EXECUTION VERSION

AGREEMENT AND PLAN OF MERGER

by and among

ITALMATCH USA CORPORATION,

CUYAHOGA MERGER SUB, INC.

and

DETREX CORPORATION

Dated as of November 10, 2017

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This AGREEMENT AND PLAN OF MERGER, dated as of November 10, 2017, (this "**Agreement**"), is made by and among ITALMATCH USA CORPORATION, an Illinois corporation ("**Parent**"), CUYAHOGA MERGER SUB, INC., a Michigan corporation and a direct wholly owned Subsidiary of Parent ("**Merger Sub**"), and DETREX CORPORATION, a Michigan corporation (the "**Company**").

RECITALS

A. The Company and Merger Sub each have determined that it is advisable, fair to and in the best interests of its shareholders to effect a merger (the "**Merger**") of Merger Sub with and into the Company pursuant to the Michigan Business Corporation Act (the "**MBCA**") upon the terms and subject to the conditions set forth in this Agreement;

B. The board of directors of the Company has unanimously (i) approved and adopted this Agreement and the Merger, (ii) determined that the Merger is at a price and on terms that are fair to, advisable and in the best interests of the Company and its shareholders and (iii) subject to the terms and conditions set forth in this Agreement, will recommend the approval of this Agreement by the Company's shareholders;

C. The board of directors of each of Parent and Merger Sub have unanimously (i) approved and adopted this Agreement and the Merger, (ii) determined that the Merger is at a price and on terms that are fair to, advisable and in the best interests of Merger Sub and its sole shareholder and (iii) recommended the approval of this Agreement by Merger Sub's sole shareholder;

D. Each of Parent, Merger Sub and the Company desire to make certain representations, warranties, covenants and agreements in connection with the Merger and also to prescribe various conditions to the Merger; and

E. Simultaneously with the execution and delivery of this Agreement, certain of the Company's shareholders have entered into a voting agreement in the form attached hereto as Exhibit A (the "**Voting Agreement**"), dated as of the date hereof, with Parent, pursuant to which, among other things, such Company shareholders have agreed to vote such Company shareholder's shares of Company Common Stock in favor of the approval of this Agreement and against any Competing Proposals (as defined herein) that is not a Superior Proposal (as defined herein).

NOW, THEREFORE, in consideration of the foregoing and the representations, warranties, covenants and agreements contained in this Agreement, the parties, intending to be legally bound hereby, agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. Defined terms used in this Agreement have the respective meanings ascribed to them by definition in this Agreement or in Appendix A.

ARTICLE II

THE MERGER

Section 2.1 The Merger. On the terms and subject to the conditions of this Agreement, and in accordance with the MBCA, at the Effective Time, Merger Sub shall merge with and into the Company, whereupon the separate existence of Merger Sub shall cease, and the Company shall continue under the name "DETREX CORPORATION" as the surviving corporation (the "**Surviving Corporation**") and shall continue to be governed by the laws of the State of Michigan.

Section 2.2 The Closing. Subject to the provisions of Article VII, the closing of the Merger (the "**Closing**") shall take place at 10:00 a.m. (eastern time) on a date to be specified by the parties hereto, but no later than the second (2^{nd}) Business Day after the satisfaction or waiver of the conditions set forth in Article VII (other than those conditions that by their terms are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions). The Closing shall take place at the offices of Dykema Gossett PLLC, 400 Renaissance Center, Suite 2300, Detroit, Michigan 48243, unless another time, date or place or another manner (*e.g.*, exchange of PDF or facsimile signatures, etc.) is agreed to in writing by the parties hereto (such date being the "**Closing Date**").

Section 2.3 Effective Time.

(a) Concurrently with the Closing, the Company, Parent and Merger Sub shall cause a certificate of merger in customary form and substance (the "**Certificate of Merger**") to be delivered for filing with the Michigan LARA. The Merger shall become effective on the date and time at which the Certificate of Merger has been duly filed with the Michigan LARA (such date and time of filing or such later time as may be agreed to by Parent, Merger Sub and the Company and as set forth in the Certificate of Merger being hereinafter referred to as the "**Effective Time**").

(b) The Merger shall have the effects set forth in the applicable provisions of the MBCA. Without limiting the generality of the foregoing, from and after the Effective Time, (i) the Company shall be the Surviving Corporation in the Merger, (ii) all the property, rights, privileges, immunities, powers, franchises and liabilities of the Company and the Merger Sub are vested in the Surviving Corporation, (iii) the separate existence of Merger Sub shall cease and (iv) the Company shall continue to be governed by the laws of the State of Michigan.

Section 2.4 Articles of Incorporation and Bylaws. Subject to Section 6.6, at the Effective Time, the articles of incorporation and bylaws of the Surviving Corporation shall be amended and restated to be identical to the articles of incorporation and bylaws, respectively, of Merger Sub, as in effect immediately prior to the Effective Time (other than the name of Merger Sub, which shall be replaced by the name of the Company), until thereafter amended in accordance with applicable Law and the applicable provisions of the articles of incorporation and bylaws of the Surviving Corporation.

Section 2.5 Board of Directors. The board of directors of the Surviving Corporation effective as of, and immediately following, the Effective Time shall consist of the individuals set forth on Schedule 2.5 (which shall be provided by the Parent prior to or at the Closing), each to hold office in accordance with the articles of incorporation and bylaws of the Surviving Corporation until their respective successors shall have been duly elected, designated or qualified, or until their earlier death, resignation or removal in accordance with the articles of incorporation and bylaws of the Surviving Corporation.

Section 2.6 Officers. The officers of the Surviving Corporation effective as of, and immediately following, the Effective Time shall consist of the individuals set forth on Schedule 2.6 (which shall be provided by the Parent prior to or at the Closing), each to hold office in accordance with the articles of incorporation and bylaws of the Surviving Corporation until their respective successors shall have been duly elected, designated or qualified, or until their earlier death, resignation or removal in accordance with the articles of incorporation and bylaws of the Surviving Corporation.

ARTICLE III

EFFECT OF THE MERGER ON CAPITAL STOCK; EXCHANGE OF CERTIFICATES

Section 3.1 Effect on Securities. At the Effective Time, by virtue of the Merger and without any action on the part of the Company, Parent, Merger Sub or the holders of any securities of the Company or Merger Sub:

(a) Cancellation of Company Securities. Each share of common stock, par value $2.00 per share, of the Company (the "**Company Common Stock**") held by the Company as treasury stock or by any of its Subsidiaries or held, directly or indirectly, by Parent or Merger Sub immediately prior to the Effective Time shall automatically be canceled and retired and shall cease to exist, and no consideration or payment shall be delivered in exchange therefor or in respect thereof.

(b) Conversion of Company Securities. Except as otherwise provided in this Agreement, each share of Company Common Stock issued and outstanding immediately prior to the Effective Time (other than any shares canceled pursuant to Section 3.1(a) shall be converted into the right to receive $27.00 per share of Company Common Stock in cash, without interest (the "**Merger Consideration**"). Each share of Company Common Stock to be converted into the right to receive the Merger Consideration as provided in this Section 3.1(b) shall as of the Effective Time no longer be outstanding and shall be automatically canceled and shall cease to exist, and the holders of certificates (the "**Certificates**") or book-entry shares ("**Book-Entry Shares**") which immediately prior to the Effective Time represented such Company Common Stock shall cease to have any rights with respect to such Company Common Stock other than the right to receive, upon surrender of such Certificates or Book-Entry Shares in accordance with Section 3.2, the Merger Consideration, without interest thereon.

(c) Conversion of Merger Sub Capital Stock. At the Effective Time, by virtue of the Merger and without any action on the part of the holder thereof, each share of common stock, no par value per share, of Merger Sub issued and outstanding immediately prior to the

Effective Time shall be converted into and become one (1) fully paid share of common stock, no par value per share, of the Surviving Corporation and constitute the only outstanding shares of capital stock of the Surviving Corporation.

(d) Adjustments. Without limiting the other provisions of this Agreement, if at any time during the period between the date of this Agreement and the Effective Time, any change in the number of outstanding shares of Company Common Stock shall occur as a result of a reclassification, recapitalization, stock split (including a reverse stock split) or similar event, or combination, exchange or readjustment of shares, or any stock dividend or stock distribution with a record date during such period, the Merger Consideration shall be equitably adjusted to provide the same economic effect as contemplated by this Agreement prior to such event. Nothing in this Section 3.1(d) shall be construed to permit any party to take any action that is otherwise prohibited or restricted by any other provision of this Agreement.

Section 3.2 Exchange of Certificates.

(a) Designation of Paying Agent; Deposit of Exchange Fund. Prior to the Closing, Parent shall designate a bank or trust company (the "**Paying Agent**"), the identity and the terms of appointment of which to be reasonably acceptable to the Company, for the payment of the Merger Consideration as provided in Section 3.1(b). At or substantially concurrently with the Effective Time, Parent shall deposit, or cause to be deposited with the Paying Agent, cash constituting an amount equal to the aggregate Merger Consideration payable pursuant to Section 3.1(b) (the "**Aggregate Merger Consideration**" and such Aggregate Merger Consideration as deposited with the Paying Agent, the "**Exchange Fund**"). In the event the Exchange Fund shall be insufficient to make the payments contemplated by Section 3.1(b), Parent shall promptly deposit, or cause to be deposited, additional funds with the Paying Agent in an amount which is equal to the deficiency in the amount required to make such payment. Parent shall cause the Exchange Fund to be (i) held for the benefit of the holders of Company Common Stock and (ii) applied promptly to making the payments pursuant to Section 3.1(b). The Exchange Fund shall not be used for any purpose other than to fund payments pursuant to Section 3.1(b), except as expressly provided for in this Agreement.

(b) Letter of Transmittal. As promptly as reasonably practicable following the Effective Time and in any event not later than the fifth (5^{th}) Business Day thereafter, the Surviving Corporation shall cause the Paying Agent to mail to each holder of record of a Certificate or Book-Entry Share (other than the Company, its Subsidiaries, Parent and Merger Sub) that immediately prior to the Effective Time represented outstanding shares of Company Common Stock (i) a letter of transmittal, which shall specify that delivery shall be effected, and risk of loss and title to the Certificates or Book-Entry Shares, as applicable, shall pass, only upon proper delivery of the Certificates (or affidavits of loss in lieu thereof) or Book-Entry Shares to the Paying Agent and which shall be in the form and have such other provisions as Parent and the Company may reasonably specify and (ii) instructions for use in effecting the surrender of the Certificates or Book-Entry Shares in exchange for the Merger Consideration into which the number of shares of Company Common Stock previously represented by such Certificate or Book-Entry Shares shall have been converted pursuant to this Agreement (which instructions shall be in the form and have such other provisions as Parent and the Company may reasonably specify).

