

(a) Attached to Schedule 3.9(a) are true, correct and complete copies of (i) the unaudited balance sheet and income statement of the Company as of and for the fiscal years ended December 31, 2016 and December 31, 2017, and (ii) the unaudited balance sheet as of the Statement Date and the related income statement of the Company for the fiscal year ended December 31, 2018 (the "**Latest Balance Sheet**"; and together with financial statements contemplated in clause (i), the "**Financial Statements**"). Except as noted on Schedule 3.9(a), all of the Financial Statements, including any notes thereto, (x) are consistent with, and were prepared from, the books and records of the Company; (y) have been prepared in all material respects in a manner consistently applied through the periods presented (subject to the absence of footnotes and normal year-end adjustments, none of which would alone or in the aggregate be materially adverse to the business, Assets, operation or financial condition of the Company); and (z) present fairly, in all material respects, the financial condition and results of operations of the Company on the dates and for the periods specified therein. As used herein, "**Statement Date**" means December 31, 2018.

(b) The Company maintains books and records reflecting its assets and liabilities that are accurate in all material respects.

3.10 Subsidiaries. The Company does not have, and has never had, any direct or indirect Subsidiaries, and the Company does not own or have the right to acquire, and has never owned or had the right to acquire, any equity securities of any Person.

3.11 Liabilities.

(a) The Company has no Liabilities other than those that (i) are accrued or reflected in the Latest Balance Sheet, (ii) were incurred after the Statement Date in the Ordinary Course of Business and which are not, individually or in the aggregate, reasonably expected to have a Material Adverse Effect on the Company, or (iii) are set forth on Schedule 3.11.

(b) On the Closing Date, the Company's Liabilities shall be equal to or less than $6,000,000.00, including Seller Expenses.

3.12 Assets.

(a) Title to Assets. The Company has good and marketable title to, or in the case of leased Assets, has a valid, enforceable and subsisting leasehold interest in, all of the

Assets, free and clear of all Liens, other than Permitted Liens. The Assets constitute all of the assets, rights and properties that are used in the operation of the Company's business as it is now conducted and, taken together, are reasonably sufficient for the operation of the Company's business as currently conducted.

(b) Condition of Assets. All material items of Personal Property are in good operating condition and repair (ordinary wear and tear excepted). The operation of the Company's business as it is now conducted is not dependent upon the right to use the personal property of Persons other than the Company, except for such Personal Property that is leased, licensed or otherwise contracted to the Company.

3.13 Accounts Receivable and Accounts Payable.

(a) Accounts Receivable. All Accounts Receivable of the Company shown on the Latest Balance Sheet arose from sales actually made or services actually performed in the Ordinary Course of Business, are valid receivables net of specific charge-offs that have already been made, and are not subject to setoff or counterclaim.

(b) Accounts Payable. All accounts payable of the Company shown on the Latest Balance Sheet are the result of bona fide transactions in the Ordinary Course of Business.

3.14 Events Subsequent. Since the Statement Date, the Company has conducted its business in all material respects in the Ordinary Course of Business, has made expenditures (including, without limitation, capital expenditures) consistent in all material respects with past practices, and there has not been any event, occurrence, development or circumstances, which, individually or in the aggregate, has had, or would reasonably be expected to have, cause or result in, a Material Adverse Effect on the Company.

3.15 Material Contracts.

(a) List of Material Contracts. Schedule 3.15(a) sets forth each contract (other than Contracts that have expired or terminated, under which the Company has no continuing rights or obligations, and as to which the right of the applicable counterparty to review, audit or investigate has expired) to which the Company is a party that:

(i) generates revenue, or is reasonably expected to generate revenue, for the Company in excess of $50,000 in the twelve (12)-month period after the Effective Date;

(ii) obligates, or is reasonably expected to obligate, the Company to pay an amount in excess of $50,000 in the twelve (12)-month period after the Effective Date;

(iii) (A) relates to or evidences any Debt of the Company or involves any obligation of the Company for borrowed money (or the creation, incurrence, assumption, securing or guarantee thereof) or (B) grants or places a Lien upon any of the Assets of the Company;

(iv) creates or establishes any joint venture, limited liability company or partnership, or that relates to the ownership of, investment in, sharing of revenues, profits or costs with, or loans and advances to any Person;

(v) establishes a teaming arrangement between the Company and another Person;

(vi) was entered into outside the Ordinary Course of Business;

(vii) provides for the payment of any compensation or benefits as a result of, or in connection with, the Merger;

(viii) the Company has directly or indirectly made any advance, loan, mortgage, note bond, extension of credit or capital contribution to or for the benefit of or other investment in any Person;

(ix) the counterparty thereto has notified the Company that it intends to terminate or seek to adversely modify the terms and conditions of such Contract;

(x) the counterparty has given notice of its intent to bring a Claim against the Company;

(xi) contains any covenant (A) limiting or restricting the ability of the Company to enter into any market or line of business; (B) restricting or prohibiting the Company from transacting business or dealing in any manner with any other Person; (C) restricting the ability of the Company to compete with any Person or in any geographic area; or (D) restricting the ability of the Company to solicit any Person's employees or customers;

(xii) contains any "most-favored nation" or "most-favored-customer" provisions;

(xiii) constitutes a collective bargaining agreement or other Contract with any labor union or association representing employees;

(xiv) provides for the purchase, sale, lease, occupancy, ownership or use of, or title to, any real property, including the Leased Real Property;

(xv) relates to (A) the acquisition by the Company of a business or any portion thereof from another Person or (B) the merger or business combination of the Company with any other Person;

(xvi) constitutes a settlement agreement or other Contract for the settlement or compromise of any Liability under which the Company has outstanding obligations;

(xvii) requires capital expenditures after the Effective Date;

(xviii) contains any restrictions with respect to payment of dividends or distributions in respect of the Shares;

(xix) grants any power of attorney or other similar grant of agency by the Company to any Person; or

(xx) is material to the Company and has not been otherwise disclosed pursuant to Section 3.15(a).

Contracts required to be disclosed on Schedule 3.15(a) (Material Contracts) are referred to as "**Material Contracts**."

(b) Status of Material Contracts. Except as set forth on Schedule 3.15(b) with respect to each Material Contract: (i) such Material Contract is in full force and effect and is valid and binding on the Company and, to the Knowledge of the Company, each of the other parties to such Material Contract (except to the extent that the enforceability thereof may be limited by the Enforceability Exceptions); (ii) the Company and, to the Knowledge of the Company, each of the other parties to such Material Contract has performed all obligations required to be performed by it thereunder in all material respects and is not in breach or default thereunder in any material respect; (iii) the Company has not received notice of a breach or default under such Material Contract; (iv) the Company has not received notice that any such Material Contract is being terminated; and (v) the Company has not waived any rights under such Material Contract. The Company has no oral Material Contracts.

3.16 Government Contracts.

(a) List of Government Contracts and Bids.

(i) Schedule 3.16(a)(i) sets forth a current, complete and accurate list of each Current Government Contract, and, with respect to each such Current Government Contract (to the extent applicable), includes (A) the contract name, (B) the contract number, (C) the counterparty, (D) the ultimate customer, (E) the award date, (F) the expiration of the period of performance, and (G) whether it is set aside for companies with Preferred Bidder Status (and, if so, the particular Preferred Bidder Status). Each Current Government Contract is in full force and effect and constitutes a legal, valid and binding agreement, enforceable in accordance with its terms (except to the extent that the enforceability thereof may be limited by the Enforceability Exceptions). The Company has not received notice from any Governmental Authority that any Current Government Contract is the subject of bid or award protest proceedings.

(ii) Schedule 3.16(a)(ii) sets forth a current, complete and accurate list of each outstanding Government Bid, including (A) the solicitation number, (B) the procuring agency or customer, (C) the date the Government Bid was submitted and (D) whether the Government Contract to be awarded with respect to such Government Bid is set aside for companies with Preferred Bidder Status (and, if so, the particular Preferred Bidder Status).

(b) General Representations Regarding Government Contracts and Government Bids.

(i) The Company has complied in all material respects with all terms and conditions of each Government Contract and Government Bid, including all clauses, provisions, and requirements incorporated by reference therein.

(ii) The Company has complied in all material respects with all Applicable Laws (including all applicable requirements of Governmental Authorities) pertaining to each Government Contract and Government Bid.

(iii) Except as set forth on Schedule 3.16(b)(iii), during the past six (6) years, the Company has not submitted a voluntary disclosure to any Governmental Authority with respect to any alleged, suspected or possible breach, violation, irregularity, mischarging, misstatement or other act or omission arising under or relating to any Government Contract or Government Bid, and the Company is not currently conducting any internal or external investigation of any matter to determine whether it might be required to submit any such disclosure.

(iv) No Current Government Contract is currently projected to have fully burdened costs incurred in excess of the Current Government Contract fixed price or, in the case of flexibly priced or cost reimbursement Contracts, fully burdened costs incurred in excess of the ceiling price or funded amount of such Current Government Contract.

(c) Compliance Programs. Schedule 3.16(c) sets forth each compliance program and other policy that the Company has developed and implemented to ensure compliance with its work under its Current Government Contracts and Applicable Law, including applicable U.S. government procurement statutes, regulations and contract requirements (collectively, the "**Compliance Programs**"). The Company has provided its employees with a copy of such Compliance Programs and instructed them to comply with such Compliance Programs. The Compliance Programs are adequate and in compliance with all applicable requirement under the Company's Current Government Contracts and Applicable Law. The Company has not received notice from any Governmental Authority that any of the Company's Compliance Programs are inadequate or otherwise fail to comply with any applicable requirement under the Company's Current Government Contracts or Applicable Law.

(d) Representations and Certifications. During the past six (6) years, all representations and certifications made, acknowledged or set forth in or pertaining to each Government Contract and each Government Bid were current, accurate and complete in all material respects as of their respective effective dates, and all such representations and certifications have continued to be current, accurate and complete in all material respects to the extent required by the terms of a Current Government Contract.

(e) Invoicing. During the past six (6) years, all invoices for payment, reimbursement or adjustment, including requests for progress payments and provisional payments, submitted by or on behalf of the Company in connection with a Government Contract were current, accurate and complete as of their applicable submission dates.

(f) Pricing.

(i) During the past six (6) years, all certified cost or pricing data submitted by or on behalf of the Company in connection with a Government Contract or a Government Bid was current, accurate and complete as of the applicable certification date. The Company is not subject to any forward pricing rate agreements as described in FAR Subpart 15.407-3 or FAR Subpart 42.17.

(ii) During the past six (6) years, all costs, fees, profit and other charges and expenses that have been charged to any Government Contract were properly chargeable, were charged in amounts consistent with the requirements of such Government Contract and Applicable Law, and there will be no adverse adjustments, including any cost disallowances, with respect to any such costs, fees, profits, other charges or expenses.

(g) Internal Controls. During the past six (6) years, the Company has maintained systems of internal controls that comply in all material respects with the requirements of the Government Contracts and Applicable Law. The Company has not received notice from any Governmental Authority that any of the Company's systems of internal controls have been determined by any Governmental Authority to be in non-compliance or partial compliance with any such requirement.

(h) Termination; Performance. No Government Contract for which the Company's performance expired in the past six (6) years was terminated for default or convenience, and the Company has not received any notice terminating or indicating an intent to terminate any Current Government Contract for default or convenience. The Company has not received any cure notice or show cause notice regarding performance of a Current Government Contract or Government Contract for which the Company's performance expired in the last six (6) years. The Company has not received any past performance evaluations or ratings below "Satisfactory" in respect of any Government Contract.

(i) Withholdings and Setoff. There has not been any withholding or setoff of any payments by a Governmental Authority, prime contractor or higher-tier subcontractor under any Current Government Contract.

(j) Organizational Conflicts of Interest. The Company has not provided systems engineering, technical direction, technical evaluation or source selection services that create an unmitigated actual or potential Organizational Conflict of Interest (as defined in FAR subpart 9.5 and/or any other Applicable Laws) for the Company with respect to the Current Government Contracts or any outstanding Government Bid.

(k) Investigations and Audits.

(i) During the last six (6) years, there have been no document requests, subpoenas, search warrants or civil investigative demands addressed to or requesting information involving the Company or, to the Knowledge of the Company, any of its officers, employees, Affiliates, agents or representatives, in connection with or related to any Government Contract or Government Bid.

(ii) Neither the Company nor, to the Knowledge of the Company, any of its officers, directors, employees, Affiliates, agents or representatives, has been under, identified in, or party to any administrative, civil or criminal investigation, indictment or criminal information with respect to any Government Contract or Government Bid.

(iii) Except as set forth on Schedule 3.16(k)(iii), neither the Company nor, to the Knowledge of the Company, any other Person has conducted any internal audit, review or inquiry with respect to any suspected, alleged or possible violation of any Government Contract or Government Bid.

(l) Government Officials. The Company has not violated any Applicable Law associated with the employment of (or discussions concerning possible employment with) current or former officials or employees of a governmental agency, including the "revolving door" and "financial interest" restrictions set forth at 18 U.S.C. § 207 and § 208.

(m) Debarment, Suspension and Exclusion and Responsibility.

(i) Neither the Company nor any "Principal" (as defined in FAR 52.209-5) of the Company nor any employee of the Company has been the subject of a debarment, suspension or exclusion from participation in programs funded by any Governmental Authority or in the award of any Government Contract, nor are any of them listed on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs. Neither the Company nor any "Principal" (as defined in FAR 52.209-5) of the Company, nor any employee of the Company has received a request for information, show cause or similar notice or request from any Governmental Authority concerning any issues relating to the Company's present responsibility.

(ii) The Company has not been determined by a Governmental Authority to be non-responsible or ineligible for award of a Government Contract.

(n) Requests for Equitable Adjustment, Claims and Financing.

(i) The Company does not have any outstanding requests for equitable adjustment under or relating to any Government Contract or Government Bid.

(ii) There are no outstanding Claims between the Company, on the one hand, and any Governmental Authority or any prime contractor or higher-tier subcontractor for which the Company serves as a subcontractor, on the other hand, under or relating to any Government Contract or Government Bid.

(iii) The Company is not a party to any financing arrangements or assignments of proceeds with respect to any Government Contract or Government Bid.

(o) Government Property. Schedule 3.16(o) identifies all equipment and fixtures loaned, bailed or otherwise furnished to the Company by or on behalf of a Governmental Authority (the "**Government Furnished Items**"), the current locations thereof and the Current Government Contract pursuant to which such Government Furnished Items were issued. The Company has complied in all respects with all of its obligations relating to the Government Furnished Items and, upon the return thereof to any Governmental Authority in the condition thereof on the date hereof, would have no liability with respect thereto.

(p) Export Control.

(i) Neither the Company nor any officer, director, subsidiary, or controlled affiliates, nor to the Company's knowledge, any agent, distributor, or representative of the Company or of any of its subsidiaries or controlled affiliates has any reason to believe that the Company or any of the foregoing persons or entities have taken any action in such capacity(ies) in violation of, or which may cause the Company or any of its subsidiaries to be in violation of, any applicable U.S. law governing imports into or exports from the United States in connection with the Company's products, including without limitation: the Arms Export Control Act (22 U.S.C.A. § 2278), the Export Administration Act (50 U.S.C. App. §§ 2401-2420), ITAR, the Customs Laws of the United States (19 U.S.C. § 1 et seq.), the International Emergency Economic Powers Act (50 U.S.C. § 1701-1706), any other export control regulations issued by the agencies listed in Part 730 of the Export Administration Regulations, or any executive orders or regulations issued with respect to the aforementioned laws.