(c) Timing of Exchange. Upon surrender of a Certificate (or affidavit of loss in lieu thereof) or Book-Entry Share for cancellation to the Paying Agent, together with a letter of transmittal duly completed and validly executed in accordance with the instructions thereto, and such other documents as may be required pursuant to such instructions, the holder of such Certificate or Book-Entry Share shall be entitled to receive in exchange therefor Merger Consideration for each share of Company Common Stock formerly represented by such Certificate or Book-Entry Share upon the later to occur of (i) the Effective Time or (ii) the Paying Agent's receipt of such Certificate (or affidavit of loss in lieu thereof) or Book-Entry Share, together with a letter of transmittal duly completed and validly executed in accordance with the instructions thereto, and the Certificate (or affidavit of loss in lieu thereof) or Book-Entry Share so surrendered shall be forthwith canceled. The Paying Agent shall accept such Certificates (or affidavits of loss in lieu thereof) or Book-Entry Shares upon compliance with such reasonable terms and conditions as the Paying Agent may impose to effect an orderly exchange thereof in accordance with normal exchange practices. No interest shall be paid or accrued for the benefit of holders of the Certificates or Book-Entry Shares on Merger Consideration payable upon the surrender of the Certificates or Book-Entry Shares.

(d) Closing of Transfer Books. At the Effective Time, the stock transfer books of the Company shall be closed, and there shall be no further registration of transfers on the stock transfer books of the Surviving Corporation of the shares of Company Common Stock that were outstanding immediately prior to the Effective Time. If, after the Effective Time, Certificates or Book-Entry Shares are presented to the Surviving Corporation or Parent for transfer or for any other reason, the holder of any such Certificates or Book-Entry Shares shall be given a copy of the letter of transmittal referred to in Section 3.2(b) and instructed to comply with the instructions in that letter of transmittal in order to receive Merger Consideration to which such holder is entitled pursuant to this Article III.

(e) Termination of Exchange Fund. Any portion of the Exchange Fund which remains undistributed to the holders of the Certificates or Book-Entry Shares for one (1) year after the Effective Time shall be delivered to the Surviving Corporation, upon written demand, and any such holders prior to the Merger who have not theretofore complied with this Article III shall thereafter look only to the Surviving Corporation as general creditor thereof for payment of their claims for Merger Consideration in respect thereof.

(f) No Liability. None of Parent, Merger Sub, the Company, the Surviving Corporation or the Paying Agent shall be liable to any Person in respect of any cash held in the Exchange Fund delivered to a public official pursuant to any applicable abandoned property, escheat or similar Law. If any Certificates or Book-Entry Shares shall not have been surrendered immediately prior to the date on which any cash in respect of such Certificate or Book-Entry Share would otherwise escheat to or become the property of any Governmental Authority, any such cash in respect of such Certificate or Book-Entry Share shall, to the extent permitted by applicable Law, become the property of the Surviving Corporation, free and clear of all claims or interest of any Person previously entitled thereto.

(g) Investment of Exchange Fund. The Paying Agent shall invest any cash included in the Exchange Fund as directed by Parent; provided that (i) no such investment shall relieve Parent or the Paying Agent from making the payments required by this Article III, and

following any losses Parent shall promptly provide additional funds to the Paying Agent for the benefit of the holders of Company Common Stock in the amount of such losses, (ii) no such investment shall have maturities that could prevent or delay payments to be made pursuant to this Agreement and (iii) such investments shall be in short-term obligations of the United States of America with maturities of no more than thirty (30) days or guaranteed by the United States of America and backed by the full faith and credit of the United States of America. Any interest or income produced by such investments will be payable to the Surviving Corporation or Parent, as directed by Parent.

(h) Withholding. Each of Parent, the Surviving Corporation and the Paying Agent shall be entitled to deduct and withhold from Merger Consideration and any amounts otherwise payable pursuant to this Agreement to any Person such amounts as are required to be deducted and withheld with respect to the making of such payment under the Code and the Treasury Regulations or any provision of applicable state, local or foreign Tax Law. To the extent that amounts are so deducted and withheld and paid over to the appropriate Governmental Authority, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the Person in respect of which such deduction and withholding was made.

(i) No Further Dividends or Distributions. No dividends or other distributions with respect to capital stock of the Surviving Corporation with a record date on or after the Effective Time shall be paid to the holder of any unsurrendered Certificates or Book-Entry Shares.

Section 3.3 Company Options.

(a) Treatment of Company Options. As of the Effective Time, unless otherwise agreed between Parent and any individual holder of a Company Option, each Company Option (whether or not vested) that is outstanding shall be canceled and shall entitle the holder thereof to receive in exchange therefore as soon as practicable following the Effective Time, an amount in cash (subject to any applicable withholding or other Taxes or other amounts required by applicable Law to be withheld) equal to the product of (i) the total number of shares of Company Common Stock subject to such Company Option (assuming all performance conditions have been met) and (ii) the excess, if any, of the Merger Consideration, over the exercise price per share of Company Common Stock underlying such Company Option (the "**Option Cash Payment**"). For the avoidance of doubt, as of the Effective Time, each Company Option having an exercise price per share equal to or more than the Merger Consideration shall be canceled and the holder thereof shall not be entitled to any payment or other consideration in respect thereof. Following the Effective Time, any such canceled Company Option shall no longer be exercisable and shall only entitle the Company Option holder to the Option Cash Payment, which shall be paid as of, or promptly following, the Effective Time. Such Option Cash Payment shall be paid by the Surviving Corporation through its payroll system as soon as practicable following the Effective Time.

(b) Termination of Company Equity Plan. The 2006 Management Stock Option Plan (the "**Company Equity Plan**") shall terminate as of the Effective Time and the provisions in any other program or arrangement providing for the issuance or grant of any other interest in respect of the capital stock of the Company or any Subsidiary of the Company thereof

shall be canceled as of the Effective Time, and the Company shall take all necessary actions in furtherance of the foregoing. The Company shall ensure that following the Effective Time no participant in the Company Equity Plan or other programs or arrangements shall have any right thereunder to acquire any equity securities of the Company, the Surviving Corporation or any Subsidiary thereof.

Section 3.4 Lost Certificates. If any Certificate shall have been lost, stolen or destroyed, then upon the making of an affidavit, in form and substance reasonably acceptable to Parent, of that fact by the Person claiming such Certificate to be lost, stolen or destroyed and, if required by Parent, the posting by such Person of a bond, in such reasonable amount as Parent may direct, as indemnity against any claim that may be made against it with respect to such Certificate, the Paying Agent will issue in exchange for such lost, stolen or destroyed Certificate, the Merger Consideration to which the holder thereof is entitled pursuant to this Article III.

Section 3.5 Transfers; No Further Ownership Rights. After the Effective Time, there shall be no registration of transfers on the stock transfer books of the Company of shares of Company Common Stock that were outstanding immediately prior to the Effective Time. If Certificates or Book-Entry Shares are presented to the Surviving Corporation for transfer following the Effective Time, they shall be canceled against delivery of the applicable Merger Consideration, as provided for in Section 3.1(b), for each share of Company Common Stock formerly represented by such Certificates or Book-Entry Shares. Payment of the Merger Consideration in accordance with the terms of this Article III, and, if applicable, any unclaimed dividends declared prior to the Effective Time upon the surrender of Certificates, shall be deemed to have been paid in full satisfaction of all rights pertaining to the shares of Company Common Stock formerly represented by such Certificates or Book-Entry Shares.

Section 3.6 Transaction Expenses.

(a) Estimated Transaction Expenses. Section 3.6 of the Company Disclosure Letter sets forth a complete and correct itemized list of the Transaction Expenses paid as of the date of this Agreement, and an itemized list of the outstanding and anticipated Transaction Expenses as of the Closing Date (the "**Estimated Transaction Expenses**"), with each such itemized expense to be accompanied by reasonable supporting detail.

(b) Closing Transaction Expense Payments. At the Closing, the Parent shall deliver, or cause to be delivered, cash payments by wire transfer of immediately available funds to pay all Transaction Expenses which by their terms provide for a payment at the Closing (that the Company has notified the Parent are outstanding and that are reflected in the payoff letters delivered pursuant to Section 7.2(e) on behalf of the Company to the Persons providing services which generated the Transaction Expenses (the "**Closing Transaction Expense Payments**") and the payment instructions of such Persons in such payoff letters; provided that in no event shall the amount of the Closing Transaction Expense Payments exceed 105% of the amount of the Estimated Transaction Expenses; provided further that in no event shall the Closing Transaction Expense Payments include any payment of those obligations which comprise a portion of the Transaction Expenses and which by their terms provide for a payment after the Closing; and provided further that those obligations of the Company which comprise a portion of the Transaction Expenses and which by their terms provide for a payment after the Closing shall be

paid by the Company in accordance with such terms (provided that in no event shall the amount of such payments exceed the amount for such obligations actually included in the Transaction Expenses).

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Except as disclosed in the corresponding section of the Company Disclosure Letter, the Company hereby represents and warrants to Parent as of the date hereof and as of the Closing Date as follows:

Section 4.1 Organization and Qualification; Subsidiaries. Each of the Company and its Subsidiaries is a corporation, partnership or other entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization and has the requisite entity power and authority to conduct its business as it is now being conducted. Each of the Company and its Subsidiaries is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the nature of the business conducted by it makes such qualification or licensing necessary except where the failure to be so qualified or licensed or to be in good standing would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. Complete and correct copies of the Company's articles of incorporation and bylaws, as currently in effect, are included in the Data Room and the Company is not in violation of any provision of such documents. Section 4.1 of the Company Disclosure Letter sets forth a complete and correct list of each Subsidiary of the Company and its place and form of organization.

Section 4.2 Capitalization.

(a) As of the date hereof, the authorized capital stock of the Company consists of (i) 4,000,000 shares of Company Common Stock, 1,698,339 of which were issued and outstanding (none of which are held by the Company as treasury shares) and (ii) 1,000,000 shares of the Company's preferred stock, par value $2.00 per share, no shares of which were outstanding. As of the date hereof, (A) an aggregate of 16,000 shares of Company Common Stock are subject to outstanding Company Options, and (B) no shares of Company Common Stock have been reserved for future issuances under the Company Equity Plan. All outstanding shares of capital stock of the Company have been, and all shares that may be issued pursuant to any Company Equity Plan will be, when issued in accordance with the respective terms thereof, duly authorized, validly issued, fully paid and non-assessable. Set forth in Section 4.2(a) of the Company Disclosure Letter is a list of the record holders of the issued and outstanding shares of Common Stock as of a recent date. Other than as set forth in Section 4.2(a) of the Company Disclosure Letter, there are no existing and outstanding (x) options, equity interests, restricted shares, stock appreciation rights, performance units, contingent value rights, "phantom" stock, warrants, calls, subscriptions or other rights, convertible securities, agreements or commitments to issue or sell any shares of capital stock, equity interests or voting securities (including any bonds, debentures, notes or other indebtedness having the right to vote on any matters on which shareholders of the Company may vote) of any character to which the Company or any of its Subsidiaries is a party obligating the Company or any of its Subsidiaries to issue, transfer or sell

any shares of capital stock, voting securities or other equity interests in the Company or any of its Subsidiaries or securities convertible into or exchangeable for such shares, securities or equity interests, (y) contractual obligations of the Company or any of its Subsidiaries to repurchase, redeem or otherwise acquire any capital stock of the Company or any of its Subsidiaries or (z) other than the Voting Agreement, voting trusts or similar agreements to which the Company is a party with respect to the voting of the capital stock of the Company.

(b) Except as set forth in Section 4.2(b) of the Company Disclosure Letter, all of the outstanding shares of capital stock or equivalent equity interests of each of the Company's Subsidiaries are owned of record and beneficially, directly or indirectly, by the Company or the relevant wholly-owned Subsidiary and free and clear of all Liens except for transfer restrictions of general applicability imposed by applicable securities laws and Permitted Liens.

(c) Except as set forth in Section 4.2(c) of the Company Disclosure Letter, neither the Company nor any of its Subsidiaries owns any interest or investment (whether equity or debt) in any corporation, partnership, joint venture, trust or other entity, other than a Subsidiary of the Company.

(d) The copy of the Company Equity Plan that is filed in the Data Room is complete and correct copies thereof as in effect on the date hereof. Section 4.2(d) of the Company Disclosure Letter sets forth a list of the holders of Company Options as of the date hereof, including the date of grant, exercise or purchase price, number of shares of capital stock of the Company subject thereto and the Company Equity Plan pursuant to which such Company Option was granted.

(e) The aggregate consideration for Company Common Stock and Company Options payable to the holders thereof under Article III as of the date of this Agreement and as of the Closing shall not exceed $46,036,953 (the "**Aggregate Consideration**"), which consists of amounts not to exceed (i) $45,855,153 with respect to holders of shares of Company Common Stock, and (ii) $181,800 with respect to the Option Cash Payment for the holders of Company Options; provided that the Company shall not be deemed to have breached this Section 4.2(e) (A) solely by virtue of proper exercises of Company Options outstanding as of the date of this Agreement in accordance with their terms, so long as the net effect of such exercises of Company Options does not increase the Aggregate Consideration or (B) to the extent there are changes to the relative portion of the Aggregate Consideration set forth in each of clauses (i) and (ii) of this Section 4.2(e), so long as such changes do not increase the Aggregate Consideration.

Section 4.3 Authority Relative to Agreement.

(a) The Company has all necessary corporate power and authority to execute and deliver this Agreement and, subject to obtaining the Requisite Shareholder Approval, to consummate the transactions contemplated hereby, including the Merger. The execution, delivery and performance of this Agreement by the Company, and the consummation by the Company of the transactions contemplated by this Agreement, have been duly and validly authorized by all necessary corporate action by the Company, and except for the Requisite Shareholder Approval, no other corporate action or Proceeding on the part of the Company is necessary to authorize the execution, delivery and performance of this Agreement by the

Company and the consummation by the Company of the transactions contemplated by this Agreement. This Agreement has been duly executed and delivered by the Company and, assuming due authorization, execution and delivery of this Agreement by the other parties hereto, constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except that (i) such enforcement may be subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar Laws, now or hereafter in effect, affecting creditors' rights and remedies generally and (ii) the remedies of specific performance and injunctive and other forms of equitable relief may be subject to equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

(b) The board of directors of the Company has, by resolutions duly adopted by unanimous vote of the directors, (i) adopted and approved this Agreement and the other agreements and transactions contemplated hereby and thereby, including the Merger, (ii) determined that this Agreement and the transactions contemplated hereby are advisable, fair to and in the best interests of the Company and Company's shareholders, (iii) resolved to make the Company Recommendation (provided that any change or modification or rescission of such recommendation by the board of directors of the Company in accordance with Section 6.5(e) shall not be a breach of the representation in (iii)) and (iv) directed that this Agreement be submitted to the Company's shareholders for their approval.

Section 4.4 No Conflict; Required Filings and Consents.

(a) Neither the execution, delivery or performance of this Agreement by the Company nor the consummation by the Company of the transactions contemplated hereby will (i) contravene, conflict with, breach or violate any provision of the Company's restated articles of incorporation or amended and restated bylaws or (ii) assuming that the Consents, registrations, declarations, filings and notices referred to in Section 4.4(b) have been obtained or made, any applicable waiting periods referred to therein have expired and any condition precedent to any such Consent has been satisfied, conflict with or violate in any material respect any Law applicable to the Company or any of its Subsidiaries or by which any property or asset of the Company or any of its Subsidiaries is bound or affected, or (iii) except as set forth in Section 4.4(a) of the Company Disclosure Letter, result in any breach of, or constitute a default (with or without notice or lapse of time, or both) in any material respect under, or give rise to any right of termination, acceleration or cancellation or change of any right or obligation or the loss of any benefit to which the Company or any of its Subsidiaries is entitled under any provision of any Company Material Contract, or (iv) result in the creation or imposition of any Lien, other than any Permitted Lien or any Lien created as a result of any action taken by Parent or Merger Sub, upon any of the material property or assets of the Company or any of its Subsidiaries.

(b) No consent, approval, license, permit, order or authorization (a "**Consent**") of, or registration, declaration or filing with, or notice to, any Governmental Authority is required to be obtained or made by or with respect to the Company or any of its Subsidiaries in connection with the execution, delivery and performance of this Agreement or the consummation of the transactions contemplated hereby, other than (i) applicable requirements of and filings with the OTC, (ii) the filing of the Certificate of Merger with the Michigan LARA and appropriate documents with the relevant authorities of the other jurisdictions in which the

Company or any of its Subsidiaries is qualified to do business, (iii) applicable requirements under corporation or Blue Sky Laws of various states, (iv) such filings as may be required in connection with the Taxes described in Section 8.7, and (v) such additional Consents, registrations, declarations, filings or notices the failure of which to be obtained or made would not reasonably be expected to (x) have, individually or in the aggregate, a Company Material Adverse Effect or (y) impair in any material respect the ability of the Company to perform its obligations hereunder or prevent or materially delay the consummation of the transactions contemplated hereby on a timely basis.

Section 4.5 Permits; Compliance With Laws.

(a) (i) The Company and its Subsidiaries are in possession of all franchises, grants, authorizations, licenses, permits, easements, variances, exceptions, consents, certificates, approvals and orders necessary for the Company and its Subsidiaries to carry on their business as now being conducted (the "**Company Permits**"), and (ii) all Company Permits are in full force and effect and no suspension or cancellation of any of the Company Permits is pending or, to the Knowledge of the Company, threatened.

(b) Except as set forth in Section 4.5(b) of the Company Disclosure Letter, to the Knowledge of the Company, none of the Company or any of its Subsidiaries is, or within the past three (3) years has been, under investigation by any Governmental Authority with respect to, any default or violation in any material respect of any (i) Law applicable to the Company or any of its Subsidiaries by which any of their respective properties or assets are bound or (ii) Company Permit.

Section 4.6 Company Disclosure Documents; Financial Statements; Indebtedness and Transaction Expenses.

(a) Except as set forth in Section 4.6(a) of the Company Disclosure Letter, since January 1, 2012, the Company has timely filed with the OTC all documents and reports required to be filed by it prior to the date hereof with the OTC. As of their respective dates, or, if amended, as of the date of the last such amendment, none of the Company Disclosure Documents at the time it was filed (or, if amended, as of the date of the last amendment) contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, or are to be made, not misleading.

(b) Since January 1, 2012, the Company has complied in all material respects with the applicable listing, disclosure, corporate governance and other rules and requirements of the OTC.

(c) The consolidated financial statements (including all related notes) of the Company included in the Company Disclosure Documents (i) have been prepared in accordance with GAAP applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto) and (ii) fairly present in all material respects the consolidated financial position of the Company and its consolidated Subsidiaries as at the respective dates thereof and their consolidated statements of operations and consolidated statements of cash flows

for the respective periods then ended (subject, in the case of unaudited interim statements, to immaterial normal year-end audit adjustments and to the absence of notes thereto).

(d) Section 4.6(d) of the Company Disclosure Letter sets forth (i) the true and correct amount of the Company Indebtedness as of the close of business on the Business Day prior to the date hereof, and (ii) the estimate of the Working Capital as of the close of business on September 30, 2017. The Estimated Transaction Expenses set forth in Section 3.6(b) of the Company Disclosure Letter and such estimated of the Working Capital set forth in Section 4.6(d) of the Company Disclosure Letter are based upon the good faith belief of the management of the Company and reasonable in all material respects taking into account all facts and information known by the Company.

Section 4.7 Information Supplied. None of the information supplied or to be supplied by or on behalf of the Company or any of its Subsidiaries expressly for inclusion or incorporation by reference in the proxy statement, or any amendment or supplement thereto, to be sent to the Company's shareholders in connection with the approval by the shareholders of the Company of this Agreement (together with any amendments or supplements thereto, the "**Proxy Statement**"), will, at the date it is first mailed to the shareholders of the Company and at the time of the Shareholders' Meeting, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading. The Proxy Statement will substantially comply as to form in all material respects with the applicable requirements of the OTC, including the OTC Alternative Reporting Standard Disclosure Guidelines (collectively, the "**OTC Rules**").