(ii) The Company does not currently, nor has previously engaged in the manufacture, export, temporary import, or brokering of defense articles (including technical data) as defined on the United States Munitions List nor furnished any defense services, in either case which would have required registration with the Directorate of Defense Trade Controls (DDTC) as described in ITAR part 122 or part 129.

(iii) There has never been a claim or charge made, investigation undertaken, violation found, or settlement of any enforcement action under any of the laws referred to in this Section 3.16(p) by any Governmental Authority with respect to matters arising under such laws against the Company, any of its subsidiaries, or to the Company's knowledge, against the agents, distributors, or representative of any of the foregoing in connection with their relationship with the Company. The Company maintains a compliance program appropriate to promote and achieve compliance with the requirements of the aforementioned laws.

(q) Security Clearances. Schedule 3.16(q) sets forth a true and complete list of all facility security clearances (by category only) held by the Company and all personnel security clearances held by the employees of the Company (to the extent held or required in connection with the conduct of the business of the Company) as of the Effective Date. The facility security clearances and personal security clearances set forth on Schedule 3.16(q) are all of the facility security clearances and personal security clearances reasonably necessary to conduct the current business of the Company consistent with past practice. The Company is in compliance with all material requirements of the NISPOM.

(r) Small Business Contracts; Preferred Bidder Status. Schedule 3.16(r) sets forth each Current Government Contract that, at the time of award, was set aside for companies having Preferred Bidder Status, and each outstanding Government Bid that required the Company to certify or represent that it had Preferred Bidder Status in order to be eligible for award. The Company has never submitted a Government Bid, or been awarded a Government Contract, which the Company was ineligible to be awarded due to its business classification or size status at the time such Government Bid was submitted in connection with a procurement reserved or set-aside for companies having a Preferred Bidder Status.

(s) Intellectual Property Under Government Contracts.

(i) None of the Intellectual Property Rights used by the Company were developed under any Government Contract. The Company is not using any Intellectual Property Rights developed under any Government Contract for purposes outside of the scope of that Government Contract without having obtained the necessary prior permission, except for those Intellectual Property Rights for which the Company has been granted a license under a Current Government Contract.

(ii) The Company has taken commercially reasonable steps under all of its Government Contracts to protect its rights in and to any Intellectual Property Rights owned by the Company. Without limiting the foregoing, the Company has disclosed and elected title to all subject inventions, listed all technical data and Software to be furnished with less than unlimited rights, and included the proper and required restrictive legends (including any "limited rights" legend, "restricted rights" legend, and any "government purpose license rights" legend) on all copies of any technical data, Software, and other Intellectual Property Rights delivered by the Company in connection with a Government Contract. All such markings and rights were properly asserted and justified, and no Governmental Authority, prime contractor, or higher-tier subcontractor has challenged the markings and rights asserted by the Company.

3.17 Customers and Suppliers.

(a) Material Customers. Schedule 3.17(a) sets forth a true and complete list of the ten (10) largest customers of the Company, in each case as determined on the basis of revenues for goods sold or services provided for the twelve (12)-month period ended on December 31, 2018 (each, a "**Material Customer**"), together with the gross revenues from each such Material Customer during such twelve (12)-month period. To the Knowledge of the Company, there is not currently any material dispute with any Material Customer. The Company has not received any written notice from any Material Customer stating that such Material Customer has ceased or materially reduced or will after passage of time cease doing or materially reduce its business with the Company.

(b) Material Suppliers. Schedule 3.17(b) sets forth a true and complete list of the ten (10) largest suppliers of the Company, in each case as determined on the basis of expenditures for the twelve (12)-month period ended on December 31, 2018 (each, a "**Material Supplier**"), together with the expenditures to each such Material Supplier during such twelve (12)-month period. To the Knowledge of the Company, there is not currently any material dispute with any Material Supplier. Since the Statement Date, no Material Supplier has terminated, cancelled, materially and adversely modified its relationship with the Company. The Company has not received any written notice from any Material Supplier stating that such Material Supplier has ceased or materially reduced or will after passage of time cease doing or materially reduce its business with the Company.

3.18 Environmental Matters. The Company is and at all times has been in compliance in all material respects with all applicable Environmental Laws. The Company has not (a) received in writing any citation, directive, inquiry, notice, order, summons, warning, request for information or other written communication that relates to any actual or alleged violation of or failure to comply with any Environmental Laws, (b) transported or arranged for the treatment, storage, handling, disposal or transportation of any Hazardous Material or (c) expressly or by operation of Applicable Law assumed or undertaken, or agreed to assume or undertake, responsibility for any Liability or obligation of any other Person arising under or relating to Environmental Laws, including with respect to the Leased Real Property. The Company has made available to Buyer all environmental site assessments and other environmental reports, audits and documents in the Company's possession or otherwise reasonably available to the Company, if any, or conducted in the last five (5) years related to compliance by the Company with Environmental Laws or to actual or potential Liabilities of the Company under Environmental Laws.

3.19 Real Property.

(a) Leased Real Property. Schedule 3.19(a) contains a complete and accurate list of all premises leased or subleased or otherwise used or occupied by the Company for the operation of the Company's business (the "**Leased Real Property**"), and of all leases, lease guaranties, agreements and documents related thereto, including all amendments, terminations and modifications thereof (collectively, the "**Leases**"). The Company does not occupy any space subject to an oral lease arrangement. The Leases are valid, binding and enforceable in accordance with their terms (except to the extent that the enforceability thereof may be limited by the Enforceability Exceptions) and are in full force and effect. No event has occurred that (whether with or without notice, lapse of time or both) would constitute a default by the Company under any Lease, or entitle the other party to terminate any Lease or to accelerate any obligations of the Company under any such Lease. The Company has not waived any rights under any Lease which would be in effect on or after the Closing Date. The Leased Real Property is not in need of maintenance or repair except for ordinary routine maintenance and repair. No physical changes have been made to any of the Leased Real Property that are required to be, or may be required to be, removed or restored by or at the expense of the Company, where such removal, restoration or expense would exceed $15,000 in the aggregate.

(b) Owned Real Property. The Company has never owned any real property.

3.20 Intellectual Property Matters.

(a) List of Intellectual Property. Schedule 3.20(a) sets forth a true and complete list of (i) all registrations, issuances, filings and applications for all Intellectual Property Rights filed by, or issued or registered to, the Company (the "**Company Registered IP**"), (ii) all

Software and other Technology offerings of the Company that have been marketed, sold, licensed or distributed or that are currently under development (the "**Company Products**"), and (iii) all Contracts under which (A) the Company has received any license, assignment or other grant of rights with respect to Intellectual Property Rights (other than shrink wrap licenses or other similar licenses for commercial off-the-shelf software with an annual license fee of $10,000 or less which are not required to be listed) or (B) the Company has granted any third party any license, assignment or other rights with respect to Intellectual Property Rights (clauses (A) and (B) collectively, the "**Company IP Contracts**").

(b) Ownership of Intellectual Property. The Company owns all rights, title and interests in and to the Company Registered IP, and owns, or otherwise has all necessary and sufficient rights pursuant to valid and enforceable licenses with respect to, all Intellectual Property Rights in and to the Company Products and all other Intellectual Property Rights used or held for use in, or necessary for, the operation of the Company's business as it is now conducted, in all cases free and clear of any Liens, other than Permitted Liens. All employees of the Company who created or developed any Company Registered IP or Company Products, in whole or in part, have signed agreements containing confidentiality obligations and assignments to the Company of any and all Intellectual Property Rights in and to the Company Products and Company Registered IP.

(c) Validity of Company Registered IP. All of the Company Registered IP (i) is valid, subsisting, enforceable and transferable without restriction or loss of any rights due to change of control and (ii) is in material compliance with all legal requirements, filings and payments of maintenance fees and other actions that are required to maintain the Company Registered IP in full force and effect. Schedule 3.20(c) identifies and describes each payment, filing or other action that must be taken or made on or before the date that is 90 days after the Effective Date in order to maintain the Company Registered IP in full force and effect.

(d) Infringement. (i) None of the Company Products or the Company (including the conduct of the Company's business, as currently and formerly conducted) has violated, misappropriated or infringed any Intellectual Property Rights of any other Person and (ii) no Person has violated, misappropriated or infringed any Intellectual Property Rights owned by or licensed to the Company. There is no Order, Claim or other proceeding (including any oppositions, interferences or re-examinations) settled, pending, or, to the Knowledge of the Company, threatened (including in the form of offers to obtain a license), by or against the Company, concerning the ownership, use, validity, scope, registrability, enforceability, infringement, misappropriation, or violation of, or licensed right to use, any Company Registered IP or any other Intellectual Property Rights of the Company or any other Person. Neither the Company nor any Person on its behalf has sought opinions of counsel regarding the validity or infringement of any Intellectual Property Rights.

(e) Compliance with Company IP Contracts. The Company is in compliance with each Company IP Contract.

3.21 Tax Matters.

(a) Filing of Tax Returns. The Company has timely filed all Tax Returns required to be filed by it as of the Closing Date, and all such Tax Returns are true, correct and complete in all material respects. All Taxes due from the Company or with respect to the business of the Company (whether or not shown on any Tax Returns) have been timely paid in full. The Company is not currently the beneficiary of any extension of time within which to file any Tax Return. The Company has timely withheld and, as applicable, paid over to the appropriate Taxing Authorities all amounts of Taxes required to have been withheld and paid over by it (including with respect to amounts paid or owing to any employee, independent contractor, stockholder, creditor or other Person) and has complied with all record-keeping, information reporting and backup withholding requirements in connection with amounts paid or owing to any employee, stockholder, creditor, independent contractor or other Person under the Code and the Treasury Regulations issued thereunder (and any similar provision of state, local or foreign Law), including the filing of all Forms W-2 and 1099.

(b) Tax Contests. No Tax Contest is pending or, to the Knowledge of the Company, threatened with respect to the Company. The Company has not received from any Taxing Authority any (i) notice indicating an intent to open a Tax Contest, (ii) request for information related to Tax matters or (iii) notice of deficiency or proposed adjustment for any amount of Tax or Tax item.

(c) Tax Liens. There are no Liens for Taxes, other than Permitted Liens, against or upon any of the Assets or any of the Shares.

(d) Waiver of Limitations Period. The Company has not waived or requested to waive any statute of limitations in respect of Taxes or agreed to or requested any extension of time with respect to a Tax assessment or deficiency.

(e) Tax Sharing. The Company is not a party to or bound by any Tax allocation, indemnification, sharing or similar agreement (including any advance pricing agreement, closing agreement or other agreement relating to Taxes with any Governmental Authority).

(f) Successor Liability for Taxes. The Company does not have any liability for the Taxes of any Person (whether under Section 1.1502-6 of the Treasury Regulations or any similar provision of state, local or foreign Laws), by operation of Law, as a transferee or successor, by Contract or otherwise.

(g) Reportable Transactions. The Company has not at any time been a party to any “reportable transaction,” as defined in Section 1.6011-4(b) of the Treasury Regulations.

(h) Adjustments to Income. The Company is not required (and will not be required as a result of the Closing) to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any: (i) adjustment pursuant to Section 481 of the Code (or any corresponding or similar provision of state, local or foreign Laws) or any other change in any method of accounting or the use of an improper method of accounting, (ii) “closing agreement” as described in Section 7121 of the Code (or any corresponding or similar provision of state, local or foreign Laws) entered into prior to the Closing, (iii) installment sale or open transaction disposition made on or prior to the Closing Date, (iv) intercompany transaction or excess loss account described in Treasury Regulations under Section 1502 of the Code (or any corresponding or similar provision of state, local or foreign Laws), (v) election under Section 108(i) of the Code (or any corresponding or similar provision of state, local or foreign Laws) or (vi) prepaid amount received on or prior to the Closing Date.

(i) Foreign Establishment. The Company does not have a "permanent establishment" in any foreign country (within the meaning of any applicable Tax treaty or convention between the United States of America and such foreign country) or otherwise have an office or fixed place of business in a country other than the United States of America.

(j) Transfer Taxes. The Company does not own any property of a character the indirect transfer of which pursuant to this Agreement would give rise to any Transfer Tax.

(k) Sales and Use Taxes. The Company has complied with all applicable withholding and information reporting with respect to sales and use Tax requirements and payment of sales and use Taxes when required under any Applicable Laws.

(l) Real Property Holding Company. The Company has not been a United States real property holding corporation within the meaning of Code Section 892(c)(2) at any time during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code.

(m) Power of Attorney. No power of attorney with respect to Taxes has been granted with respect to the Company, which power of attorney is currently in effect.

(n) Income Tax Status. At all times since its formation, the Company has been treated as a corporation for income tax purposes and reported as a "C" corporation for federal income tax reporting purposes until January 1, 2005 when the Company and its Shareholders elected to report under Subchapter S of the Internal Revenue Code.

(o) Distributing or Controlled Corporation. The Company has not been either a "distributing corporation" or a "controlled corporation" within the meaning of Section 355(a)(1)(A) of the Code in a distribution qualifying (or intended to qualify) under Section 355 of the Code (or so much of Section 356 as relates to Section 355).

3.22 Employee Benefits Matters; ERISA.

(a) Company Benefit Plans. Schedule 3.22(a) sets forth a true and complete list of all Benefit Plans (i) currently sponsored, maintained or contributed to by the Company or any ERISA Affiliate, (ii) under which the Company or any ERISA Affiliate has any actual or contingent liability or (iii) under which any present or former director, manager, officer or other present or former employee or independent contractor of the Company or any ERISA Affiliate (or their spouses, dependents or beneficiaries) has any present or future right to benefits (collectively, the "**Company Benefit Plans**"). The Company will not incur any termination fee or other Liability as a result of the termination of any Company Benefit Plan other than ordinary costs associated with the termination and the payment of benefits owed thereunder. No Company Benefit Plan is subject to any surrender fees or services fees upon termination other than the normal and reasonable administrative fees associated with the termination of benefit plans.

(b) The Company has made available to Buyer: (i) true, correct and complete copies of the current form of each of the Company Benefit Plans, including all amendments thereto and all related trust documents, insurance contracts and other funding arrangements, (ii) the three most recent annual reports (Form Series 5500 and all schedules and audited financial statements attached thereto), if any, required under ERISA or the Code in connection with each Company Benefit Plan, (iii) if the Company Benefit Plan is subject to the minimum funding standards of Section 302 of ERISA, the most recent annual and periodic accounting of plan assets, (iv) the most recent summary plan description together with the summaries of modifications thereto, if any, required under ERISA with respect to each Company Benefit Plan, (v) all written Contracts relating to each Company Benefit Plan, including administrative service agreements and group insurance contracts, (vi) all correspondence to or from any Governmental Authority relating to any Company Benefit Plan (other than routine correspondence) during the preceding three (3) years, (vii) all COBRA forms and related notices, (viii) all insurance policies in the possession of the Company or any of its Affiliates pertaining to fiduciary liability insurance covering the fiduciaries for each Company Benefit Plan, and (ix) written summaries of any non-written Company Benefit Plans.