Section 4.8 Disclosure Controls and Procedures. The Company and its management have established and maintain controls and procedures to (a) ensure that material information relating to the Company, including its consolidated Subsidiaries, is made known to the management of the Company by others within those entities and (b) provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of the Company financial statements for external purposes in accordance with GAAP. The Company and its management have disclosed, based on their most recent evaluation of the Company's internal control over financial reporting prior to the date hereof, to the Company's auditors and the audit committee of the board of directors of the Company (i) any significant deficiencies and material weaknesses in the design or operation of its internal controls over financial reporting that are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information and have identified for the Company's auditors any material weaknesses in such internal controls and (ii) any fraud, to the Knowledge of the Company, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Section 4.9 Absence of Certain Changes or Events. Since January 1, 2017, (a) the businesses of the Company and its Subsidiaries have been conducted in the ordinary course of business consistent with past practice and (b) there has not been any change, event, development or state of circumstances that has had or would reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. Except as set forth in Section 4.9 of the Company Disclosure Letter, since January 1, 2017 there has not been any action taken by the

Company or any of its Subsidiaries that, if taken during the period from the date hereof through the Effective Time without Parent's written consent, would constitute a breach of Section 6.1.

Section 4.10 No Undisclosed Liabilities. Except as set forth in Section 4.10 of the Company Disclosure Letter, as of the date hereof, the Company and its Subsidiaries do not have any liabilities or obligations of any nature whatsoever, whether or not accrued, contingent, absolute, determined, determinable or otherwise that would be required by GAAP to be reflected on a consolidated balance sheet (or notes thereto) of the Company except (a) as reflected, disclosed or reserved against in the Company's consolidated balance sheet as of June 30, 2017 or the notes thereto included in the Company's most recent quarterly report, (b) for liabilities or obligations incurred in the ordinary course of business consistent with past practice since June 30, 2017, (c) for liabilities or obligations incurred in connection with the transactions contemplated hereby, and (d) for liabilities or obligations that have been discharged or paid in full before the date hereof.

Section 4.11 Litigation. Except as set forth in Section 4.11 of the Company Disclosure Letter, there is no (and, during the prior three (3) years, there has not been any) Proceeding pending or, to the Knowledge of the Company, threatened against the Company or any of its Subsidiaries or, to the Knowledge of the Company, any present or former officer, director or employee of the Company or any of its Subsidiaries for whom the Company or any of its Subsidiaries may be liable (or in the case of threatened Proceedings, that would be liable for) before or by any Governmental Authority nor is there any material judgment, injunction, writ, Order or decree (including against any of the Company Intellectual Property Rights where any of the foregoing restricts the use, validity or enforceability thereof) of any Governmental Authority outstanding against, or, to the Knowledge of the Company, investigation by any Governmental Authority involving the Company or any of its Subsidiaries. As of the date hereof, there is no Proceeding pending or, to the Knowledge of the Company, threatened seeking to prevent, hinder, modify, delay or challenge the Merger or any of the other transactions contemplated by this Agreement.

Section 4.12 Employee Benefit Plans.

(a) Section 4.12(a) of the Company Disclosure Letter sets forth a true and complete list, as of the date hereof, of each Company Benefit Plan (which list may reference a form of such Company Benefit Plan). For purposes of this Agreement, the term "**Company Benefit Plan**" means (i) any "employee benefit plan" (as such term is defined in Section 3(3) of ERISA, whether or not subject to ERISA) that the Company or any of its Subsidiaries sponsors, participates in, is a party or contributes to, or otherwise has or could reasonably be expected to have any liability or obligation; and (ii) each other employee benefit plan, program or arrangement, including any stock option, stock purchase, stock appreciation right or other stock or stock-based incentive, cash bonus or incentive compensation, retirement or deferred compensation, profit-sharing, unemployment or severance compensation, or employment or consulting or independent contractor, agreement, plan, policy, program or arrangement for any current or former employee or director of, or other service provider to the Company or any of its Subsidiaries that does not constitute an "employee benefit plan" (as defined in Section 3(3) of ERISA), that the Company or any of its Subsidiaries sponsors, participates in, is a party or

contributes to, or with respect to which the Company or any of its Subsidiaries has or could reasonably be expected to have any liability.

(b) The Company has made available to Parent a true and complete copy of each Company Benefit Plan and all amendments thereto and a true and complete copy of the following items (in each case, only if applicable): (i) each trust or other funding arrangement, (ii) each summary plan description and summary of material modifications, (iii) the most recently filed annual report on IRS Form 5500 and (iv) the most recently received IRS determination letter or IRS opinion letter.

(c) Each of the Company Benefit Plans has been established, maintained, operated, administered and funded in accordance with its terms and in compliance in all material respects with applicable Laws and Contracts.

(d) Except as disclosed in Section 4.12(d) of the Company Disclosure Letter, to the Knowledge of the Company, none of the Company, its Subsidiaries, any Company Benefit Plan, any trust created thereunder, nor any trustee or administrator thereof has engaged in a transaction in connection with which the Company, any Subsidiary, any Company Benefit Plan, any such trust, or any trustee or administrator thereof, or any party dealing with any Company Benefit Plan or any such trust could be subject to either a civil penalty assessed pursuant to section 409 or 502(i) of ERISA or a Tax imposed pursuant to section 4975 or 4976 of the Code.

(e) Each Company Benefit Plan intended to be qualified under Section 401(a) of the Code has either received a favorable determination letter from the IRS with respect to each such Company Benefit Plan as to its qualified status under the Code, or with respect to a prototype Company Benefit Plan, the prototype sponsor has received a favorable IRS opinion letter, or the Company Benefit Plan or prototype sponsor has remaining a period of time under applicable Code regulations or pronouncements of the IRS in which to apply for such a letter and make any amendments necessary to obtain a favorable determination or opinion as to the qualified status of each such Company Benefit Plan, and to the Knowledge of the Company, no event has occurred since the most recent determination or opinion letter or application therefor relating to any such Company Benefit Plan that would reasonably be expected to adversely affect the qualification of such Company Benefit Plan. Except as disclosed in Section 4.12(e) of the Company Disclosure Letter, the Company has no Benefit Plan maintained for employees outside of the United States.

(f) Section 4.12(f) of the Company Disclosure Letter separately identifies each Company Benefit Plan that is a "multiemployer plan" within the meaning of Section 3(37) of ERISA (each a "**Multiemployer Plan**") With respect to each Multiemployer Plan and Defined Benefit Plan, all contributions required to be paid by the Company or its ERISA Affiliates have been timely paid to the applicable Company Benefit Plan, "**ERISA Affiliate**" is defined as any Person that is a member of a "controlled group of corporations" with, or is under "common control" with, or is a member of the same "affiliated service group" with the Company, in each case, as defined in Sections 414(b), (c), (m) or (o) of the Code.

(g) Section 4.12(g) of the Company Disclosure Letter separately identifies each Company Benefit Plan that is a "single-employer plan" within the meaning of Section

4001(a)(15) of ERISA (each a "**Defined Benefit Plan**"). With respect to each Defined Benefit Plan, (i) no action has been initiated by the Pension Benefit Guaranty Corporation ("**PBGC**") to terminate any such Defined Benefit Plan or to appoint a trustee for any such Defined Benefit Plan, (ii) neither the Company nor any ERISA Affiliates has incurred any liability to the PBGC (other than premium payments which have been timely paid in full), (iii) no such Defined Benefit Plan has failed to satisfy the minimum funding standards of Section 302 of ERISA or Sections 412 and 430 of the Code, or has applied for or obtained a waiver from the Internal Revenue Service of any minimum funding requirement or an extension of any amortization period under Sections 412 and 430 of the Code or Section 303 or 304 of ERISA, (iv) non such Defined Benefit Plan has been required to file information pursuant to Section 4010 of ERISA for the current or most recently completed fiscal year; and (v) no "reportable event", as defined in Section 4043 of ERISA, has occurred, or is reasonably expected to occur, with respect to any such Defined Benefit Plan.

(h) There are no (i) claims, actions, suits, audits, investigations, disputes or claims (other than routine claims for benefits) pending, or, to the Knowledge of the Company, threatened against or affecting any Company Benefit Plan, by any Governmental Authority, employee, beneficiary, or participant covered under such Company Benefit Plan, as applicable, or otherwise involving such Company Benefit Plan.

(i) Except as set forth in Section 4.12(i) of the Company Disclosure Letter, neither the execution or delivery of this Agreement nor the consummation of the Merger will (i) entitle any current or former director, employee, consultant or independent contractor of the Company or any of its Subsidiaries to any material payment, except as expressly provided in this Agreement, (ii) materially increase the amount or value of any benefit or compensation or other obligation payable or required to be provided to any such director, employee, consultant or independent contractor, or any Company Benefit Plan, (iii) accelerate the time of payment or vesting of amounts due any such director, employee, consultant or independent contractor or accelerate the time of any funding (whether to a trust or otherwise) of compensation or benefits in respect of any of the Company Benefit Plans, or (iv) result in "excess parachute payments" within the meaning of Section 280G of the Code. Each Company Benefit Plan that is subject to Section 409A of the Code has been administered in compliance with its terms and the operational and documentary requirements of Section 409A of the Code and all applicable regulatory guidance thereunder.

(j) Except as set forth in Section 4.12(j) of the Company Disclosure Letter, none of the Company or its Subsidiaries has any material obligations for post-termination health or life insurance benefits under any Company Benefit Plan (other than for continuation coverage required to be provided pursuant to Section 4980B of the Code for which the covered individual pays the full cost of coverage).

Section 4.13 Labor Matters. Except as set forth in Section 4.13 of the Company Disclosure Letter, neither the Company nor any of its Subsidiaries is a party to or bound by any works council or collective bargaining agreement, or other agreement with any labor organization or employee representative. There are no labor related strikes, walkouts, work stoppages, or other material labor disputes pending or, to the Knowledge of the Company, threatened, and, since January 1, 2014, neither the Company nor any of its Subsidiaries has

experienced any such labor related strike, walkout, work stoppage, or other material labor disputes. To the Knowledge of the Company, there is no (and since January 1, 2014 there has been no) pending organizing activity and no labor union or works council has made a pending written demand for recognition or certification, in each case, with respect to any employees of the Company or any of its Subsidiaries. With respect to the transactions contemplated by this Agreement, the Company and its Subsidiaries, as applicable, have or prior to the Closing Date will have (i) provided to its or their employees and their representatives any notice required under Law or collective bargaining agreement, and (ii) satisfied in all material respects all bargaining, consultation, consent or similar obligations owed to its or their employees and their representatives. To the Knowledge of the Company, no officer, executive or key employee of the Company or any of its Subsidiaries intends to terminate his or her employment with the Company or such Subsidiary within the first twelve (12) months following the Closing Date (except as explicitly contemplated by this Agreement).

Section 4.14 Intellectual Property Rights.

(a) (i) The Company and its Subsidiaries own, or have a valid right to use in the manner currently used, all Intellectual Property Rights that are used in the business of the Company and its Subsidiaries as currently conducted (the "**Company Intellectual Property Rights**"), and (ii) neither the Company nor any of its Subsidiaries has received, in the twelve (12) months preceding the date hereof, any written charge, complaint, claim, demand or notice challenging the validity of any of the Company Intellectual Property Rights, and no loss or expiration of any Company Intellectual Property Right is pending or, to the Knowledge of the Company, threatened or reasonably foreseeable. The Company and its Subsidiaries have taken all steps reasonable under the circumstances to protect and maintain the Company Intellectual Property Rights. The Company Intellectual Property Rights are valid, subsisting and enforceable.

(b) To the Knowledge of the Company, the conduct of the business of the Company and its Subsidiaries as currently conducted does not infringe upon, misappropriate, or violate, and has not in the three (3) years prior to the date hereof, infringed, misappropriated, or violated any Intellectual Property Rights of any other Person. None of the Company or any of its Subsidiaries has received, in the twelve (12) months preceding the date hereof, any written charge, complaint, claim, demand, unsolicited offer to license or notice alleging any such infringement, misappropriation or violation by the Company or any of its Subsidiaries that has not been settled or otherwise fully resolved. To the Knowledge of the Company, as of the date hereof, no other Person is infringing, misappropriating or violating any Company Intellectual Property Rights.

(c) The Company and its Subsidiaries are in compliance in all material respects with all applicable Laws, all additional or higher leading industry standards or requirements, and all of the Company's or its Subsidiaries' internal policies and contractual obligations relating to privacy, data protection, and the collection and use of personal information collected, used, or held for use by the Company and its Subsidiaries. To the Knowledge of the Company, neither the Company nor its Subsidiaries have experienced any incident in which personally identifiable information or other protected information relating to

individuals was or may have been stolen or improperly accessed, including any breach of security or any notices or complaints from any Person regarding any such information.

(d) Section 4.14(d) of the Company Disclosure Letter sets forth a correct and complete list as of the date hereof of all (i) patented or registered Intellectual Property Rights owned by the Company or any of its Subsidiaries, and (ii) pending patent applications and applications for other registrations of Intellectual Property Rights filed by or on behalf of the Company or any of its Subsidiaries, including, to the extent applicable, the jurisdictions in which each such Intellectual Property Right has been issued or registered or in which any application for such issuance and registration has been filed. All necessary registration, maintenance and renewal fees in connection with the foregoing have been paid and all necessary documents and certificates in connection with the foregoing have been filed with the relevant patent, copyright, trademark or other authorities in the United States or foreign jurisdictions, as the case may be, for the purposes of perfecting, prosecuting, and maintaining the foregoing.

(e) Except as set forth in Section 4.14(e) of the Company Disclosure Letter, the Company and its Subsidiaries have entered into with all of its current and former employees and independent contractors (i) written assignment agreements assigning all Intellectual Property Rights created or developed within the scope of employment or engagement, as applicable, and (ii) written confidentiality agreements protecting the trade secrets and confidential information of the Company or its Subsidiaries, and all such assignment agreements and confidentiality agreements are valid and enforceable in accordance with their terms.

(f) Except as set forth in Section 4.14(f) of the Company Disclosure Letter, the Software, computer firmware, computer hardware, electronic data processing, information, record keeping, communications, telecommunications, networks, interfaces, platforms, peripherals and computer systems, including any outsourced systems and processes, that are owned or used by the Company or any of its Subsidiaries in the conduct of their respective businesses (collectively, the "**Computer Systems**") are reasonably sufficient for the immediate and currently anticipated future needs of the Company and its Subsidiaries, including as to capacity, and ability to process current and anticipated peak volumes in a timely manner. The Computer Systems are in sufficiently good working condition to effectively perform all information technology operations and include a sufficient number of license seats for all Software, in each case as reasonably necessary for the operation of the business of the Company and its Subsidiaries. The Company and its Subsidiaries use commercially reasonable efforts to protect the Computer Systems from becoming infected by, and to the Knowledge of the Company, the Computer Systems are free of, any disabling codes or instructions, including any virus, worm, Trojan horse, automatic restraint, time bomb or any other feature or function that may, intentionally or unintentionally, cause erasing, destroying, or corrupting of Software, systems, databases, or data. To the Knowledge of the Company, in the last eighteen (18) months, there have been no unauthorized intrusions or breaches of security, failures, breakdowns, continued substandard performance or other material and adverse events affecting any such Computer Systems that have caused any substantial disruption of or interruption in or to the use of such Computer Systems. The Company and its Subsidiaries maintain commercially reasonable security, disaster recovery and business continuity plans, procedures and facilities, act in compliance therewith in all material respects, and have taken commercially reasonable steps to

test such plans and procedures on a periodic basis, and such plans and procedures have been proven effective upon such testing in all material respects.

Section 4.15 Taxes.

(a) (i) the Company and each of its Subsidiaries have filed all Tax Returns required to be filed by any of them; (ii) each of such filed Tax Returns (taking into account all amendments thereto) is complete and accurate in all material respects; and (iii) all Taxes payable by the Company and its Subsidiaries (whether or not shown to be due on such Tax Returns) have been timely paid in full.

(b) Except as set forth in Section 4.15(b) of the Company Disclosure Letter, (i) neither the Company nor any of its Subsidiaries has received written notice of any audit, examination, investigation or other Proceeding from any taxing authority in respect of liabilities for Taxes of the Company or any of its Subsidiaries, which have not been fully paid or settled; (ii) there are no Liens for Taxes on any of the assets of the Company or any of its Subsidiaries other than Permitted Liens; and (iii) with respect to any Tax years open for audit as of the date hereof, neither the Company nor any of its Subsidiaries has granted any waiver of any statute of limitations with respect to, or any extension of a period for the assessment of, any Tax.

(c) Neither Company nor any of its Subsidiaries is or has been, within the last five (5) years, a United States real property holding corporation within the meaning of Code Section 897(c)(2).

(d) Neither the Company nor any of its Subsidiaries has engaged in any "listed transaction" as defined in Treasury Regulations Section 1.6011-4(b)(2) or Treasury Regulations Section 301.6111-2(b) in any Tax year for which the statute of limitations has not expired.

(e) Each of the Company and its Subsidiaries has properly withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any shareholder, employee, creditor, independent contractor, or other third party.

(f) The accrual for Taxes on the most recent balance sheet of the Company and its Subsidiaries would be adequate to pay all Tax liabilities of the Company and its Subsidiaries if its current taxable year were treated as ending on the Closing Date.

(g) None of the Company or its Subsidiaries is a party to or bound by any Tax allocation or Tax sharing agreement with any Person other than the Company and its Subsidiaries, and none has any current or potential contractual obligation to indemnify any other Person with respect to Taxes.

(h) No claim has ever been made by a taxing authority in a jurisdiction where the Company or any of its Subsidiaries does not file Tax Returns that such Person is or may be subject to taxation by such jurisdiction.

(i) Neither the Company nor any of its Subsidiaries has waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency, which waiver or agreement is still in effect.

(j) None of the Company or its Subsidiaries (A) has been a member of an affiliated group filing a consolidated federal income Tax Return (other than a group the common parent of which was the Company) or (B) has any liability for the Taxes of any Person (other than any of the Company or its Subsidiaries) under Treasury Regulation Section 1.1502-6 (or any corresponding or similar provision of state, local or non-U.S. law), as a transferee or successor, by contract, or otherwise.

(k) None of the Company or its Subsidiaries will be required 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) change in method of accounting for a taxable period ending on or prior to the Closing Date under Code Section 481(c) or any corresponding or similar provision of state, local or non-U.S. law); (ii) "closing agreement" as described in Code Section 7121 or any corresponding or similar provision of state, local or non-U.S. law); (iii) deferred intercompany gain or any excess loss account described in Treasury Regulation under Code Section 1502 or any corresponding or similar provision of state, local or non-U.S. law); (iv) installment sale made prior to the Closing Date; (v) prepaid amount received on or prior to the Closing Date; (vi) election under Code Section 108(i) (or any corresponding or similar provision of state, local or non-U.S. law); or (vii) use of an improper method of accounting for a taxable period on or prior to the Closing Date.

(l) Each of the Company and its Subsidiaries has complied with all statutory provisions, rules, regulations, orders and directions in respect of any value added or similar Tax on consumption, has promptly submitted accurate returns, maintains full and accurate records, and has never been subject to any interest, forfeiture, surcharge or penalty and is not a member of a group or consolidation with any other company for the purposes of value added taxation.

(m) During the last six (6) years, all transactions or arrangements made by each of the Company and its Subsidiaries have been made on arm's length terms and the processes by which prices and terms have been arrived at have, in each case, been fully documented. The prices and terms for the provision of any property or services undertaken by the Company and its Subsidiaries are arm's length for purposes of the relevant transfer pricing laws, and all related material documentation required by such laws has been timely prepared or obtained and, if necessary, retained.

(n) None of the Company or its Subsidiaries is or ever has been a "passive foreign investment company" within the meaning of Code Section 1297(a) or a "controlled foreign corporation" within the meaning of Code Section 957(a). None of the Company or its Subsidiaries has, or at any time has had, an investment in "United States property" within the meaning of Code Section 956(b).

(o) None of Parent or any of its Affiliates will be required to include in taxable income under Code Section 951 any taxable period (or portion thereof) ending after the

Closing Date a material amount of income arising from transactions or events occurring in a taxable period (or portion thereof) ending on or prior to the Closing Date.

(p) Section 4.15(p) of the Company Disclosure Letter set forth the federal Tax classification for each of the Company's Subsidiaries for U.S. federal income Tax purposes.

(q) Each contract, arrangement, or plan of the Company and its Subsidiaries that is a "nonqualified deferred compensation plan" (as defined for purposes of Code Section 409A(d)(1) is in documentary and operational compliance with Code Section 409A and the applicable guidance issued thereunder in all material respects. None of the Company or its Subsidiaries has any indemnity obligation for any Taxes imposed under Code Sections 4999 or 409A.