(c) Retirement Plans. Each Company Benefit Plan intended to be qualified under Section 401(a) of the Code is so qualified and has received a favorable determination letter (or is entitled to rely on an opinion or advisory letter of a prototype or volume submitter plan, as applicable), which has not been revoked, from the IRS that any such plan is tax-qualified in form and that each trust created thereunder has been determined by the IRS to be exempt from federal income Tax under Code Section 501(a) and nothing has occurred with respect to the operation of the Company Benefit Plan that could reasonably be expected to cause the loss of such qualification of such plan or tax-exemption of its related trust. The Company has never sponsored, maintained or contributed to, or had any actual contingent liability for a "defined benefit plan" as defined in Section 3(35) of ERISA or a pension plan subject to the funding standards of Section 302 of ERISA, Section 412 of the Code, or Title IV of ERISA.

(d) Multiple Employer Plans. Neither Company nor any ERISA Affiliate currently participates in, or has ever participated in, or currently is required or has ever been required to contribute to or otherwise participate in, (i) any "multiemployer plan" (as defined in Section 3(37)(A) and 4001(a)(3) of ERISA and Section 414(f) of the Code); (ii) any "multiple employer plan" (as defined in Section 210(a) of ERISA or Section 413(c) of the Code), (iii) any plan subject to the minimum funding standards of Section 412 of the Code or Section 302 of ERISA, (iv) any funded welfare plan within the meaning of Section 419 of the Code, or (v) any plan maintained in connection with any trust described in Section 501(c)(9) of the Code. No Company Benefit Plan is a "multiple employer welfare arrangement" (as defined in Section 3(40) of ERISA). Neither the Company nor any ERISA Affiliate has ever maintained, established, sponsored, participated in or contributed to, any Company Benefit Plan in which securities of the Company or other employer with respect to the Company Benefit Plan is or was held as a plan asset.

(e) Unsatisfied Liabilities. With respect to each Company Benefit Plan, (i) there are no amounts accrued or promised to the Company's employees but unpaid as of the Closing that have not been (or will not be) reflected on the Closing Statement and (ii) all required payments, premiums, contributions, reimbursements and accruals for all periods ending prior to the Closing will have been made or properly accrued on the Closing Statement or will be properly accrued on the books and records of the Company as of the Closing.

(f) ERISA Compliance. Each Company Benefit Plan has been administered in all material respects in accordance with its terms and in compliance in all material respects with all applicable provisions of ERISA, the Code and all other Applicable Laws. No "prohibited transaction," within the meaning of Section 4975 of the Code or Sections 406 and 407 of ERISA, and not otherwise exempt under Section 408 of ERISA, has occurred or could reasonably be expected to occur with respect to any Company Benefit Plan which could reasonably be expected to result in liability to the Company.

(g) Audits and Proceedings. With respect to each Company Benefit Plan, (i) no audits, proceedings, Claims or demands are pending or, to the Knowledge of the Company, threatened by, any Governmental Authority, including the IRS and the Department of Labor, (ii) no Claims (other than routine claims for benefits) are pending or have been asserted against any Company Benefit Plan, the trustee or fiduciary of such plan or the Company with respect to such plan in the past six (6) years and, to the Knowledge of the Company, there is no reasonable basis for any such Claim, and (iii) all reports, returns and similar documents required to be filed with any Governmental Authority have been duly and timely filed in all material respects.

(h) Group Health Plans. The Company and each Company Benefit Plan that qualifies as a group health plan under the applicable statute is, to the extent applicable, in compliance in all material respects with (i) the notice and continuation of coverage requirements of Section 4980B of the Code and (ii) Part 6 of Title I of ERISA, and similar state laws ("**COBRA Coverage**").

(i) ACA Employer Mandate. The Company and its group health plans have at all times complied in all material respects with the requirements of Code Section 4980H and the Affordable Care Act ("**ACA**"), including IRS Notice 2013-54, to the extent required to avoid the adverse Tax consequences thereunder, and the Company is not otherwise liable or responsible for any assessable payment, Taxes or penalties under Section 4980H of the Code or under the ACA or in connection with requirements relating thereto.

(j) Section 409A Compliance. Any Company Benefit Plan that is a "nonqualified deferred compensation plan" (as defined in Code Section 409A) that is subject to Section 409A of the Code has been documented in writing and operated in a manner that complies in all material respects with the requirements of Code Section 409A, and the Company has complied with all applicable requirements of Code Section 409A in all material respects. The Company has not terminated any such plan since January 1, 2011.

(k) Effect of Transaction on Benefit Plans. Except as set forth on Schedule 3.22(k), neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will (either alone or in combination with another event contemplated by this Agreement) (i) require an increase in, or accelerate the vesting of, any benefits available under any Company Benefit Plan or (ii) otherwise entitle any current or former director, manager, employee or independent contractor of the Company to any payment from the Company or any Company Benefit Plan.

(l) Paid Time Off. Except as set forth on Schedule 3.22(l), no current or former employee of the Company is entitled to receive, and the Company has no obligation to make, any cash payments for accrued paid time off (PTO).

(m) No Company Benefit Plan is subject to the laws of any jurisdiction outside the United States of America.

(n) No Company Benefit Plan provides health, life or disability benefits that are not fully insured through an insurance contract which does not provide for retroactive adjustment of premiums. No Company Benefit Plan provides for health care or other non-pension benefits to any employees or independent contractors following their termination of employment or service, except as required under the COBRA Coverage rules or similar state laws, and the Company has never promised to provide such benefits.

3.23 Labor and Employment Matters.

(a) Labor Relations. The Company is not currently party to, subject to or negotiating any collective bargaining agreement or other agreement with a labor union or other employee representative body and, to the Knowledge of the Company, no union organization campaign is in progress or threatened with respect to any employees of the Company, and there have been no such efforts within the past three (3) years. No employee of the Company is represented by a labor union or other employee representative body, and no petition has been filed or proceedings instituted by any labor union or other employee representative body with any Governmental Authority seeking recognition or certification as the bargaining representative of any employee or group of employees of the Company. There are no strikes, work stoppages, picketing activities, slowdowns, lockouts or other material labor disputes pending or, to the Knowledge of the Company, threatened against or involving the Company, and there have been no such activities or disputes within the past three (3) years.

(b) Compliance with Employment Laws. The Company has complied in all material respects with all Applicable Laws respecting employment and employment practices and terms and conditions of employment, including the WARN Act and Applicable Laws relating to wages, hours, discrimination, civil rights, affirmative action, immigration, health and safety and workers' compensation. The Company has correctly classified employees as exempt employees and nonexempt employees under the Fair Labor Standards Act and other Laws. All employees of the Company are, and have been since their respective start of employment by the Company, legally permitted to be employed by the Company in the jurisdiction in which such employee is employed in their current job capacities for the maximum period permitted by Law. All independent contractors providing services to the Company have been properly classified as independent contractors for purposes of federal and applicable state Tax Laws, Laws applicable to employee benefits and other Laws. To the actual knowledge of the Company, no employee of the

Company is currently intending to terminate his or her employment with the Company within the one (1) year period following the Effective Date. There is no action, suit, administrative charge, audit, investigation, arbitration, mediation or proceeding of any nature or kind by or before any Governmental Authority against or with respect to the Company pending or, to the Knowledge of the Company, threatened to be brought or filed by or with any Governmental Authority relating to the hiring, employment or engagement of, or termination of employment or engagement by, the Company of any current or former applicant, employee or independent contractor. There are no pending or, to the Knowledge of the Company, threatened actions against the Company or any of its Affiliates under any worker's compensation policy or long-term disability policy.

(c) Mass Layoffs. There has been no "mass layoff" or "plant closing" (as defined in the WARN Act) with respect to the Company within the three (3) years prior to the Closing Date.

(d) Employees and Independent Contractors. Schedule 3.23(d)(i) sets forth, as of the Statement Date, the (i) name, (ii) job title, (iii) classification as full-time, part-time or seasonal, (iv) classification as exempt or non-exempt under applicable state, federal or foreign overtime regulations, (v) hourly rate of compensation or base salary (as applicable), (vi) total 2017 compensation, (vii) actual incentive compensation for 2017 (commission and/or bonus, as applicable) and target incentive compensation for 2018, but only to the extent communicated to the employee (commission and/or bonus, as applicable), (viii) any other cash compensation or cash allowance, (ix) vacation accrual rate, (x) accrued but unused vacation, (xi) average hours of work per week (for non-exempt and part-time employees), (xii) visa type (if any), (xiii) commencement date of employment with the Company, (xiv) work location, and (xv) leave status (including anticipated return to work date). Schedule 3.23(d)(ii) lists all independent contractors of the Company as of the Statement Date, and for each such independent contractor, his or her: (i) terms of compensation, (ii) total 2017 compensation (including all payments or benefits of any type received), (iii) commencement date with the Company or any Affiliate of the Company, (iv) service location, (v) description of services provided, and (vi) whether engaged directly or through a third party. To the Knowledge of the Company, no employee or independent contractor of the Company is in violation of any term of any employment agreement, nondisclosure agreement, fiduciary duty, non-competition agreement, restrictive covenant or other obligation to the Company.

3.24 Insurance. Schedule 3.24 sets forth a list of all insurance policies owned or held by the Company. All such insurance policies are in full force and effect, all premiums due and payable thereon have been paid in full and no notice of cancellation or non-renewal with respect thereto has been received by the Company. The Company has not made any Claim under any such insurance policy with respect to which an insurer has questioned, denied or disputed, or otherwise reserved its rights with respect to, coverage. The coverage under such insurance policies is sufficient to satisfy all requirements under each Material Contract.

3.25 Bank Accounts. Schedule 3.25 lists the names of all banks and other financial institutions with which the Company maintains an account (each, a "**Bank Account**"), in each case listing the type of Bank Account, the Bank Account number, and the names of all Persons authorized to draw thereupon or have signing rights with respect thereto.

3.26 Brokers. No broker, finder, financial advisor, investment banker or other Person (excluding legal counsel or accountants) has been engaged by, or acted for or on behalf of, the Company in connection with the negotiation, execution or performance of this Agreement, the other Transaction Documents or the transactions contemplated hereby or thereby, and no such Person is or will be entitled to any broker's, finder's or similar fee or other commission in connection with this Agreement, the other Transaction Documents or the transactions contemplated hereby or thereby.

4. REPRESENTATIONS AND WARRANTIES OF BUYER AND MERGER SUB AND MISSION READY. Except as disclosed in Mission Ready's filings to the extent available on SEDAR, Buyer, Merger Sub and Mission Ready hereby jointly and severally represent and warrant to the Company and the Shareholders the following:

4.1 Organization. Buyer is a corporation duly incorporated, validly existing and in good standing under the Laws of Washington in the United States of America. Merger Sub is a corporation duly incorporated, validly existing and in good standing under the Laws of the State of Washington in the United States of America. Each of Buyer and Merger Sub is qualified or registered to do business and in good standing in each jurisdiction in which the conduct of its business requires such qualification or registration, except where the failure to be so qualified or registered, or to be in good standing, would not, individually or in the aggregate, reasonably be expected to prevent, impair or delay Buyer's and Merger Sub's consummation of the transactions contemplated by this Agreement.

4.2 Authority. Each of Buyer, Merger Sub and Mission Ready has the requisite power and authority to execute and deliver this Agreement and the other Transaction Documents to which it is a party, to perform its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance of this Agreement and the other Transaction Documents by each of Buyer, Merger Sub and Mission Ready, and each of Buyer's, Merger Sub's and Mission Ready's consummation of the transactions contemplated hereby and thereby, have been duly authorized by all requisite action of Buyer, Merger Sub and Mission Ready. This Agreement, and each other Transaction Document to which Buyer, Merger Sub and/or Mission Ready is a party, has been duly executed by Buyer, Merger Sub and Mission Ready, as applicable, and delivered to the Shareholders, and (assuming this Agreement or such other Transaction Documents, as applicable, constitutes valid, legal and binding obligations of the parties hereto and thereto) will constitute the legal, valid and binding agreement of Buyer, Merger Sub and Mission Ready, enforceable against Buyer, Merger Sub and Mission Ready in accordance with its terms, except to the extent that the enforceability thereof may be limited by the Enforceability Exceptions.

4.3 No Conflicts. The execution, delivery and performance by each of Buyer, Mission Ready, and Merger Sub of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not (a) violate or conflict with the Governing Documents of Buyer, Mission Ready or Merger Sub, (b) require Buyer, Mission Ready or Merger Sub to obtain the consent or approvals of, or make any filing with, any person or public authority, except for consents and approval already obtained and notices or filings already made, (c) violate any Applicable Law or (d) constitute or result in the breach of any provision of, or constitute a default under, any material agreement, indenture or other instrument to which Buyer, Mission Ready or Merger Sub is a party or by which it or its assets are bound, except where such violation, breach or default would not, individually or in the aggregate, cause a Material Adverse Effect on Buyer, Mission Ready or Merger Sub or reasonably be expected to prevent, impair or delay Buyer's, Mission Ready's and Merger Sub's consummation of the transactions contemplated by this Agreement.

4.4 Inspection; No Other Representations. Each of Buyer, Mission Ready and Merger Sub is a sophisticated purchaser, and has engaged expert advisors, experienced in the evaluation and purchase of companies such as the Company. Each of Buyer, Mission Ready and Merger Sub has undertaken such investigation and has been provided with and has evaluated such documents and information as it has deemed necessary to enable it to make an informed decision with respect to the execution, delivery and performance of this Agreement. Each of Buyer, Mission Ready and Merger Sub further acknowledges that, except for the representations and warranties expressly set forth in Section 3 (as modified by, and subject to, the Disclosure Schedules with respect thereto), and as set forth in any certificate delivered, or other agreement entered into by any such Persons, in connection herewith, none of the Shareholders, the Company or any other Person acting on their behalf has made or is making any express or implied representation or warranty of any nature to Buyer, Mission Ready or its Affiliates, at law or in equity, with respect to matters relating to the Company, its business or any other matter related to or in connection with the transactions contemplated by this Agreement and the Transaction Documents, and each of Buyer, Mission Ready and Merger Sub is relying solely and exclusively on the representations and warranties expressly set forth in Section 3 (as modified by, and subject to, the Disclosure Schedules with respect thereto). Without limiting the generality of the foregoing, each of Buyer, Mission Ready and Merger Sub acknowledges that no representation or warranty has been or is made with respect to (a) any projections, estimates or budgets delivered to or made available to Buyer, Mission Ready or its Affiliates of future revenues, future results of operations (or any component thereof), future cash flows or future financial condition (or any component thereof) of the Company or (b) any other information or documents made available to Buyer, Mission Ready or its counsel, accountants or advisors with respect to the Company or its business or operations, in each case except as expressly set forth in Section 3 (as modified by, and subject to, the Disclosure Schedules with respect thereto), or as set forth in any certificate delivered, or other agreement entered into by any such Persons, in connection herewith. Notwithstanding anything herein to the contrary, this Section 4.4 shall not preclude any Fraud-Type Claims.

4.5 Financing. Buyer and Mission Ready shall secure, or cause to be secured, financing that is sufficient to pay the Purchase Price and all costs, fees and expenses to be paid by Buyer and Merger Sub that are necessary to consummate the transactions contemplated by this Agreement (the "**Financing**").