(r) None of the Company or its Subsidiaries is a party to any agreement, contract, arrangement or plan that has resulted or would result, separately or in the aggregate, in the payment of any "excess parachute payment" within the meaning of Code Section 280G (or any corresponding or similar provision of state, local or non-U.S. law).

Section 4.16 Material Contracts.

(a) Section 4.16(a) of the Company Disclosure Letter sets forth a list, as of the date hereof, of each Company Material Contract. For purposes of this Agreement, "**Company Material Contract**" means any Contract to which the Company or any of its Subsidiaries is a party or their respective properties or assets are bound, except for this Agreement, that:

(i) constitutes a "material contract" (as such term is defined in item 601(b)(10) of Regulation S-K of the SEC);

(ii) is a shareholders agreement or agreement relating to the issuance, voting, repurchase, redemption or transfer of any securities of the Company or any of its Subsidiaries or the granting of any registration rights with respect thereto;

(iii) is a settlement agreement, cross-license agreement, consent-to-use or standstill agreement, concurrent use agreement, covenant not to sue or standalone indemnification agreement;

(iv) (A) restricts in any material respect the right of the Company or any Subsidiary to engage or compete in any line of business, market or in any geographic area or with any Person, including with respect to hiring or soliciting for hire the employees or contractors of any third party (other than non-hire and non-solicitation provisions contained in confidentiality agreements), (B) grants any exclusive rights to any Person, including without limitation any exclusive license or supply or distribution agreement or other exclusive rights or which, pursuant to its terms, could have such effect after the Closing of the transactions contemplated hereby, (C) grants any rights of first refusal or rights of first negotiation with respect to any product or service of the Company, or (D) grants "most favored nation" rights;

(v) (A) requiring payments (1) to the Company or any Subsidiary of more than $100,000 in any year or $100,000 over the life of such Contract or (2) by the Company or any Subsidiary of more than $100,000 in any year or $100,000 over the life of such Contract, or (B) pursuant to which the Company (x) received more than $100,000 during the twelve months ended June 30, 2017 or (y) paid more than $100,000 during the twelve months ended June 30, 2017, excluding, in the case of both clauses (A) and (B), purchase orders issued to or by the Company in the in the ordinary course of business consistent with past practice;

(vi) is a (A) consulting (other than those that are terminable on no more than thirty (30) days' prior notice for consideration of less than $50,000), change of control, retention or severance agreement or arrangement or (B) employment agreement or arrangement (x) with any of officer of the Company or its Subsidiaries, (y) which involves annual compensation in excess of $80,000 or (z) which includes any bonus or other amount payable in connection with the transactions contemplated hereby;

(vii) is a loan, guarantee of indebtedness or credit agreement, security agreement, note, mortgage, indenture or other binding commitment (other than those between the Company and its Subsidiaries) relating to indebtedness for borrowed money or the deferred purchase price of property (in each case, whether incurred, assumed, guaranteed or secured by any asset), but excluding any ordinary course trade payables and receivables;

(viii) pursuant to which the Company or any of its Subsidiaries has any obligations or liabilities as guarantor, surety, co-signer, endorser or co-maker in respect of any obligation of any Person, or any capital maintenance, keep well or similar agreements or arrangement;

(ix) creates or grants a Lien on properties or other assets of the Company or any of its Subsidiaries, other than Permitted Liens;

(x) is an acquisition agreement, asset purchase agreement, stock purchase agreement or other similar agreement (other than agreements to purchase or acquire inventory in the ordinary course of business) (A) which has not been fully satisfied or performed (other than confidentiality obligations) or under which the Company or any of its Subsidiaries has any ongoing obligations, (B) for consideration (including assumption of debt) in excess of $100,000 or (C) pursuant to which any other Person has the right to acquire any assets of the Company or any of its Subsidiaries (or any interests therein) after the date of this Agreement with a purchase price of more than $50,000;

(xi) is a collective bargaining agreement or similar agreement with any labor union or association representing employees of the Company or any of its Subsidiaries, other than "works councils" required by Applicable Law;

(xii) is a Contract with a Company Related Party and involves continuing liabilities or obligations of the Company or its Subsidiaries;

(xiii) is a Contract that involves any exchange-traded or over-the-counter swap, forward, future, option, cap, floor, or collar financial contract or any other interest-rate, commodity price, equity value or foreign currency protection contract;

(xiv) is a Contract that contains a put, call or similar right pursuant to which the Company or any of its Subsidiaries could be required to purchase or sell, as applicable, any equity interests of any Person or asset;

(xv) is a Contract that would prohibit or materially delay the consummation of the Merger or otherwise materially impair the ability of the Company to perform its obligations hereunder; or

(xvi) is (A) a material Government Contract to which the Company is a party or (B) an outstanding material Government Bid.

(b) Neither the Company nor any Subsidiary of the Company is in breach of or default in any material respect under the terms of any Company Material. To the Knowledge of the Company, no other party to any Company Material Contract is in breach of or default in any material respect under the terms of any Company Material Contract, and, to the Knowledge of the Company, no event or circumstance has occurred that, with notice or lapse of time or both, would constitute any such event of default thereunder. Each Company Material Contract is a valid and binding obligation of the Company or its Subsidiary and, to the Knowledge of the Company, the other parties thereto; provided that (i) such enforcement may be subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar Laws, now or hereafter in effect, relating to creditors' rights and remedies generally and (ii) the remedies of specific performance and injunctive and other forms of equitable relief may be subject to equitable defenses and to the discretion of the court before which any Proceeding therefor may be brought. Neither the Company nor any of its Subsidiaries has received, as of the date of this Agreement, any written or, to the Knowledge of the Company, oral notice relating to the termination or non-renewal, in whole or in part, of any Company Material Contract.

(c) Complete, correct and unredacted copies of each Company Material Contract, as amended and supplemented, have been filed in the Data Room.

Section 4.17 Government Contracts. Section 4.17(a) of the Company Disclosure Letter sets forth a current, complete and accurate list of all of material Government Contracts that are currently active in performance, or have been active in performance since January 1, 2012 but have not been closed after receiving final payment, together with current information regarding: contract number, customer, customer agency, award date, and total anticipated contract value. Section 4.17(a) of the Company Disclosure Letter sets forth all outstanding Government Bids and the estimated value if awarded.

(a) Except as set forth in Section 4.17(b) of the Company Disclosure Letter, the Company has complied in all material respects with the terms and conditions of each

Government Contract and has complied in all material respects with all Laws applicable to each Government Contract and each Government Bid, all representations and certifications made by the Company with respect to any such Government Contract and/or Government Bid were accurate as of their effective date, all invoices and remittances to Governmental Authorities or others in connection with such Government Contracts and Government Bids were accurate when submitted or have been promptly corrected, and all applicable adjustments, discounts, rebates and interest have been properly and timely reported and credited.

Section 4.18 Real Property.

(a) All real property owned by the Company or any of its Subsidiaries (collectively, the "**Owned Real Property**") is disclosed in Section 4.18(a) of the Company Disclosure Letter. With respect to the Owned Real Property, (i) neither the Company nor any of its Subsidiaries has received written notice of any condemnation Proceeding or proposed action or agreement for taking in lieu of condemnation (nor to the Knowledge of the Company, is any such Proceeding, action or agreement pending or threatened) with respect to any portion of the Owned Real Property and (ii) all buildings and improvements located on the Owned Real Property and used in the business of the Company are in a condition that is sufficient for the operation of the business of the Company thereat.

(b) All real property leased, subleased, licensed or otherwise occupied (whether as a tenant, subtenant or pursuant to other occupancy arrangements) by the Company or any of its Subsidiaries (collectively, including the improvements thereon, the "**Leased Real Property**") together with all Leases are disclosed in Section 4.18(b) of the Company Disclosure Letter. All buildings and improvements used in the business of the Company at the Leased Real Property are in a condition that is sufficient for the operation of the business of the Company thereat.

(c) As of the date hereof the Company and/or its Subsidiaries have good fee simple title to all Owned Real Property and valid leasehold, subleasehold or license interests in all Leased Real Property free and clear of all Liens, except Permitted Liens.

(d) As of the date hereof (i) neither the Company nor any of its Subsidiaries has received any written communication from, or given any written communication to, any other party to a lease for Leased Real Property or any lender, alleging that the Company or any of its Subsidiaries or such other party, as the case may be, is in default under any such Lease which remains uncured, (ii) to the Knowledge of the Company, no event has occurred or circumstance exists which, with the delivery of notice, the passage of time or both, would constitute such a breach or default, or permit the termination, modification or acceleration of rent under any such Lease, (iii) except as disclosed in Section 4.18(d) of the Company Disclosure Letter, neither the Company nor any Subsidiary has subleased, licensed or otherwise granted any Person the right to use or occupy such Leased Real Property or any portion thereof.

Section 4.19 Environmental. Except as disclosed in Section 4.19 of the Company Disclosure Letter:

(a) the Company and its Subsidiaries are and have been in material compliance with all applicable Environmental Laws, including, but not limited to, possessing and complying with all Company Permits required for their operations or occupation of any real property under applicable Environmental Laws;

(b) there is no pending or, to the Knowledge of the Company, threatened Proceeding pursuant to any Environmental Law against the Company or any of its Subsidiaries. Neither the Company nor any of its Subsidiaries has received written notice or other information from any Person, including but not limited to any Governmental Authority, alleging that the Company or any of its Subsidiaries has been or is in material violation or potentially in violation of any applicable Environmental Law or otherwise may be materially liable under any applicable Environmental Law, which violation or liability is unresolved. Neither the Company nor any of its Subsidiaries is a party or subject to any administrative or judicial Order or decree pursuant to Environmental Law;

(c) with respect to any property or facility, including the Owned Real Property and the Leased Real Property, there have been no Releases, disposal or arrangement for the disposal, treatment, storage, transportation, manufacture, spills or discharges of, exposure of any Person to, or contamination by, Hazardous Materials on, in, from or underneath any of such properties or facilities, or at any adjacent or off-site location, that (i) has caused environmental contamination at such properties or facilities that has resulted or would result in an obligation of the Company or any of its Subsidiaries to perform any Remedial Action, or (ii) has resulted or would result in material liability of the Company or any of its Subsidiaries pursuant to applicable Environmental Law;

(d) the Company has made available to Parent copies of all environmental audits, assessments and reports, and all other material documents for the period of January 1, 2014, to the date of this Agreement, bearing on environmental, health or safety liabilities, in its possession or under its reasonable control, relating to the past or current operations, properties or facilities of the Company or its Subsidiaries.