4.6 Brokers. No broker, finder, financial advisor or investment banker has been engaged by, or acted for or on behalf of, Mission Ready, Buyer or Merger Sub in connection with the negotiation, execution or performance of this Agreement, the other Transaction Documents or the transactions contemplated hereby or thereby, and no such Person is or will be entitled to any broker's, finder's or similar fee or other commission in connection with this Agreement, the other Transaction Documents or the transactions contemplated hereby or thereby.

5. COVENANTS OF THE COMPANY AND BUYER.

5.1 Closing Efforts. Each of the Parties shall use its Reasonable Best Efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary to consummate and make effective the Merger (including satisfaction, but not waiver, of the conditions set forth in Section 6 and Section 7 and receipt of all required consents, approvals, authorizations and Permits of or from Governmental Authorities and parties to Contracts with the Company).

5.2 Operation of the Business. From the Effective Date through and including the earlier of the Closing Date or the termination of this Agreement pursuant to Section 8.1 (such period, the "**Interim Period**"), the Company covenants and agrees that, unless otherwise expressly contemplated by this Agreement, consented to by Buyer or prohibited under Applicable Law, the Company will (a) conduct and operate its business in all material respects in accordance with past practice, including payment of invoices and all other normal business expenses; (b) preserve its relationships with its customers, suppliers, licensors, licensees, lessors and others having business relationships with it; (c) maintain and keep the Assets in good repair and condition, ordinary wear and tear excepted; and (d) keep in full force and effect insurance comparable in amount and scope of coverage to that historically maintained. Except as expressly contemplated by this Agreement (e.g., to comply with express Closing conditions set forth in Section 6), as set forth on Schedule 5.2, or otherwise consented to in writing by Buyer (which consent shall not be unreasonably withheld, conditioned or delayed), from the date hereof until the Closing, the Company will not take, or offer or propose to take, or agree to take in writing or otherwise, any of the following actions: sell, lease, license, exchange, mortgage, pledge, transfer or otherwise dispose of any material asset of the Company other than in the Ordinary Course of Business;

(b) amend any Material Contract (or series of related Material Contracts) or any Lease, other than amendments entered into in the Ordinary Course of Business that are not materially adverse to the Company;

(c) enter into any contract that includes any non-competition restriction or similar provision that would place any restriction on the parties with which the Company may do business;

(d) enter into or amend any contract pursuant to which any other party is granted exclusive supply, distribution or marketing rights with respect to any products or technology of the Company;

(e) except for the Permitted Liens, cause or permit any Lien to be imposed upon any of the Assets, tangible or intangible, that are material, either individually or in the aggregate, to the Company or upon the Shares;

(f) make any capital expenditure, capital addition or capital improvement (or series of related capital expenditures, additions or improvements) outside the Ordinary Course of Business;

(g) make any capital investment in, any loan to, or any acquisition of the securities or material portion of the assets of, any other Person;

(h) issue, incur or guarantee any Debt, except in the Ordinary Course of Business under existing loan agreements or capitalized leases or that will be paid in full at or before Closing;

(i) grant any license or sublicense of any rights under or with respect to any Intellectual Property Assets other than in the Ordinary Course of Business;

(j) make or authorize any change in its Articles of Incorporation, bylaws, or other Governing Documents, as applicable;

(k) propose or approve the issuance of any of its equity securities or any options or other rights to purchase the same;

(l) (i) merge or consolidate with any business or any Person, or (ii) make or commit to make any investments other than short-term liquid investments that will be liquidated prior to Closing;

(m) enter into any employment agreement providing for a term of employment or severance pay or any collective bargaining agreement or, except in the Ordinary Course of Business, enter into or modify the terms of any employment contract (except any amendment to include or extend a term of employment or include severance pay);

(n) adopt, amend, modify or terminate, in any material respect, any bonus, profit sharing, incentive, severance, employee benefit or other plan, contract or commitment for the benefit of any of its directors, managers, officers and employees (or take any such action with respect to any other Company Benefit Plan);

(o) grant any severance or termination pay;

(p) make or change any Tax election, change any annual Tax accounting period, change any method of Tax accounting, enter into any closing agreement with respect to any Tax, settle any Tax claim or any assessment or surrender any right to claim a Tax refund;

(q) pay, discharge, satisfy or settle any material Liabilities, except the payment, discharge, satisfaction or settlement of Liabilities in the Ordinary Course of Business or in accordance with the terms thereof as in effect on the date hereof;

(r) amend, cancel, compromise, waive or release any right or claim (or series of related rights and claims) outside the Ordinary Course of Business;

(s) accelerate the collection of accounts receivable or delay payment of accounts payable;

(t) create any subsidiaries or enter into any joint venture, partnership or similar arrangement; or

(u) commit to or agree to undertake any of the foregoing.

5.3 Adverse Developments. During the Interim Period, each of the Parties will promptly notify the others of (a) any pending or, to the actual knowledge of such Party, threatened Claim by any Person (i) challenging or seeking damages in connection with the transactions contemplated by this Agreement or (ii) seeking to restrain or prohibit the consummation of the transactions contemplated by this Agreement, and (b) any Material Adverse Effect on such Party or any circumstance, change or effect of which such Party has actual knowledge that could reasonably be expected to have any Material Adverse Effect on such Party or the ability of such Party to consummate the Merger.

5.4 Access. During the Interim Period, the Company will provide Buyer and its Agents with reasonable access to the Company's books and records, business and the Assets, and will provide to Buyer such information concerning the Company, its business, the Assets or the Shares as Buyer may reasonably request.

5.5 No Solicitations or Negotiations. The Company shall, and shall cause its Agents to, cease any existing discussion or negotiation with any Persons (other than Buyer) conducted prior to the Effective Date with respect to any proposed, potential or contemplated acquisition of the Shares, the Assets or the Company. During the Interim Period, the Company shall refrain, and shall cause its Agents to refrain, from taking, directly or indirectly, any action to (a) solicit, encourage or initiate the submission of any proposal or indication of interest from any Person (other than Buyer) relating to an acquisition of the Shares, the Assets or the Company or any merger, consolidation, combination, share exchange, recapitalization, liquidation or dissolution involving the Company (each, an "**Acquisition Proposal**"), (b) participate in any discussions or negotiations regarding, or furnish to any Person any information with respect to, or that may reasonably be expected to lead to, an Acquisition Proposal with any Person (other than Buyer), (c) authorize, engage in or enter into any agreement or understanding (other than with Buyer) with respect to an Acquisition Proposal, (d) approve, endorse or recommend an Acquisition Proposal, (e) enter into any letter of intent, memorandum of understanding or other Contract contemplating or otherwise relating to an Acquisition Proposal or (f) terminate, amend or waive any rights under any "standstill" or other similar agreement between the Company and any Person (other than Buyer). If an Acquisition Proposal is received by the Company during the Interim Period, the Company shall promptly provide Buyer with a copy of such Acquisition Proposal (along with any other correspondence or documentation pertaining thereto), and, if requested by Buyer, the Company shall notify any such prospective purchaser of the Company's obligations hereunder.

5.6 No Inconsistent Action. During the Interim Period, no Party shall take any action that is inconsistent with its obligations under this Agreement or that would hinder or delay the consummation of the transactions contemplated by this Agreement.

5.7 Updates to Disclosure Schedules. During the Interim Period, the Company shall have the right to supplement or amend the Disclosure Schedules with respect to (a) any event or matter that existed as of the Effective Date and should have been set forth in the Disclosure Schedules and (b) any event or matter which occurs after the Effective Date, in either case that causes any representation or warranty contained in this Agreement to be untrue or incorrect as of the Closing as though then made. With respect to any such supplement or amendment of the Disclosure Schedules (and the underlying events with respect to such disclosure), if such disclosure and underlying event would provide Buyer with a valid basis to terminate this Agreement pursuant to Section 8.1, if Buyer fails to exercise such right within five (5) Business Days after such supplemental or amended disclosure by the Company, then Buyer will be deemed to have irrevocably (i) waived its right to terminate this Agreement with respect to such event or matter and the representations and warranties contained in Section 3 shall be deemed to have been qualified by same for purposes of satisfying the conditions to Closing set forth in Section 6 and (ii) waived its right to indemnification under Section 9.2 with respect to such event or matter, which occurs after the Effective Date; provided, that Buyer shall not be deemed to have waived such right to indemnification for any event or matter that existed as of the Effective Date and should have been set forth in the Disclosure Schedule.

5.8 Public Disclosure. During the Interim Period, the Parties will consult with each other before issuing, and provide each other the opportunity to review, comment upon and concur with, and use Reasonable Best Efforts to agree on, any press release or public statement with respect to this Agreement and the transactions contemplated hereby, and will not issue any such press release or make any such public statement prior to such consultation and agreement, except as may be required by Applicable Law.

5.9 Regulatory Filings.

(a) During the Interim Period, Mission Ready shall make all required filings with Canadian securities regulatory authorities.

(b) Comments and Requests from Governmental Authorities. The Company and Buyer (i) shall notify the other Person promptly following the receipt of any material comments from any Governmental Authority and of any request by any Governmental Authority for amendments, supplements or additional information in respect of any registration, declaration or filing with, or notice to, such Governmental Authority, (ii) shall give the other Person the opportunity to attend and participate in any meetings or conferences with any other Governmental Authority, and (iii) shall supply the other Person with copies of all correspondence between such Person or any of its Agents, on the one hand, and any Governmental Authority, on the other hand, in each case regarding the Merger and the other matters contemplated hereby (except for correspondence involving personal identifier information (as defined in the applicable federal regulations) of Mission Ready or Buyer).

5.10 Contact with Customers, Suppliers and Other Business Relations. During the Interim Period, Buyer shall not (and shall cause its Affiliates and Agents not to) contact any customer, supplier, distributor or other business relation of the Company regarding the transactions contemplated by this Agreement without the prior written consent of the Shareholders.

5.11 Cooperation with Financing. The Buyer shall use Reasonable Best Efforts to cause the Financing to be available at the Closing. The Company shall use Reasonable Best Efforts to, and to cause its representatives to, provide to Buyer such cooperation as may be reasonably requested by Buyer to assist Buyer in connection with obtaining the Financing, which Reasonable Best Efforts shall include, but not be limited to:

(a) causing the senior management team to assist in preparation for and to participate in a reasonable number of meetings, presentations, and due diligence sessions, in each case, upon reasonable notice;

(b) furnishing Buyer and the Financing sources, promptly following Buyer Group's request, with any and all information reasonably requested by the Financing sources, and assisting Buyer with Buyer's preparation of pro forma financial information and projections;

(c) assisting in the negotiation, execution and delivery of definitive financing documents, including credit agreements, note purchase agreements, guarantee agreements, pledge and collateral agreements and related documents, perfection certificates and schedules relating to any of the foregoing, as well as customary closing certificates as may be required by the Financing sources and other customary documents in connection with the Financing as may be reasonably requested by Buyer; and

(d) taking all reasonable corporate actions, subject to the occurrence of the Closing, reasonably requested by Buyer to permit the consummation of the Financing.

6. CONDITIONS TO MISSION READY, BUYER'S AND MERGER SUB'S OBLIGATIONS. The obligations of Mission Ready, Buyer and Merger Sub to consummate the Merger are subject to the satisfaction of each of the following conditions:

6.1 Representations and Warranties. Each of the representations and warranties of the Company and the Shareholders contained in Section 3 (a) that are qualified by materiality (including by a Material Adverse Effect qualifier) will be true and correct in all respects as of the Effective Time as if made anew as of such date (except to the extent such representations and warranties expressly relate to an earlier date, in which case as of such earlier date), and (b) that are not so qualified by materiality (including by a Material Adverse Effect qualifier) will be true and correct in all material respects as of the Effective Time as if made anew as of such date (except to the extent such representations and warranties expressly relate to an earlier date, in which case as of such earlier date).

6.2 Compliance with Covenants. All of the covenants to be complied with and performed by the Company on or before the Closing Date will have been duly complied with and performed in all material respects.

6.3 Closing Deliverables. On or before the Closing Date, the Company will have delivered or caused to be delivered to Buyer the Closing deliverables as specified in Section 2.7(c).

6.4 Required Consents. All approvals, consents and waivers of or to the third parties set forth on Schedule 6.4 shall have been obtained or delivered.

6.5 Absence of Orders. No Order shall have been issued by any court of competent jurisdiction, and no Governmental Authority shall have promulgated any Applicable Law, in each case, that shall prohibit the consummation of the transactions contemplated by this Agreement or any Transaction Document.

6.6 No Material Adverse Effect. There will have been no Material Adverse Effect with respect to the Company during the Interim Period, and there shall not have occurred any circumstance, change or effect that could reasonably be expected to have a Material Adverse Effect on the Company.

6.7 TSX Venture Final Approval. Mission Ready shall have received final approval from the TSXV.

7. CONDITIONS TO THE COMPANY'S OBLIGATIONS. The obligations of the Company to consummate the Merger are subject to the satisfaction of each of the following conditions:

7.1 Representations and Warranties. Each of the representations and warranties of Buyer, Mission Ready and Merger Sub contained herein (and in any certificate delivered by Buyer, Mission Ready and Merger Sub pursuant hereto), (a) that are qualified by materiality (including by a Material Adverse Effect qualifier) will be true and correct in all respects as of the Effective Time as if made anew as of such date (except to the extent such representations and warranties expressly relate to an earlier date, in which case as of such earlier date), and (b) that are not so qualified by materiality (including by a Material Adverse Effect qualifier) will be true and correct in all material respects as of the Effective Time as if made anew as of such date (except to the extent such representations and warranties expressly relate to an earlier date, in which case as of such earlier date).

7.2 Compliance with Covenants. All of the covenants to be complied with or performed by each of Mission Ready, Buyer and Merger Sub on or before the Closing Date will have been duly complied with and performed in all material respects.

7.3 Closing Deliverables. On or before the Closing Date, Mission Ready, Buyer and Merger Sub will have delivered or caused to be delivered to the Shareholders or other third parties duly executed Closing deliverables, as specified in Section 2.7(d).

7.4 Closing Actions and Payments. At Closing, Buyer shall take all actions specified in Section 2.7(b).

7.5 Absence of Orders. No Order shall have been issued by any court of competent jurisdiction, and no Governmental Authority shall have promulgated any Applicable Law, in each case, that shall prohibit the consummation of the transactions contemplated by this Agreement or any Transaction Document.

8. TERMINATION.

8.1 Termination. This Agreement may be terminated at any time prior to the Closing Date:

(a) by mutual written agreement of the Company and Buyer;

(b) by Buyer, if the Company has breached in any material respect any provision of this Agreement that would give rise to the failure of a condition set forth in Section 6 to be satisfied, which breach has not been cured within the earlier of (i) five (5) Business Days after written notice of such breach is given to the Company and (ii) the End Date; provided, however, that Buyer may only terminate this Agreement pursuant to this Section 8.1(b) if Buyer is not in breach in any material respect of any of its obligations hereunder;

(c) by the Company, if Buyer has breached in any material respect any provision of this Agreement that would give rise to the failure of a condition set forth in Section 7 to be satisfied, which breach has not been cured within the earlier of (i) five (5) Business Days after written notice of such breach is given to Buyer and (ii) the End Date; provided, however, that the Company may only terminate this Agreement pursuant to this Section 8.1(c) if the Company is not in breach in any material respect of any of its obligations hereunder;

(d) by either Buyer or the Company, if consummation of the Merger would violate any final and non-appealable Order; provided, however, that the right to terminate this Agreement pursuant to this Section 8.1(d) will not be available to any Party whose breach of any provision of this Agreement or any Transaction Document has been a principal cause of or resulted in the imposition of such Order;

(e) by either Buyer or the Company, if the Closing has not occurred before 5:00 p.m. Pacific Time on the one hundred twentieth (120th) day after the Effective Date (the "**End Date**"); provided, however, that the right to terminate this Agreement pursuant to this Section 8.1(e) will not be available to any Party whose breach of this Agreement or any Transaction Document has resulted in the failure of the Merger to be consummated by such time; provided further, that in the event that the End Date has occurred, this Agreement will remain in effect thereafter until terminated in accordance with the terms of this Agreement by either Buyer or the Company; or

(f) by Buyer, if a Material Adverse Effect has occurred with respect to the Company.

8.2 Effect of Termination. If this Agreement is terminated as provided in Section 8.1, then all further obligations under this Agreement will terminate and no Party will have any liability in respect of the termination of this Agreement; provided, however, that this Section 8.2, Section 9, the confidentiality obligations of the Parties described in Section 10.3 and Section 11 will survive any such termination.

9. INDEMNIFICATION.

9.1 Indemnification by Buyer. Subject to the limitations set forth in this Section 9, Buyer agrees to indemnify, defend and hold harmless the Company and each of the Shareholders from and against any and all Losses suffered or incurred by any of them as a result of (a) the inaccuracy in or breach of any representation or warranty made by Buyer and Merger Sub in this Agreement or in any certificate furnished by Buyer or Merger Sub pursuant to Section 2; (b) the non-fulfillment or breach of any unwaived covenant, obligation or agreement, in each case as made by or on behalf of Buyer or Merger Sub in this Agreement or in any certificate furnished by Buyer or Merger Sub pursuant to Section 2; (c) any actions or omissions by Buyer or Merger Sub in breach of this Agreement that arise after the Closing; (d) enforcing the Shareholders' indemnification rights provided for under this Section 9.1; and (e) any Fraud-Type Claims.

9.2 Indemnification by the Company and Shareholders. Subject to the limitations set forth in this Section 9, the Company (prior to the Closing, only), Darrell Siria, and Dan Raczykowski shall, jointly and severally, indemnify, defend and hold harmless Mission Ready, Buyer and each of their respective Affiliates, officers, directors, managers, shareholders, trustees, employees, agents and representatives (collectively, the "**Buyer Indemnitees**"), from and against any and all Losses suffered or incurred by any of them as a result of:

(a) the inaccuracy in or breach of any representation or warranty made by the Company or Shareholders in this Agreement or in any certificate furnished by the Company or Shareholders pursuant to Section 2,

(b) the non-fulfillment or breach of any unwaived covenant, obligation or agreement, in each case as made by or on behalf of the Company in this Agreement or in any certificate furnished by the Company pursuant to Section 2;

(c) any Taxes (i) of the Company incurred during any Pre-Closing Tax Period (including any portion of a Straddle Period allocable or apportioned to the Company (as provided in Section 10.5(c))), except to the extent such Taxes are specifically included as a current liability for purposes of determining the Final Net Working Capital of the Company, (ii) owing by any Person (other than the Company) for which the Company is liable under Treasury Regulation Section 1.1502-6 (or any predecessor or successor thereof or any analogous or similar provision of Law) or as a transferee or successor by reason of the Company having been a member of any consolidated, combined or unitary group on or prior to the Closing Date, and (iii) of any other Person pursuant to any contractual agreement entered into on or before the Closing Date;

(d) any Seller Expenses that are not included on the Final Seller Expenses;

(e) enforcing Buyer Indemnitees' indemnification rights hereunder;

(f) any claim for indemnification by the Company made by directors or officers of the Company for actions taken or omissions occurring prior to the Closing; and

(g) any Fraud-Type Claims.

The representations, warranties and covenants of the Company and the Shareholders, and the Buyer Indemnitees' 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 Buyer Indemnitees or by reason of the fact that the Buyer Indemnitees knew or should have known that any such representation or warranty is, was or might be inaccurate or by reason of the Buyer's waiver of any condition set forth in Section 6, as the case may be. Notwithstanding the foregoing, the Claims of Buyer Indemnitees shall not duplicate in any manner the Post-Closing Adjustments made to determine the Final Merger Consideration.

9.3 Survival of Representations, Warranties and Covenants. The right to assert a Claim with respect to any breach of the representations and warranties of the Parties, or any breach of the covenants and agreements of the Parties to the extent they, by their terms, contemplate or provide for performance prior to the Effective Time, in each case contained in this Agreement or in any certificate or other writing delivered pursuant hereto or in connection herewith, shall survive the Closing until, and shall terminate and expire upon, the eighteen (18)-month anniversary of the Closing Date, or with respect to a Third-Party Claim, the twenty four (24)-month anniversary of the Closing Date, after which no Claim may be made or suit instituted seeking indemnification pursuant to this Section 9 for any breach or inaccuracy of any such representation, warranty, covenant or agreement; provided, however, that the Fundamental Representations shall survive until one hundred and twenty (120)-days after the expiration of the statute of limitations applicable to the Claim relating to such Fundamental Representations. Any indemnification Claim that has been made under this Section 9 prior to the end of the applicable survival period shall survive until such Claim is resolved. Each of the covenants and agreements contained in this Agreement that, by their terms, are to be performed after the Closing will survive the Closing in accordance with their respective terms. Notwithstanding anything contained in this Agreement to the contrary, Fraud-Type Claims may be initiated without limitation. It is the express intent of the Parties that, if the applicable survival period as contemplated by this Section 9.3 is shorter or longer than the statute of limitations that would otherwise have been applicable, then, by contract, the applicable statute of limitations shall be reduced or lengthened, as applicable, to the survival period contemplated hereby. The Parties further acknowledge and agree that the time periods set forth in this Section 9.3 for the assertion of Claims under this Agreement are the result of arms'-length negotiation among the Parties and that they intend for the time periods to be enforced as agreed by the Parties.

9.4 Limitations on Indemnification.

(a) Basket. No indemnification Claims for Losses will be payable to any of Buyer Indemnitees pursuant to Section 9.2(a) until the aggregate amount of all Losses for Claims payable under Section 9.2(a) (without duplication) exceeds $50,000 (the "**Basket**"); provided, however, that the Basket will not apply to any Claims for Losses attributable to a Fraud-Type Claim or a breach of a Fundamental Representation. Once the amount of all Losses for Claims payable under Section 9.2(a) (without duplication) exceeds the Basket, the Buyer Indemnitees will be entitled to recover all such Losses beginning at the first (1st) dollar.

(b) Cap. The maximum aggregate amount of indemnification payments to which Buyer Indemnitees will be entitled to receive pursuant to Section 9.2(a) will be (i) the $900,000, other than with respect to Third-Party Claims, Fraud-Type Claims and Claims under Section 9.2(a) for the inaccuracy or breach of any Fundamental Representations; and (ii) the Purchase Price with respect to Third-Party Claims, Fraud-Type Claims and Claims under Section 9.2(a) for the inaccuracy or breach of any Fundamental Representations.

(c) Other Limitations. Notwithstanding anything to the contrary in this Agreement:

(i) no Party shall be entitled to indemnification or reimbursement under any provision of this Agreement for any amount to the extent such

Party or its Affiliate(s) has been indemnified or received reimbursement for such amount under any other provision of this Agreement (including as a purchase price adjustment), the Transaction Documents or under any other related agreement or instrument, or to the extent such Loss is reflected as a Liability on the Closing Statement;

(ii) for purposes of this Section 9, Losses will be reduced by the amount of any insurance or other recoveries (e.g., contractual indemnities of any Person which are contained outside of this Agreement) actually received by an Indemnified Party (net of reasonable and documented out-of-pocket costs and expenses incurred in connection with such recovery and any increases in insurance premiums directly associated with such recovery) in connection with the matter for which the Indemnified Party was indemnified, and if an Indemnified Party or its Affiliate(s) receives insurance or other recoveries after an indemnification payment has been made in respect of the Loss to which such insurance or other recovery relates, then the Indemnified Party shall promptly remit such insurance or other recovery, up to the aggregate amount of indemnification payment in respect of the Loss to which such insurance or other recovery relates (net of reasonable and documented out-of-pocket costs and expenses incurred in connection with such recovery and any increases in insurance premiums directly associated with such recovery), to the Indemnifying Party;

(iii) for purposes of determining the amount of Losses arising out of or resulting from any breach or inaccuracy in or of a representation or warranty of the Company or non-fulfillment or breach of a covenant of the Company (but not for purposes of determining the existence of any breach or inaccuracy in or of a representation or warranty of the Company or non-fulfillment or breach of a covenant of the Company), all references to "material," "in all material respects," "Material Adverse Effect" or like materiality qualifiers therein shall be disregarded and not given any effect (as if such word or words were deleted from such representation and warranty);

(iv) except on account of Fraud-Type Claims, no breach of any representation, warranty, covenant or agreement contained herein shall give rise to any right on the part of any Party, after the consummation of the transactions contemplated hereby, to rescind this Agreement or any of the transactions contemplated hereby;

(v) Buyer shall not be entitled to indemnification or any payment under this Agreement for (A) any Taxes (or Losses related to Taxes) with respect to any taxable period (or portion thereof) beginning after the Closing Date, (B) any Losses directly and primarily arising from any action taken or omitted to be taken by the Company in accordance with this Agreement or at the specific request of Buyer or (C) Losses based on a theory of damages relating to a reduction of enterprise value that was based on a multiple of earnings or other financially-based multiple.

9.5 Claims for Indemnification. All Claims for indemnification by a Person who is entitled to indemnification under this Agreement (an "**Indemnified Party**") against a Person obligated to indemnify such Indemnified Party under this Agreement (the "**Indemnifying Party**") will be asserted and resolved in accordance with this Section 9. In the event a Buyer

Indemnitee is the Indemnified Party, a Buyer Indemnitee may deliver all notices required to be delivered to the Indemnifying Party pursuant to this Section 9 to the Shareholders.

(a) Claims Notice. To seek indemnification under this Agreement, an Indemnified Party shall promptly notify the Indemnifying Party in writing of the Claim, describing the Claim in reasonable detail and the amount (or a reasonable estimation of such amount made in good faith based on the facts known at the time) of Losses suffered by the Indemnified Party on account of the Claim (the "**Claims Notice**"); provided, however, that the failure to promptly give such notice will not relieve or diminish the Indemnifying Party's indemnification obligations under this Agreement, except and to the extent that such failure has actually harmed the Indemnifying Party.

(b) Third-Party Claims.

(i) In the event that any Claim is asserted by a Person not a party to this Agreement (a "**Third-Party Claim**") against an Indemnified Party, the Indemnifying Party shall have the right, at its expense, to control the defense of such Third-Party Claim (including the selection of counsel reasonably acceptable to the Indemnified Party) if the Indemnifying Party, within thirty (30) calendar days of its receipt of the applicable Claims Notice, notifies the Indemnified Party in writing that it is electing to control the defense of such Third-Party Claim and fully acknowledges its obligations to the Indemnified Party under this Agreement with respect to such Third-Party Claim (subject to the limitations set forth in this Agreement); provided, however, that the Indemnifying Party will not be entitled to control, and the Indemnified Party will be entitled to have control over, the defense of any Third-Party Claim if, and the Indemnifying Party will cease to have the right to control any Third-Party Claim if, after commencement of the defense of such Third-Party Claim, (A) the Indemnifying Party fails to use commercially reasonable efforts to diligently defend the Third-Party Claim, (B) the Third-Party Claim alleges fraud or could reasonably be expected to result in a criminal proceeding, action or indictment against the Company, (C) the Third-Party Claim could reasonably be expected to result in suspension or debarment of Buyer or the Company by a Governmental Authority, (D) there is a material conflict of interest between the Indemnified Party and the Indemnifying Party that would prohibit a single legal counsel from representing both the Indemnified Party and the Indemnifying Party in such Third-Party Claim, (E) the Third-Party Claim is with a customer or supplier, or (F) the Third-Party Claim is reasonably expected to result in injunctive relief or other equitable remedies.

(ii) If the Indemnifying Party elects, and is entitled, to assume the defense of a Third-Party Claim, (A) the Indemnified Party will have the right to participate in the defense thereof and employ counsel separate from the counsel employed by the Indemnifying Party, all at the Indemnified Party's sole cost and expense, and (B) the Indemnifying Party shall have the right to pay, settle or compromise such Third-Party Claim without the prior written consent of the Indemnified Party, so long as the Indemnifying Party notifies the Indemnified Party at least five (5) days prior to any such payment, settlement or compromise, and such payment, settlement or compromise (1) includes an unconditional release of the Indemnified Party from all Liability in respect of such Third-Party Claim, (2) does not subject the Indemnified Party to any criminal liability or injunctive relief or other equitable remedy, (3) does not include a statement or admission of fault, culpability or failure to act by or on behalf of the Indemnified Party and (4) with respect to any payment to be made under such settlement, the payment will be made by the Indemnifying Party. Notwithstanding the Indemnifying Party's right to pay, settle or compromise in accordance with the immediately preceding sentence, the Indemnifying Party may not pay, settle or compromise any Claim over the objection of the Indemnified Party; provided, however, that consent by the Indemnified Party to payment, settlement or compromise will not be unreasonably withheld or delayed.

(iii) If the Indemnified Party assumes the defense of the Third-Party Claim, the Indemnifying Party will use commercially reasonable efforts to cooperate with the Indemnified Party in the defense of such Third-Party Claim, including providing the Indemnified Party and its counsel with reasonable access during normal business hours to the Indemnifying Party's records and personnel relating to any Third-Party Claim.

(c) Direct Claims. Any Claim for indemnification that does not result from a Third-Party Claim will be asserted by the delivery of a Claims Notice identified as a "DIRECT INDEMNITY CLAIM NOTICE." The recipient of such Claims Notice will have a period of twenty (20) days after receipt of such Claims Notice within which to respond thereto. If the recipient does not respond within such twenty (20) days or does not cure the applicable breach and all Losses associated therewith, the recipient will be deemed to have accepted responsibility for the Losses set forth in such Claims Notice and will have no further right to contest the validity of such Claims Notice or the matters set forth therein. If the recipient responds within such twenty (20) days after the receipt of such Claims Notice and rejects such indemnification Claim in whole or in part, the Indemnified Party delivering such Claims Notice will be free to pursue such remedies as may be available to it under this Agreement.

9.6 Tax Treatment. Unless otherwise required by Applicable Law, all indemnification payments will constitute adjustments to the Purchase Price for all Tax purposes, and no Party will take any position inconsistent with such characterization.

9.7 No Right of Contribution. The Shareholders will have no right to seek contribution from Buyer or the Company with respect to all or any part of the Shareholders' indemnification obligations under this Section 9.