(e) Section 4.19 of the Company Disclosure Letter contains (i) a description of all Company Permits under applicable Environmental Laws currently held by the Company in connection with the operation of its business, properties and assets, and identifies the, nature, duration and renewal dates of and the issuing governmental entity with respect to each such Company Permit, and (ii) a complete list of all solid waste and hazardous waste disposal, treatment, and storage facilities which are presently or were used by the Company at any time in the operation of its business for disposal of solid waste and Hazardous Materials. Each such current Company Permit is valid and in good standing, and the Company has not been advised by any Governmental Authority of any actual or potential change in the status or terms and conditions of any such Company Permit. All applications for renewal, extension, reissuance or modification of such Company Permits, or related submissions to any Governmental Authority, have been made in a complete and timely manner and the Company has no reason to believe that such application(s) will be denied, in whole or in part.

(f) no underground storage tanks, surface impoundments, asbestos containing materials or polychlorinated biphenyls are located at, on or under any property or facility currently owned, leased or used by the Company.

(g) the Company has not retained or assumed, either contractually or by operation of law, any liabilities or obligations that have formed or could reasonably be expected to form the basis of any Proceeding pursuant to any Environmental Law against the Company or any obligation to perform Remedial Action by the Company.

(h) no Environmental Law imposes any obligation upon the Company arising out of or as a condition to the transactions contemplated by this Agreement, including any requirement to modify or to transfer any Company Permit, or any requirement to file any disclosure statement, notice or other submission with any Governmental Authority, the placement of any disclosure statement, notice, acknowledgment or covenant in any land records, or the modification of or provision of notice under any agreement, consent order or consent decree.

Section 4.20 International Trade Laws. The Company and its Subsidiaries, including their directors and officers, and to the Knowledge of the Company, all employees, agents and other persons acting on their behalf, are in compliance in all material respects with all applicable International Trade Laws. None of the Company or any of its Subsidiaries, or any of their directors or officers are aware of any civil or criminal investigation, audit or any other inquiry, or any allegations, internal investigations or reviews, or other facts or circumstances, involving or otherwise relating to any potential or actual violation of International Trade Laws by the Company or its Subsidiaries, or any of their directors, officers or employees, or any agents or other persons acting on their behalf.

Section 4.21 Anti-Bribery. The Company and its Subsidiaries, including the directors, officers, agents, and persons acting on their behalf, are in compliance in all material respects with all applicable anti-bribery and anti-money laundering laws. None of the Company or any of its Subsidiaries, including the directors and officers, or to the Knowledge of the Company or its Subsidiaries, any agents or other persons acting on their behalf, have provided, offered, gifted or promised, directly or indirectly, anything of value to any official of any Governmental Authority, political party, or candidate for government office, nor provided or promised anything of value to any other person while knowing that all or a portion of that thing of value would or will be offered, given, or promised, directly or indirectly, to any official of any Governmental Authority, political party or candidate for government office, for the purposes of securing any improper advantage for the benefit of the Company and its Subsidiaries or assisting the Company and its Subsidiaries in obtaining or retaining business for or with, or directing business to, any person.

Section 4.22 Rights Agreement. Assuming the accuracy of the representation contained in Section 5.11, the Company has taken all actions necessary or required under the Amended and Restated Rights Agreement dated as of April 27, 2000, as amended, between the Company and State Street Bank and Trust Company, and EquiServe Trust Company, N.A. as Rights Agent (as amended, the "**Rights Agreement**"), to cause the Rights Agreement to be rendered inapplicable to this Agreement, the Merger and the transactions contemplated by this Agreement.

Section 4.23 Vote Required; Appraisal Rights and Takeover Statutes. Assuming the accuracy of the representation contained in Section 5.11, the approval of this Agreement by the affirmative vote of the holders of at least two-thirds (2/3) of the outstanding shares of Company Common Stock entitled to vote thereon at the Shareholders' Meeting (the "**Requisite Shareholder Approval**") is the only vote of holders of securities of the Company that is required in connection with the consummation of any of the transactions contemplated hereby. As of the date hereof, no current or former holder of Company Common Stock is entitled to appraisal, quasi-appraisal, dissenters or similar rights under the MBCA, and the Board of Directors of the Company has not adopted any resolution or taken any other action that could entitle any current or former holder of Company Common Stock to any appraisal, quasi-appraisal or similar right following the Closing. Assuming the accuracy of the representations and warranties of Parent and Merger Sub set forth herein, no state takeover statute or similar statute, including, without limitation, any "moratorium," "control share," "fair price," "affiliate transaction," "business combination" or other antitakeover Laws (including Section 780 of the MBCA) and regulations of any state or comparable antitakeover provision of the restated certificate of incorporation or bylaws of the Company ("**Takeover Laws**") applies or purports to apply to this Agreement, the Merger or the transactions contemplated by this Agreement. To the extent applicable, the Board of Directors of the Company has adopted and approved a resolution (which resolution shall remain in effect until the Effective Time) pursuant to Section 782(1)(b) of the MBCA to exempt Parent, Merger Sub and their existing or future affiliates from the requirements of Section 780 of the MBCA.

Section 4.24 Insurance. Section 4.24 of the Company Disclosure Letter lists, as of the date hereof, all material insurance policies and fidelity bonds covering the assets, business, equipment, properties, operations, employees, officers or directors of the Company and its Subsidiaries (the "**Insurance Policies**"). The Company maintains insurance coverage with reputable insurers in such amounts and covering such risks as are in accordance with normal industry practice. The Insurance Policies are in full force and effect and will be maintained by the Company and its Subsidiaries in full force and effect as they apply to any matter, action or event relating to the Company or its Subsidiaries occurring through the Effective Time, and the Company and its Subsidiaries have not reached or exceeded their policy limits for any Insurance Policies in effect at any time during the past five (5) years. The Company and its Subsidiaries have paid, or caused to be paid, all premiums due under such policies and have not received written or, to the Knowledge of the Company, oral notice that they are in breach or default in any material respect with respect to any obligation or provisions under any Insurance Policy, and neither the Company nor its Subsidiaries have taken any action or failed to take any action which, with notice or the lapse of time, would constitute such a breach or default or permit termination or modification of the Insurance Policies. Neither the Company nor any of its Subsidiaries has received any written or, to the Knowledge of the Company, oral notice of cancellation or termination with respect to any Insurance Policy that is held by, or for the benefit of, any of the Company or any of its Subsidiaries. There is no claim by the Company or any of its Subsidiaries pending, nor has there been any claim pending during the past three (3) years, under any of such Insurance Policies as to which the Company has been notified that coverage has been questioned, denied or disputed in writing by the underwriters of such Insurance Policies.

Section 4.25 Customers and Suppliers. Section 4.25(a) of the Company Disclosure Letter lists the ten (10) largest customers of the Company and its Subsidiaries (determined on the basis of aggregate revenues recognized by the Company and its Subsidiaries over the four (4) consecutive fiscal quarter period ended December 31, 2016 (each a "**Major Customer**"). Section 4.25(b) of the Company Disclosure Letter lists the ten (10) largest suppliers of the Company and its Subsidiaries (determined on the basis of aggregate purchases made by the Company and its Subsidiaries over the four (4) consecutive fiscal quarter period ended December 31, 2016 (each a "**Major Supplier**"). The Company has not received, as of the date of this Agreement, any written or, to the Knowledge of the Company, oral notice from any Major Customer or Major Supplier that such Major Customer or Major Supplier intends to terminate, or not renew, its relationship with the Company or its Subsidiaries.

Section 4.26 Affiliated and Related Party Transactions. Section 4.26 of the Company Disclosure Letter contains a complete and correct list of all transactions between the Company or any of its Subsidiaries and any Company Related Party other than (a) transactions between the Company and its Subsidiaries and compensation paid to directors, officers or employees in the ordinary course of business consistent with past practices (including equity awards) and (b) transactions that do not involve continuing liabilities or obligations of the Company or its Subsidiaries. No Company Related Party holds, directly or indirectly: (i) any interest in any entity that purchases from or sells or furnishes to the Company or its Subsidiaries any goods or services; (ii) a beneficial interest in any Material Contract; or (iii) any Intellectual Property used in the conduct of business of the Company or its Subsidiaries.

Section 4.27 Brokers. Except for KeyBanc Capital Markets, whose fees and expenses shall be comprised as part of the Transaction Expenses, no broker, finder, investment banker, consultant or intermediary is entitled to any investment banking, brokerage, finder's or similar fee or commission in connection with the Merger or any of the other transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Company or any of its Subsidiaries or any of their respective Affiliates.

Section 4.28 Opinion of Financial Advisor. The board of directors of the Company has received the opinion, dated as of the date hereof, of KeyBanc Capital Markets, whose fees and expenses shall be comprised as part of the Transaction Expenses, that, as of the date hereof and subject to the limitations and assumptions set forth in such opinion, the Merger Consideration is fair, from a financial point of view, to the holders of shares of Company Common Stock. A signed copy of such opinion has been made available to Parent for informational purposes only.

Section 4.29 No Other Representations or Warranties. Except for the representations and warranties contained in this Article IV (including the portions of the Company Disclosure Letter) and any certificate delivered hereunder, neither the Company or its Subsidiaries, nor any other Person on behalf of the Company or its Subsidiaries, has made or makes any express or implied representation or warranty, either written or oral, with respect to the Company, including any representation or warranty as to the accuracy or completeness of any information regarding the Company, or with respect to any other information made available to Parent, Merger Sub, or their Representatives in connection with the transactions contemplated hereby (including any information, documents or material made available to Parent, Merger Sub, or their Representatives in the Data Room, management presentations or in any other form in expectation

of the transactions contemplated hereby) or as to the future revenue, profitability or success of the Company or its Subsidiaries.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF PARENT AND MERGER SUB

Except as disclosed in the Parent Disclosure Letter, Parent and Merger Sub hereby jointly and severally represent and warrant to the Company as follows:

Section 5.1 Organization and Qualification. Each of Parent and Merger Sub is a corporation, partnership or other entity duly organized, validly existing and (to the extent applicable) in good standing under the laws of the jurisdiction of its incorporation or organization and has the requisite company power and authority to conduct its business as it is now being conducted. Each of Parent and Merger Sub is duly registered, qualified or licensed to do business and is in good standing in each jurisdiction in which the property owned, leased or operated by it or the nature of the business conducted by it makes such registration, qualification or licensing necessary. Parent has made available to the Company a complete and correct copy of the Parent Organizational Documents, as currently in effect, and neither Parent nor Merger Sub is in violation of any provision of such documents.