9.8 Exclusive Remedy. Except (i) in the case in which a Party seeks to obtain an injunction, specific performance or other equitable relief and (ii) as provided in any Transaction Document (other than this Agreement), the rights of the Indemnified Parties to indemnification as provided for in this Section 9 will be the sole and exclusive remedies of the Parties with respect to any matter in any way relating to or arising in connection with this Agreement or the transactions contemplated herein, and each Party hereby waives, to the fullest extent they may do so, any other rights or remedies that may arise under any Applicable Law. Each Party further covenants that it and all of its Affiliates will refrain from, directly or indirectly, asserting any Claim of any kind against any Person based on any matter purported to be waived hereby.

9.9 Mitigation. Each Party agrees that, upon becoming aware of any event or fact that could reasonably be expected to give rise to any indemnifiable Loss, such Party will use commercially reasonable efforts to mitigate any such Loss.

9.10 Right to Offset Losses. Notwithstanding anything herein to the contrary, but subject in all cases to the limitations set forth in this Section 9, Buyer, in its sole discretion, shall have the right to offset any and all Losses of Buyer indemnifiable hereunder against any outstanding Closing Merger Consideration then owed by Buyer to the Shareholders based on their Pro-Rata Percentage. Notwithstanding the foregoing, if Cash Consideration is then outstanding, then the offset shall first be applied to the remaining Cash Consideration payable to Shareholders, based on their Pro-Rata Percentage.

10. POST-CLOSING MATTERS.

10.1 Further Assurances. In case at any time after the Closing any further action is necessary to carry out the purposes of this Agreement, each Party will take such further action (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.

10.2 Litigation Support. If, and for so long as, any Party is actively contesting or defending against any Claim in connection with (a) any transaction contemplated under this Agreement or (b) any fact, situation, circumstance, status, condition, activity, practice, plan, occurrence, event, incident, action, failure to act or transaction that existed on or prior to the Closing Date involving the Company, each of the other Parties will cooperate with such Party and such Party's counsel in the contest or defense, make available their respective personnel, and provide such testimony and access to their respective books and records as will be reasonably necessary in connection with the contest or defense, all at the sole cost and expense of the contesting or defending Party; provided, however, that this provision is inapplicable to any direct Claims among the Company or the Shareholders, on the one hand, and Buyer or its Affiliates, on the other hand.

10.3 Confidentiality. Except as required by Applicable Law, after the Closing (a) each Party shall keep confidential and not directly or indirectly reveal, report, publish or disclose any non-public terms of this Agreement or the transactions contemplated hereunder (including the negotiations preceding this Agreement); (b) each Party shall keep confidential and not directly or indirectly reveal, report, publish, disclose or use (other than in connection with the transactions contemplated by this Agreement) any non-public information regarding any of the other Parties, including any non-public information provided under this Agreement; and (c) each of the Shareholders shall keep confidential and not directly or indirectly reveal, report, publish, disclose or use (other than for the benefit of the Company or Buyer) any of the Confidential Information. If any Party is required by Applicable Law or in connection with any legal proceeding to disclose any of the foregoing information, such Party shall provide the other Parties with reasonably prompt notice of such required disclosure so that the other Parties may seek to obtain, at their sole cost and expense, a protective order or other reasonable assurance that such disclosure will be treated confidentially. Notwithstanding the foregoing, after the Closing, Buyer shall have no obligation to keep the Company's non-public information confidential and may directly or indirectly reveal, report, publish, disclose or use any non-public information regarding the Company.

10.4 Release. Each Shareholder, on behalf of itself and its Affiliates, heirs, successors and assigns (collectively, "**Releasers**"), hereby waives, releases and discharges the Company, Buyer and their respective Affiliates, employees, officers, directors, managers, owners, members, agents, successors and assigns (collectively, "**Releasees**") from and against any and all Claims and Liabilities whatsoever, whether in the capacity of an owner, officer, director, manager or employee of the Company or otherwise, whether known or unknown, both at law and in equity, which any of the Releasers now has, has ever had or may hereafter have against any Releasee arising on or prior to the Closing or on account of or arising out of any matter occurring prior to the Closing, except that nothing herein shall release the Releasees from Claims or Liabilities in respect of (a) accrued compensation, accrued paid time off and reimbursement of expenses pursuant to existing Company policies and consistent with the Closing Statement, (b) rights granted pursuant to this Agreement or any Transaction Document or (c) employment with the Company or any of its Affiliates following the Closing, including under any employment agreement or arrangement or in respect of Benefit Plans. Each Releaser hereby irrevocably covenants to refrain from, directly or indirectly, asserting any Claim, or commencing or causing to be commenced any proceeding, against any Releasee based upon any matter released pursuant to this Section 10.4.

10.5 Tax Matters. The following provisions shall govern the allocation between Buyer, on the one hand, and the Shareholders, on the other hand, of responsibility for certain Tax matters under this Agreement.

(a) Preparation of Tax Returns – Pre-Closing Tax Periods.

(i) Non-Income Tax Returns. Buyer shall prepare and file, or cause to be prepared and filed, all Tax Returns for the Company for all taxable periods ending on or prior to the Closing Date (the "**Pre-Closing Tax Period**") that are filed after the Closing Date, other than income and capital stock and franchise Tax Returns for such Pre-Closing Tax Periods. Buyer shall prepare such Tax Returns consistent with the past practice of the Company, unless otherwise required by Applicable Law. Buyer shall submit any such Tax Return to the Shareholders for the Shareholders' review and comment at least twenty (20) days prior to the due date (with applicable extensions) for such Tax Returns. The Shareholders shall provide any written comments to Buyer not later than ten (10) days after receiving any such Tax Return and, unless otherwise required by Applicable Law, Buyer will make such revisions to such Tax Returns as are reasonably requested by the Shareholders and consented to by Buyer (which consent shall not be unreasonably withheld, conditioned or delayed). If the Shareholders do not provide any written comments within ten (10) days, they shall be deemed to have accepted such Tax Return. In the event of a disagreement concerning any Tax Return prepared under this Section 10.5(a)(i), the Parties shall use their respective good faith efforts to resolve any such disagreement, failing which any Party may refer such disagreement to the Accounting Firm, whose decision shall be final and binding, and the fees and expenses of the Accounting Firm will be allocated and borne by Buyer and the Shareholders in the manner contemplated under 2.8(b). If the Accounting Firm is unable to resolve any such dispute prior to the due date (with applicable extensions) for any such Tax Return, such Tax Return shall be filed as prepared by Buyer, subject to amendment, if necessary, to reflect the resolution of the dispute by the Accounting Firm. The costs, fees and expenses related to Buyer's preparation of such Tax Returns under this Section 10.5(a)(i) will be paid by Buyer.

(ii) Income Tax Returns. The Shareholders will prepare and file, or cause to be prepared and filed, all income and capital stock and franchise Tax Returns for the Company for all Pre-Closing Tax Periods. The Shareholders shall prepare such Tax Returns consistent with the past practice of the Company, unless otherwise required by Applicable Law. The Shareholders shall submit any such Tax Return to Buyer for Buyer's review and comment at least twenty (20) days prior to the due date (with applicable extensions) for such Tax Returns. Buyer shall provide any written comments to the Shareholders not later than ten (10) days after receiving any such Tax Return and, if Buyer does not provide any written comments with ten (10) days, Buyer shall be deemed to have accepted such Tax Return. In the event of a disagreement concerning any Tax Return prepared under this Section 10.5(a)(ii), the Parties shall use their respective good faith efforts to resolve any such disagreement, failing which Buyer may refer such disagreement to the Accounting Firm, whose decision shall be final and binding, and the fees and expenses of the Accounting Firm will be borne between Buyer and the Shareholders in the manner contemplated under Section 2.8(b). If the Accounting Firm is unable to resolve any such dispute prior to the due date (with applicable extensions) for any such Tax Return, such Tax Return shall be filed as prepared by the Shareholders, subject to amendment, if necessary, to reflect the resolution of the dispute by the Accounting Firm. The costs, fees and expenses related to the Shareholders' preparation of such Tax Returns under this Section 10.5(a)(ii) will be paid by the Shareholders.

(b) Preparation of Tax Returns – Straddle Period. Buyer shall prepare and file, or cause to be prepared and filed, all Tax Returns for the Company for all taxable periods that begin on or before the Closing Date and end after the Closing Date (a "**Straddle Period**"). Buyer shall prepare such Tax Returns consistent with the past practice of the Company, unless otherwise required by Applicable Law. Buyer shall submit any such Tax Return to the Shareholders for the Shareholders' review and comment at least twenty (20) days prior to the due date (with applicable extensions) for such Tax Returns. The Shareholders shall provide any written comments to Buyer not later than ten (10) days after receiving any such Tax Return and, if the Shareholders do not provide any written comments with ten (10) days, the Shareholders shall be deemed to have accepted such Tax Return. In the event of a disagreement concerning any Tax Return prepared under this Section 10.5(b), the Parties shall use their respective good faith efforts to resolve any such disagreement, failing which the Shareholders may refer such disagreement to the Accounting Firm, whose decision shall be final and binding, and the fees and expenses of the Accounting Firm will be borne between Buyer and the Shareholders in the manner contemplated under Section 2.8(b). If the Accounting Firm is unable to resolve any such dispute prior to the due date (with applicable extensions) for any such Tax Return, such Tax Return shall be filed as prepared by Buyer, subject to amendment, if necessary, to reflect the resolution of the dispute by the Accounting Firm. The costs, fees and expenses related to Buyer's preparation of such Tax Returns under this Section 10.5(b) will be paid by Buyer.

(c) Liability for Straddle Period Taxes. For purposes of this Agreement, in the case of any Taxes that are imposed on the Company for any Straddle Period, the Tax that is attributable to the portion of such Straddle Period ending on the Closing Date (the "**Pre-Closing Straddle Period**") shall (i) in the case of any Taxes other than the Taxes based on or measured by income, receipts or profits earned during a Straddle Period, be deemed to be the amount of such Tax for the entire taxable period multiplied by a fraction, the numerator of which is the number of days in the taxable period ending on the Closing Date and the denominator of which is the number of days in the entire taxable period, and (ii) in the case of Taxes based on or measured by income, receipts or profits earned during a Straddle Period, be deemed equal to the amount which would be payable if the relevant taxable period ended on and included the Closing Date. For purposes of this Agreement, in the case of any Tax credit relating to a Straddle Period, the portion of such Tax credit which relates to the portion of such taxable period ending on the Closing Date shall be the amount which bears the same relationship to the total amount of such Tax credit as the amount of Taxes described in (ii) above bears to the total amount of Taxes for such taxable period.

(d) Tax Benefits Associated with Transaction Payments. The Parties agree and acknowledge that any Tax deductions associated with bonuses and payments made to the Company's employees in connection with, and contingent on, the Merger shall be for the sole benefit of the Shareholders and shall be allocated to (and deemed to have been incurred in) the applicable Pre-Closing Tax Periods ending on the day before the Closing Date or portions of the applicable Straddle Periods ending on the Closing Date, in each case to the extent permitted by Applicable Law.

(e) Conduct of Audits and Other Procedural Matters.

(i) Each Party will promptly forward to the other Party all written notifications and other written communications from any Taxing Authority received by such Party or its Affiliates relating to any liability for Taxes for any taxable period for which such other Party is charged with Tax payment or Tax indemnification responsibility under this Agreement.

(ii) Notwithstanding anything to the contrary contained in this Agreement, with respect to any audit, examination, litigation or similar proceeding with respect to Taxes (a "**Tax Contest**") for which the Shareholders are charged with Tax payment or Tax indemnification responsibility under this Agreement, the Shareholders shall have the exclusive right to control such Tax Contest; provided, however, that (A) the Shareholders shall not settle or compromise any issue raised in connection with such Tax Contest without the prior written consent of Buyer, which consent shall not be unreasonably withheld, conditioned or delayed; (B) the Shareholders shall use commercially reasonable efforts to notify Buyer, reasonably in advance, of the date, time and place of all proceedings relating to such Tax Contest, including all administrative meetings, conferences, hearings and other proceedings; (C) the Shareholders shall provide to Buyer all relevant information, including document requests and responses, proposed notices of deficiency, notices of deficiency, revenue agent's reports, protests and any other documents relating to such Tax Contest, promptly upon receipt from the IRS; and (D) Buyer, and counsel of its own choosing, shall have the right (at Buyer's sole cost and expense) to attend and participate fully in all aspects of such Tax Contest.

(iii) Each Party will execute any IRS Form 2848 power of attorney or other documents reasonably requested by such requesting Party to enable it to act with respect to any Tax Contest that the requesting Party controls.

(f) Tax Cooperation. Buyer, the Company and the Shareholders, each at its or his own expense, shall cooperate fully, as and to the extent reasonably requested by the other Party, with each other and with each other's Agents, including accounting firms and legal counsel, in connection with the preparation, filing or audit of any Tax Return, refund claim or Tax Contest with respect to the Company, with such cooperation to include (i) the retention and (upon the other Party's reasonable request) provision of records and information, including work papers of the Company and its auditors, that are reasonably relevant to any Tax Returns, claims for refund, Tax Contest or other actions with respect to the Company and (ii) making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. Buyer and the Shareholders further agree, upon request, to use their commercially reasonable efforts to obtain any certificate or other document from any Governmental Authority or any other Person as may be necessary to mitigate, reduce or eliminate any Tax that could be imposed (including with respect to the Merger).

(g) Amended Tax Returns.

(i) Buyer, at the reasonable request and expense of the Shareholders, shall promptly prepare and file any amended Tax Return of the Company or claim for refund of Taxes on behalf of the Company for any Pre-Closing Tax Period.

(ii) Any amended Tax Return of the Company or claim for Tax refund on behalf of the Company for any Straddle Period shall be filed, or caused to be filed, pursuant to the procedures set forth Section 10.5(b) only by Buyer. Buyer shall not, without the prior written consent of the Shareholders (which consent shall not be unreasonably withheld, conditioned or delayed), make or cause to be made, any such filing, to the extent such filing, if accepted, reasonably might change the Tax liability of the Company or the Shareholders for any Pre-Closing Tax Period or Pre-Closing Straddle Period.

(iii) Buyer shall not, and shall cause the Company not to, make any Tax election that has retroactive effect to any Pre-Closing Tax Period or portion of a Straddle Period ending on the Closing Date without the consent of the Shareholders, if accepted, reasonably might adversely change the Tax liability of the Company or the Shareholders for any Pre-Closing Tax Period or Pre-Closing Straddle Period.

(h) Additional Tax Covenants.

(i) Buyer covenants that, without obtaining the prior written consent of the Shareholders (which consent shall not be unreasonably withheld, conditioned or delayed), it will not, and will not cause or permit the Company or any Affiliate of Buyer, to take any action on or after the Closing Date that could give rise to any Tax liability of the Shareholders or any indemnification obligation of the Shareholders under Section 9.

(ii) After the Closing Date, Buyer and the Company will not, without obtaining the written consent of the Shareholders, which consent shall not be unreasonably withheld, conditioned or delayed, agree to the waiver or any extension of the statute of limitations relating to any Taxes of the Company for any Pre-Closing Tax Period or any Straddle Period.

(iii) The Shareholders shall have the right to (A) any Tax refunds received by the Company for any Pre-Closing Tax Period or Pre-Closing Straddle Period (except to the extent such amounts are taken into consideration in calculating the Net Working Capital) and (B) any credits against Taxes in lieu of refunds described in clause (A). Buyer shall pay such amounts to the Shareholders (for distribution to the Shareholders) no later than ten (10) days after the receipt by the Company of such Tax refunds or credits (net of income Taxes of Buyer or the Company attributable to such refund or credit).

(i) Transfer Taxes. Any Transfer Taxes will be borne one hundred percent (100%) by the Shareholders.

10.6 Record Retention. The Parties agree that, for a period of seven (7) years after the Closing Date, or for a longer period if required by Applicable Law, without the prior written consent of the Shareholders (which consent shall not be unreasonably withheld, conditioned or delayed), neither Buyer nor any of its Affiliates (including the Company after the Closing) shall dispose of or destroy any of the books and records purchased hereunder which may be relevant to any legal, regulatory or Tax audit, investigation, inquiry or requirement of any of the Shareholders without first offering such records to the Shareholders.

11. MISCELLANEOUS.

11.1 Certain Interpretive Matters. The Parties acknowledge and agree that (a) this Agreement is the result of negotiations among the Parties and will not be deemed or construed as having been drafted by any one Party, (b) each Party and its counsel have reviewed and negotiated the terms and provisions of this Agreement (including any Exhibits and Disclosure Schedules attached hereto) and have contributed to its revision, (c) the rule of construction to the effect that any ambiguities are resolved against the drafting Party will not be employed in the interpretation of this Agreement, (d) the terms and provisions of this Agreement will be construed fairly as to all Parties and not in favor of or against any Party, regardless of which Party was generally responsible for the preparation of this Agreement and (e) neither the drafting history nor the negotiating history of this Agreement may be used or referred to in connection with the construction or interpretation of this Agreement.

11.2 Disclosure Schedules. The Disclosure Schedules shall be subject to the following terms and conditions: (a) the disclosures in any section or subsection of the Disclosure Schedules shall be deemed to be disclosed or to qualify, as applicable, all other sections or subsections of the Disclosure Schedules for which applicability of such information and disclosure is reasonably apparent on its face; (b) where the representations and warranties in this Agreement contain specific dollar threshold items, disclosures listed in response thereto may include items that are below such dollar threshold, and no disclosure of any matter contained in the Disclosure

Schedules shall create an implication that such matter meets any standard of materiality (matters reflected in the Disclosure Schedules are not necessarily limited to matters required by this Agreement to be reflected in the Disclosure Schedules; such additional matters are set forth for informational purposes only and do not necessarily include other matters of a similar nature, nor shall the inclusion of any item be construed as implying that any such item is "material" for any purpose); (c) any disclosures contained in the Disclosure Schedules which refer to a document are qualified in their entirety by reference to the text of such document, a true and complete copy of which was provided or made available to Buyer; (d) no reference in the Disclosure Schedules to any agreement or document shall be construed as an admission or indication by any party to this Agreement to any third party of any matter whatsoever, including that such agreement or document is enforceable or currently in effect or that there are any obligations remaining to be performed or any rights that may be exercised under such agreement or document, except as otherwise explicitly set forth in the Disclosure Schedules or this Agreement; (e) no disclosure relating to any possible breach or violation of any agreement, Law or regulation shall be construed as an admission or indication that any such breach or violation exists or has actually occurred; (f) headings and introductory language have been inserted on the sections of the Disclosure Schedules for convenience of reference only and shall to no extent have the effect of amending or changing the express description of the sections as set forth in this Agreement; (g) Buyer shall be deemed to have knowledge of all disclosures contained in the Disclosure Schedules; (h) the sections of the Disclosure Schedules are qualified in their entirety by reference to the provisions of this Agreement, and are not intended to constitute, and shall not be construed as constituting, representations, warranties, covenants or obligations of the Parties except as and to the extent provided in this Agreement; (i) unless otherwise defined herein or unless the context otherwise requires, capitalized terms used in the Disclosure Schedules have the meanings assigned to them in this Agreement and (j) any reference to a section number in the Disclosure Schedules refers to that section of this Agreement unless the context otherwise is reasonably apparent.

11.3 Expenses. Except as otherwise expressly set forth elsewhere in this Agreement, each of the Parties will bear its own legal and other fees and expenses incurred in connection with its negotiating, executing and performing this Agreement, including any related broker's or finder's fees with which it has contracted. Notwithstanding the foregoing, except with respect to amounts payable to the Accounting Firm, which amounts will be borne between Buyer and the Shareholders in the manner contemplated herein, the prevailing Party in any dispute related to this Agreement shall be entitled to payment of that Party's attorney fees.

11.4 Waiver. Unless otherwise specifically agreed in writing to the contrary, (a) the failure by any Party to enforce any of the provisions of this Agreement shall not constitute a waiver of the requirements of such provisions or a waiver of the right of such Party thereafter to enforce such provisions; (b) no waiver by any Party of any default by any other Party will be valid unless in writing and acknowledged by an authorized representative of the non-defaulting Party, and no such waiver will be taken or held to be a waiver by such Party of any other preceding or subsequent default; and (c) no extension of time granted by any Party for the performance of any obligation or act by any other Party will be deemed to be an extension of time for the performance of any other obligation or act hereunder.

11.5 Entire Agreement. This Agreement, together with the Transaction Documents, constitutes the entire, complete and integrated agreement among the Parties with respect to the subject matter hereof, and supersedes all prior or contemporaneous understandings, agreements or representations by or among the Parties, written or oral, express or implied, which may have related to the subject matter hereof in any way.

11.6 Notices. Any notices or other communications required or permitted hereunder shall be given in writing and addressed as follows:

If to the Company (prior to Closing):

Darrell Siria
[redacted]

Dan Raczykowski
[redacted]

with a copy to:

Witherspoon Kelley
422 W. Riverside Ave, Ste 1100
Spokane, WA 99201
Attn: Joseph H. Wessman
Email: JHW@witherspoonkelley.com

If to Buyer or the Company (after Closing):

Mission Ready Solutions, Inc.
750 West Pender Street, Suite 804,
Vancouver, BC, CAN, V6C 2T7
Attn: Jeff Schwartz
Email: jschwartz@ptfgov.com

with a copy to:

Pillsbury Winthrop Shaw Pittman LLP
1650 Tysons Blvd, 14th Floor
McLean, VA 22102-4856
Attn: Steven Meltzer
E-mail: steven.meltzer@pillsburylaw.com

with a copy to:

Harper Grey LLP
3200 – 650 West Georgia Street
Vancouver, British Columbia V6B 4P7
Attn: Prentice Durbin
E-mail: pdurbin@harpergrey.com

Notices will be deemed given (a) five (5) Business Days after being mailed by certified or registered United States mail, postage prepaid, return receipt requested, (b) on the first Business Day after being sent, prepaid, by nationally recognized overnight courier that issues a receipt or other confirmation of delivery or (c) when actually received by the recipient if delivered by personal service. All notices and communications sent in a manner described in the preceding sentence must also be sent via electronic mail and/or facsimile transmission. Any Party may change the address to which notices and communications under this Agreement are to be sent to it by giving written notice in accordance with this Section 11.6.

11.7 Assignment; Amendment. No Party shall assign this Agreement, or any of its rights, interests or obligations hereunder, without the prior written consent of the other Parties. Any attempted assignment without the required consent shall be void. This Agreement may be amended only by the execution and delivery of a written instrument by the Parties.

11.8 Binding Effect. This Agreement and all of the terms and provisions hereof shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

11.9 Remedies. Except as specifically set forth in this Agreement (including Section 9.8), any Party having any rights under any provision of this Agreement will have all rights and remedies set forth in this Agreement and all rights and remedies which such Party may have been granted at any time under any other Contract and all of the rights which such Party may have under any Law. Any such Party will be entitled to (a) enforce such rights specifically, without posting a bond or other security, (b) to recover damages by reason of a breach of any provision of this Agreement and (c) to exercise all other rights granted by Applicable Law.

11.10 No Third-Party Beneficiaries. Nothing in this Agreement or the Transaction Documents is intended to or shall confer any rights or remedies upon any Person other than the Parties hereto.

11.11 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under Applicable Law, but if any provision of this Agreement is held to be prohibited by or invalid under Applicable Law, such provision will be deemed severable and ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement to the fullest extent permitted by Applicable Law.

11.12 Disputes. In the event of a dispute among the Parties arising out of or in connection with this Agreement, including with respect to the interpretation of this Agreement, the Parties will cause their respective appropriate representatives to meet to discuss and use their good faith efforts to resolve the dispute. In the event they are unable to resolve the dispute within thirty (30) calendar days, or ten (10) Business Days if either Party notifies the other Party that the matter requires urgent resolution, the dispute may be resolved by submitting the dispute to a court of competent jurisdiction or, if agreed upon by the Parties, an arbitration proceeding. Notwithstanding the foregoing, resolution of disputes relating to the determination of Final Net Working Capital shall be governed in accordance with Section 2.8, as applicable.

11.13 Governing Law. This Agreement and each of the other Transaction Documents is to be governed by, and construed and enforced in accordance with, the Laws of the State of Washington (without giving effect to principles of conflicts of laws). The Parties irrevocably agree that any Claim arising out of or in connection with this Agreement or any of the other Transaction Documents may be brought in any state court located in the state and federal courts of the State of Washington (or in any court in which appeal from such courts may be taken), and each Party agrees not to assert, by way of motion, as a defense, or otherwise, in any such Claim, any Claim that it is not subject personally to the jurisdiction of such court, that the Claim is brought in an inconvenient forum, that the venue of the Claim is improper or that this Agreement or any of the other Transaction Documents or the subject matter hereof or thereof may not be enforced in or by such court, and hereby agrees not to challenge such jurisdiction or venue by reason of any offsets or counterclaims in any such Claim.

11.14 Waiver of Jury Trial. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT ANY MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS AGREEMENT AND EACH OF THE OTHER TRANSACTION DOCUMENTS, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY IN CONNECTION WITH SUCH AGREEMENTS.

11.15 Attorney-Client Privilege; Retention of Counsel. The Parties acknowledge that Witherspoon Kelley has represented the Company and the Shareholders in connection with the transactions contemplated by this Agreement. Buyer and the Company agree that the attorney-client privilege, attorney work-product protection, and expectation of client confidence shall attach as a result of Witherspoon Kelley's representation of the Company and/or the Shareholders in connection with the transactions contemplated by this Agreement to all confidential communications between Witherspoon Kelley and the Company (including its officers, directors, managers and employees) and/or the Shareholders that occurred prior to Closing but solely relating to Witherspoon Kelley's representation of the Company and/or the Shareholders in connection with the transactions contemplated by this Agreement. All privileged information or attorney work product of Witherspoon Kelley or any other attorney relating to the Company that was not related to the transactions contemplated by this Agreement shall remain the property of the Company. In no event will the Company or Buyer object to the retention by the Shareholders of Witherspoon Kelley in connection with defending or prosecuting any Claim subject to the Shareholders' indemnification obligations under this Agreement.

11.16 Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, with the same effect as if the signature on each such counterpart were on the same instrument. This Agreement and any document or schedule required hereby may be executed and delivered by transfer of an originally signed document by facsimile or electronic mail of a "pdf" data file, which shall be considered legally binding for all purposes.

[Signatures on Following Page]

IN WITNESS WHEREOF, the Parties have executed this Agreement and Plan of Merger as of the date first written above.

BUYER:

MISSION READY HOLDINGS USA INC.

By: ______________________________
Name: Jeffrey L. Schwartz
Title: President

MERGER SUB:

MRS MERGER SUB, INC.

By: ______________________________
Name: Jeffrey L. Schwartz
Title: President

MISSION READY:

MISSION READY SOLUTIONS, INC.

By: ______________________________
Name: Jeffrey L. Schwartz
Title: President and CEO

IN WITNESS WHEREOF, the Parties have executed this Agreement and Plan of Merger as of the date first written above.

COMPANY:

UNIFIRE, INC.

By: ______________________
Name: Darrell Siria
Title: President

SHAREHOLDERS:

____
Darrell Siria

____
Dan Raczykowski

EXHIBIT A
TO
AGREEMENT AND PLAN OF MERGER

ARTICLES OF MERGER

[Attached]

ARTICLES OF MERGER

Pursuant to Chapter 23B.11 of the Washington Business Corporation Act (the "WBCA"), the undersigned corporation submits these Articles of Merger.

1. PARTIES. The parties to the merger are as follows:

> Unifire, Inc. is a corporation incorporated under the laws of Washington on April 3, 1989 and its Unified Business Identifier (UBI) number is 601 172 839.
>
> MRS Merger Sub, Inc. is a corporation incorporated under the laws of Washington on December 17, 2018, and its Unified Business Identifier (UBI) number is 604 335 294.

2. SURVIVING CORPORATION. The name of the surviving corporation is Unifire, Inc., a Washington corporation.

3. EFFECTIVE DATE. The merger shall be effective at 11:59pm on the date that these Articles of Merger are filed with the Washington Secretary of State.

4. PLAN OF MERGER APPROVED BY SHAREHOLDERS. The plan of merger was duly approved by the shareholders of MRS Merger Sub, Inc. as provided by Chapter 23B.11 of the WBCA in effecting the merger.

IN WITNESS WHEREOF, the surviving corporation has caused these articles to be signed by an authorized officer, this ___ of ________, 2019.

UNIFIRE, INC.

By: ____________________________
Name: Darrell L. Siria
Title: Chairman of the Board and President

EXHIBIT B
TO
AGREEMENT AND PLAN OF MERGER

RACZYKOWSKI EMPLOYMENT AGREEMENT

[Attached]

EXHIBIT C
TO
AGREEMENT AND PLAN OF MERGER

NET WORKING CAPITAL CALCULATION EXAMPLE

	31-Dec-18
Current Assets	$1,776,158
Excluding: current or deferred Tax assets	$ -
Excluding: loan receivables from any Related Person	$ -
Total Current Assets (as adjusted)	**$1,776,158**
Current Liabilities	$3,519,332
Excluding: Excluded Debt – Current Liabilities	$3,519,332
Total Current Liabilities (as adjusted)	**$ -**
Net Working Capital	**$1,776,158**

EXHIBIT D
TO
AGREEMENT AND PLAN OF MERGER

PERMITTED LIENS

UCC2004-264-3848-1, filed on September 17, 2004 (WA) – Jensen-Byrd Company, Inc. Amended 2009-175-7245-8.

UCC201702014647, filed on July 31, 2017 (FL) – Advance Capital, LLC

UCC201721297025, filed on July 31, 2017 (WA) – Advance Capital, LLC

UCC201823686161, filed on August 24, 2018 (WA) – Capstone Business Funding, LLC

EXHIBIT E
TO
AGREEMENT AND PLAN OF MERGER

EXCLUDED DEBT

Excluded Debt – Current Liabilities	
Trade Accounts Payable	$3,028,644
Note Payable Pring Corporation - as of January 17, 2019	$260,000
Accrued Interest Payable	$58,281
Tax and Payroll Liabilities	$16,153
Current Portion Long Term Debt	$166,254
Total Excluded Debt – Current Liabilities	**$3,529,332**
Excluded Debt – Long Term Liabilities	
Note Payable to Triumph	$368,636
Less: Current Portion of Long-Term Debt	– $166,254
Total Excluded Debt – Long-Term Liabilities	**$202,382**
Excluded Debt – Other Liabilities	
Related Party Payables – Loans from Shareholder	$1,849,041
Seller Expenses (Not Included in Trade Accounts Payable as of December 31, 2018)	$42,000
Total Excluded Debt – Other Liabilities	**$1,891,041**
Total Excluded Debt	**$5,622,755**

EXHIBIT F-1
TO
AGREEMENT AND PLAN OF MERGER

STOCK CONSIDERATION SCHEDULE – DARRELL SIRIA

Date	Issued	Released for Trading	Total Released
Closing	15,789,469	-	-
July 1, 2019		2,870,813	2,870,813
October 1, 2019		2,870,813	5,741,626
January 1, 2020		1,116,427	6,858,053
April 1, 2020		1,116,427	7,974,480
July 1, 2020		1,116,427	9,090,907
October 1, 2020		1,116,427	10,207,334
January 1, 2021		1,116,427	11,323,761
April 1, 2021		1,116,427	12,440,188
July 1, 2021		1,116,427	13,556,615
October 1, 2021		1,116,427	14,673,042
January 1, 2022	-	1,116,427	15,789,469

EXHIBIT F-2
TO
AGREEMENT AND PLAN OF MERGER

STOCK CONSIDERATION SCHEDULE – DAN RACZYKOWSKI

Date	Issued	Released for Trading	Total Released
Closing	10,526,315	-	-
July 1, 2019		2,000,000	2,000,000
October 1, 2019		2,000,000	4,000,000
January 1, 2020		1,305,263	5,305,263
April 1, 2020		1,305,263	6,610,526
July 1, 2020		1,305,263	7,915,789
October 1, 2020		1,305,263	9,221,052
January 1, 2021	-	1,305,263	10,526,315

EXHIBIT G
TO
AGREEMENT AND PLAN OF MERGER

CASH CONSIDERATION PAYMENT SCHEDULE

Cash Consideration Payment Schedule (No Adjustment)			
Installment Date	**Installment Payments to Darrell Siria**	**Installments Payment to Dan Raczykowski**	**Total Payments made by Buyer**
Closing	$ -	$ -	$ -
July 1, 2019	$272,727.27	$200,000.00	$472,727.27
October 1, 2019	$272,727.27	$200,000.00	$472,727.27
January 1, 2020	$272,727.27	$200,000.00	$472,727.27
April 1, 2020	$272,727.27	$200,000.00	$472,727.27
July 1, 2020	$272,727.27	$200,000.00	$472,727.27
October 1, 2020	$272,727.27	$ -	$272,727.27
January 1, 2021	$272,727.27	$ -	$272,727.27
April 1, 2021	$272,727.27	$ -	$272,727.27
July 1, 2021	$272,727.27	$ -	$272,727.27
October 1, 2021	$272,727.27	$ -	$272,727.27
January 1, 2022	$272,727.27	$ -	$272,727.27
Total	**$2,999,999.97**	**$1,000,000.00**	**$3,999,999.97**

EXHIBIT H
TO
AGREEMENT AND PLAN OF MERGER

DARRELL SIRIA PROMISSORY NOTE

PROMISSORY NOTE

$3,000,000 Spokane, Washington

_________ ___, 2019

MISSION READY HOLDINGS USA INC., a Washington corporation, and Mission Ready Solutions Inc., a British Columbia corporation (collectively, "**Obligor**") for value received, promises to pay to the order of DARRELL SIRIA, a married person ("**Payee**") the principal sum of Three Million Dollars ($3,000,000), together with all costs and fees, including reasonable attorneys' fees, incurred by Payee in enforcing the obligations of this Note ("**Collection Costs**"). Amounts due hereunder are payable to Payee at [redacted] or such other place as Payee may direct, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

This Note has been executed and delivered pursuant to and in accordance with the terms and conditions of the Agreement and Plan of Merger (the "**Merger Agreement**"), dated as of January 18, 2019 by and among Obligor, Payee, MRS Merger Sub, Inc., a Washington corporation, Unifire Inc., a Washington corporation, and Dan Raczykowski. Capitalized terms used in this Note without definition shall have the respective meanings set forth in the Merger Agreement.

1. **Payments.** Commencing July 1, 2019, this Note shall be payable in accordance with the schedule attached hereto as Exhibit A. All payments under this Note shall be subject to certain post-closing adjustments, if any, in accordance with Section 2.8(d) of the Merger Agreement.

2. **Setoff.** Obligor shall be entitled to offset Losses as set forth in Section 9.10 of the Merger Agreement.

3. **Application of Payments.** All payments made herein shall apply first against costs, if any, then against late charges, if any, then against principal.

4. **Maturity.** The entire principal on this Note shall be paid in full on or before January 1, 2022 (the "**Maturity Date**").

5. **Prepayment.** Obligor shall have the right, at any time or times, without notice or penalty, to prepay the whole or any part hereof.

6. **Late Payment Charge.** In the event that any payment or portion thereof is not paid within thirty (30) days after the date it is due, Payee may collect, and Obligor agrees to pay with such payment, a "late charge" of five percent (5%) of the payment amount. Such late charge represents the reasonable estimate by Payee and Obligor of a fair average compensation due to the failure of Obligor to make timely payments. Such late charge shall be paid without prejudice to the rights of the Payee to collect any other amounts provided to be paid or to declare a default under this Note.

No right or obligation under this Note will be deemed to have been waived unless evidenced by a writing signed by the party against whom the waiver is asserted. Any waiver given will be effective only with respect to the specific instance involved, and will not impair or limit the right of the waiving party to insist upon strict performance of the right or obligation on any other instance, in any other respect, or at any other time. No failure on the part of Payee to exercise, and no delay in exercising, any right or remedy under this Note shall operate as a waiver thereof.

Collection Costs shall include all costs and expenses of Payee in connection with default or breach of this Note by Obligor, including all reasonable attorneys' fees, costs and expenses incurred by Payee in enforcing any term or provision of this Note, or in collecting payments due under this Note whether through litigation or other dispute resolution or otherwise. Such fees, costs and other expenses shall include without limitation all costs and disbursements, all costs associated with discovery, depositions and expert witness fees, and all out-of-pocket costs incurred by Payee in the prosecution or defense of any action. For purposes of this paragraph, the phrase "litigation or other dispute resolution" shall be deemed to include any proceeding commenced in any court of general or limited jurisdiction, any arbitration or mediation, any proceeding commenced in the bankruptcy courts of the United States, and any appeal from any of the foregoing.

Obligor and any endorsers severally waive presentment, protest and demand, notice of protest, demand of dishonor, and payment of this Note, and expressly agrees that this Note, or any payment hereunder, may be extended from time to time without in any way affecting the liability of Obligor and any endorsers hereof.

This Note is to be governed by and construed in accordance with the laws of the State of Washington. At the option of Payee, the venue of any action hereon may be laid in Spokane County, Washington.

If this Note is executed by more than one maker, each maker's liability hereunder shall be joint and several. All references to Obligor shall be deemed to refer to each maker. All references to the singular shall include the plural. The section and subsection titles of this Agreement are inserted for convenience of reference only and shall in no way alter, modify, define, or be used in construing the text of such section or subsections.

EACH AND EVERY OBLIGOR HEREOF AGREES THAT IT HAS RECEIVED VALUABLE CONSIDERATION HEREUNDER, THAT IT SIGNS THIS NOTE AS OBLIGOR AND NOT AS A SURETY, AND THAT ANY AND ALL SURETYSHIP DEFENSES ARE HEREBY WAIVED.

Waiver of Right to Jury Trial. **OBLIGOR HEREBY EXPRESSLY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO JUDICIALLY ENFORCE OR DEFEND ANY RIGHTS UNDER THIS NOTE OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED (OR WHICH MAY IN THE FUTURE BE DELIVERED) IN CONNECTION HEREWITH OR ARISING FROM ANY LENDING RELATIONSHIP EXISTING IN CONNECTION**

WITH THIS NOTE. OBLIGOR AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

OBLIGOR EXPRESSLY ACKNOWLEDGES AND UNDERSTANDS THAT ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE AND HEREBY CONFIRMS THAT PAYEE HAS NOT MADE OR GIVEN ANY PROMISES OR COMMITMENTS THAT ARE NOT EXPRESSLY SET FORTH HEREIN.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

[*Signature Page Follows*]

This Note has been executed and delivered on the date first set forth above.

MISSION READY HOLDINGS USA INC.
a Washington corporation

By: ______________________________
Name: Jeffrey L. Schwartz
Title: President

MISSION READY SOLUTIONS INC.,
a British Columbia corporation

By: ______________________________
Name: Jeffrey L. Schwartz
Title: President and CEO

Acknowledged and Accepted

____
Darrell Siria

<u>Exhibit A</u>

CASH CONSIDERATION PAYMENT SCHEDULE

Installment Date	Installment Payments to Darrell Siria
Closing	$ -
July 1, 2019	$272,727.27
October 1, 2019	$272,727.27
January 1, 2020	$272,727.27
April 1, 2020	$272,727.27
July 1, 2020	$272,727.27
October 1, 2020	$272,727.27
January 1, 2021	$272,727.27
April 1, 2021	$272,727.27
July 1, 2021	$272,727.27
October 1, 2021	$272,727.27
January 1, 2022	$272,727.27
Total	**$2,999,999.97**

EXHIBIT I
TO
AGREEMENT AND PLAN OF MERGER

DAN RACZYKOWSKI PROMISSORY NOTE

PROMISSORY NOTE

$1,000,000 Spokane, Washington

_________ ___, 2019

MISSION READY HOLDINGS USA INC., a Washington corporation, and Mission Ready Solutions Inc., a British Columbia corporation (collectively, "**Obligor**") for value received, promises to pay to the order of DAN RACZYKOWSKI, a married person ("**Payee**") the principal sum of One Million Dollars ($1,000,000), together with all costs and fees, including reasonable attorneys' fees, incurred by Payee in enforcing the obligations of this Note ("**Collection Costs**"). Amounts due hereunder are payable to Payee at [redacted] or such other place as Payee may direct, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

This Note has been executed and delivered pursuant to and in accordance with the terms and conditions of the Agreement and Plan of Merger (the "**Merger Agreement**"), dated as of January 18, 2019 by and among Obligor, Payee, MRS Merger Sub, Inc., a Washington corporation, Unifire Inc., a Washington corporation, and Darrell Siria. Capitalized terms used in this Note without definition shall have the respective meanings set forth in the Merger Agreement.

1. **Payments.** Commencing July 1, 2019, this Note shall be payable in accordance with the schedule attached hereto as Exhibit A. All payments under this Note shall be subject to certain post-closing adjustments, if any, in accordance with Section 2.8(d) of the Merger Agreement.

2. **Setoff.** Obligor shall be entitled to offset Losses as set forth in Section 9.10 of the Merger Agreement.

3. **Application of Payments.** All payments made herein shall apply first against costs, if any, then against late charges, if any, then against principal.

4. **Maturity.** The entire principal on this Note shall be paid in full on or before January 1, 2022 (the **"Maturity Date"**).

5. **Prepayment.** Obligor shall have the right, at any time or times, without notice or penalty, to prepay the whole or any part hereof.

6. **Late Payment Charge.** In the event that any payment or portion thereof is not paid within thirty (30) days after the date it is due, Payee may collect, and Obligor agrees to pay with such payment, a "late charge" of five percent (5%) of the payment amount. Such late charge represents the reasonable estimate by Payee and Obligor of a fair average compensation due to the failure of Obligor to make timely payments. Such late charge shall be paid without prejudice to the rights of the Payee to collect any other amounts provided to be paid or to declare a default under this Note.

No right or obligation under this Note will be deemed to have been waived unless evidenced by a writing signed by the party against whom the waiver is asserted. Any waiver given will be effective only with respect to the specific instance involved, and will not impair or limit the right of the waiving party to insist upon strict performance of the right or obligation on any other instance, in any other respect, or at any other time. No failure on the part of Payee to exercise, and no delay in exercising, any right or remedy under this Note shall operate as a waiver thereof.

Collection Costs shall include all costs and expenses of Payee in connection with default or breach of this Note by Obligor, including all reasonable attorneys' fees, costs and expenses incurred by Payee in enforcing any term or provision of this Note, or in collecting payments due under this Note whether through litigation or other dispute resolution or otherwise. Such fees, costs and other expenses shall include without limitation all costs and disbursements, all costs associated with discovery, depositions and expert witness fees, and all out-of-pocket costs incurred by Payee in the prosecution or defense of any action. For purposes of this paragraph, the phrase "litigation or other dispute resolution" shall be deemed to include any proceeding commenced in any court of general or limited jurisdiction, any arbitration or mediation, any proceeding commenced in the bankruptcy courts of the United States, and any appeal from any of the foregoing.

Obligor and any endorsers severally waive presentment, protest and demand, notice of protest, demand of dishonor, and payment of this Note, and expressly agrees that this Note, or any payment hereunder, may be extended from time to time without in any way affecting the liability of Obligor and any endorsers hereof.

This Note is to be governed by and construed in accordance with the laws of the State of Washington. At the option of Payee, the venue of any action hereon may be laid in Spokane County, Washington.

If this Note is executed by more than one maker, each maker's liability hereunder shall be joint and several. All references to Obligor shall be deemed to refer to each maker. All references to the singular shall include the plural. The section and subsection titles of this Agreement are inserted for convenience of reference only and shall in no way alter, modify, define, or be used in construing the text of such section or subsections.

EACH AND EVERY OBLIGOR HEREOF AGREES THAT IT HAS RECEIVED VALUABLE CONSIDERATION HEREUNDER, THAT IT SIGNS THIS NOTE AS OBLIGOR AND NOT AS A SURETY, AND THAT ANY AND ALL SURETYSHIP DEFENSES ARE HEREBY WAIVED.

Waiver of Right to Jury Trial. **OBLIGOR HEREBY EXPRESSLY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO JUDICIALLY ENFORCE OR DEFEND ANY RIGHTS UNDER THIS NOTE OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED (OR WHICH MAY IN THE FUTURE BE DELIVERED) IN CONNECTION HEREWITH OR ARISING FROM ANY LENDING RELATIONSHIP EXISTING IN CONNECTION**

WITH THIS NOTE. OBLIGOR AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

OBLIGOR EXPRESSLY ACKNOWLEDGES AND UNDERSTANDS THAT ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE AND HEREBY CONFIRMS THAT PAYEE HAS NOT MADE OR GIVEN ANY PROMISES OR COMMITMENTS THAT ARE NOT EXPRESSLY SET FORTH HEREIN.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

[*Signature Page Follows*]

This Note has been executed and delivered on the date first set forth above.

MISSION READY HOLDINGS USA INC., a Washington corporation	MISSION READY SOLUTIONS INC., a British Columbia corporation
By: ______________________________	By: ______________________________
Name: Jeffrey L. Schwartz	Name: Jeffrey L. Schwartz
Title: President	Title: President and CEO

Acknowledged and Accepted

____

Dan Raczykowski

Exhibit A

CASH CONSIDERATION PAYMENT SCHEDULE

Installment Date	**Installments Payment to Dan Raczykowski**
Closing	$ -
July 1, 2019	$200,000.00
October 1, 2019	$200,000.00
January 1, 2020	$200,000.00
April 1, 2020	$200,000.00
July 1, 2020	$200,000.00
October 1, 2020	$ -
January 1, 2021	$ -
April 1, 2021	$ -
July 1, 2021	$ -
October 1, 2021	$ -
January 1, 2022	$ -
Total	**$1,000,000.00**