Section 5.2 Authority Relative to Agreement.

(a) Parent and Merger Sub have all necessary company power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby, including the Merger. The execution, delivery and performance of this Agreement by Parent and Merger Sub, and the consummation by Parent and Merger Sub of the transactions contemplated by this Agreement, have been duly and validly authorized by all necessary company action by Parent and Merger Sub, and, except as contemplated by this Agreement, no other action or Proceeding on the part of Parent and Merger Sub is necessary to authorize the execution, delivery and performance of this Agreement by Parent and Merger Sub and the consummation by Parent and Merger Sub of the transactions contemplated by this Agreement. This Agreement has been duly executed and delivered by Parent and Merger Sub and, assuming due authorization, execution and delivery of this Agreement by the other party hereto and that this Agreement is a valid, legal and binding obligation of the other party hereto, constitutes a legal, valid and binding obligation of Parent and Merger Sub, enforceable against Parent and Merger Sub in accordance with its terms, except that (i) such enforcement may be subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar Laws, now or hereafter in effect, affecting creditors' rights and remedies generally and (ii) the remedies of specific performance and injunctive and other forms of equitable relief may be subject to equitable defenses and to the discretion of the court before which any Proceeding therefor may be brought.

(b) The board of directors or similar governing body of each of Parent and Merger Sub has, by unanimous resolutions duly adopted by the requisite vote of the directors or similar governing members, (i) adopted and approved this Agreement and the other agreements and transactions contemplated hereby and thereby, including the Merger, and (ii) determined that this Agreement and the transactions contemplated hereby are advisable and fair to and in the best

interests of Parent, Merger Sub and their respective shareholders or other equityholders, as applicable. Parent, acting in its capacity as the sole shareholder of Merger Sub, has adopted this Agreement and the transactions contemplated hereby.

(c) Neither the execution, delivery or performance of this Agreement by Parent and Merger Sub nor the consummation by Parent and Merger Sub of the transactions contemplated hereby will (i) contravene, conflict with, breach or violate any provision of Parent's or its Subsidiaries' articles of incorporation or bylaws (or equivalent organizational documents), (ii) assuming that the Consents, registrations, declarations, filings and notices referred to in Section 5.3 have been obtained or made, any applicable waiting periods referred to therein have expired and any condition precedent to any such Consent has been satisfied, conflict with or violate in any material respect any Law applicable to Parent or any of its Subsidiaries or by which any property or asset of Parent or any of its Subsidiaries is bound or affected or (iii) result in any breach of, or constitute a default (with or without notice or lapse of time, or both) in any material respect under, or give rise to any right of termination, acceleration or cancellation or change of any rights or obligation or the loss of any benefit to which Parent or Merger Sub is entitled under any provision of any Contract to which Parent or any of its Subsidiaries is a party, or by which any of their respective properties or assets is bound, or (iv) result in the creation of a Lien, upon any of the material property or assets of Parent or any of its Subsidiaries.

(d) No vote of, or consent by, the holders of any class or series of capital stock of Parent is necessary to authorize the execution, delivery and performance by Parent of this Agreement and the consummation of the transactions contemplated hereby or otherwise required by the certificate of incorporation or bylaws of Parent, applicable Law (including any shareholder approval provisions under the rules of any applicable securities exchange) or any Governmental Authority.

Section 5.3 No Conflict; Required Filings and Consents. No Consent of, or registration, declaration or filing with, or notice to, any Governmental Authority is required to be obtained or made by or with respect to Parent or any of its Subsidiaries in connection with the execution, delivery and performance of this Agreement or the consummation of the transactions contemplated hereby, other than (i) the filing with the OTC of such reports under the OTC Rules as may be required in connection with this Agreement and the transactions contemplated hereby, (ii) the filing of the Certificate of Merger with the Michigan LARA, (iii) such filings as may be required in connection with the Taxes described in Section 8.7, (iv) such other items required solely by reason of the participation of the Company in the transactions contemplated hereby, and (v) such additional Consents, registrations, declarations, filings or notices the failure of which to be obtained or made would not reasonably be expected to (x) have, individually or in the aggregate, a Parent Material Adverse Effect or (y) impair in any material respect the ability of Parent or Merger Sub to perform its obligations hereunder to prevent or materially delay consummation of the transactions contemplated hereby. There is no judgment, decree, injunction, settlement, ruling or Order of any arbitrator or Governmental Authority outstanding against Parent or Merger Sub that would reasonably be expected to (x) have, individually or in the aggregate, a Parent Material Adverse Effect or (y) impair in any material respect the ability of Parent or Merger Sub to perform its obligations hereunder to prevent or materially delay consummation of the transactions contemplate hereby on a timely basis.

Section 5.4 Litigation. As of the date hereof, there is no Proceeding pending or, to the Knowledge of Parent, threatened against Parent or any of its Subsidiaries (including Merger Sub), nor is there any material judgment, injunction, writ, Order or decree of any Governmental Authority outstanding against, or, to the Knowledge of Parent, investigation by any Governmental Authority involving, Parent or any of its Subsidiaries (including Merger Sub).

Section 5.5 Absence of Certain Agreements. Except for the Voting Agreement, neither Parent nor any of its Affiliates has entered into any Contract, arrangement or understanding (in each case, whether oral or written), or authorized, committed or agreed to enter into any Contract, arrangement or understanding (in each case, whether oral or written), pursuant to which any shareholder of the Company would be entitled to receive consideration of a different amount or nature than the Merger Consideration or pursuant to which any shareholder of the Company (a) agrees to vote to adopt this Agreement or the Merger or (b) agrees to vote against any Superior Proposal.

Section 5.6 Information Supplied. None of the information supplied or to be supplied by or on behalf of Parent or any of its Subsidiaries (including Merger Sub) expressly for inclusion or incorporation by reference in the Proxy Statement will, at the date it is first mailed to the shareholders of the Company or at the time of any amendment or supplement thereof and at the time of the Shareholders' Meeting, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

Section 5.7 Financing. Parent has or will have, and will cause Merger Sub to have, prior to the Effective Time, sufficient funds to pay the aggregate Merger Consideration contemplated by this Agreement and to perform the other obligations of Parent and Merger Sub contemplated by this Agreement.

Section 5.8 Capitalization of Merger Sub. As of the date hereof, the authorized share capital of Merger Sub consists of 60,000 shares, no par value per share, all of which are validly issued and outstanding. All of the issued and outstanding share capital of Merger Sub is, and at the Effective Time will be, owned by Parent or a direct or indirect wholly owned Subsidiary of Parent. Merger Sub was formed solely for the purpose of engaging in the transactions contemplated hereby, and it has not conducted any business prior to the date hereof and has no, and prior to the Effective Time will have no, assets, liabilities or obligations of any nature other than those incident to its formation and pursuant to this Agreement and the Merger and other transactions contemplated by this Agreement.

Section 5.9 Investment Intention. Parent is acquiring through the Merger the shares of capital stock of the Surviving Corporation for its own account, for investment purposes only and not with a view to the distribution (as such term is used in Section 2(11) of the Securities Act) thereof. Parent understands that the shares of capital stock of the Surviving Corporation have not been registered under the Securities Act or any Blue Sky Laws and cannot be sold unless subsequently registered under the Securities Act, any applicable Blue Sky Laws or pursuant to an exemption from any such registration.

Section 5.10 Brokers. Except as set forth in Section 5.10 of the Parent Disclosure Letter, no broker, finder, investment banker, consultant or intermediary is entitled to any investment banking, brokerage, finder's or similar fee or commission in connection with the Merger or any of the other transactions contemplated by this Agreement based upon arrangements made by or on behalf of Parent, Merger Sub or any of their respective Subsidiaries or Affiliates.

Section 5.11 Share Ownership. Except as set forth in Section 5.11 of the Parent Disclosure Letter, none of Parent, Merger Sub or their respective controlled Affiliates owns (directly or indirectly, beneficially or of record, including pursuant to a derivatives contract), or has owned at any time during the two (2) years preceding the date hereof, any Company Common Stock and none of Parent, Merger Sub or their respective controlled Affiliates or Subsidiaries holds any rights to acquire any Company Common Stock except pursuant to this Agreement.

Section 5.12 Management Agreements. Other than this Agreement and the Voting Agreement, as of the date hereof, there are no contracts, undertakings, commitments, agreements or obligations or understandings between Parent or Merger Sub or any of their Affiliates or Subsidiaries, on the one hand, and any member of the Company's management or the board of directors, on the other hand, relating in any way to the Company (including relating to compensation and retention of the Company's management), transactions contemplated by this Agreement or the operations of the Company after the Effective Time.

ARTICLE VI

COVENANTS AND AGREEMENTS

Section 6.1 Conduct of Business by the Company Pending the Merger. The Company covenants and agrees that, between the date of this Agreement and the earlier of the Effective Time and the date, if any, on which this Agreement is terminated pursuant to Section 8.1, except (i) as may be required by Law, (ii) as may be agreed in writing by Parent (which consent shall not be unreasonably withheld, delayed or conditioned), (iii) as may be expressly required or permitted pursuant to this Agreement, or (iv) as set forth in Section 6.1 of the Company Disclosure Letter, (x) the business of the Company and its Subsidiaries shall be conducted in the ordinary course of business consistent with past practice, and to the extent consistent therewith, the Company shall use its commercially reasonable efforts to preserve substantially intact the material components and assets of its current business organization, and to preserve in all material respects its present relationships with key customers, suppliers, employees and other persons with which it has material business relations; and (y) the Company shall not, and shall not permit any of its Subsidiaries to:

(a) amend or otherwise change the articles of incorporation or bylaws of the Company (or such equivalent organizational or governing documents of any of its Subsidiaries);

(b) split, combine, reclassify, redeem, repurchase or otherwise acquire or amend the terms of any capital stock or other equity interests or rights;

(c) issue, sell, pledge, dispose, encumber or grant any shares of its or its Subsidiaries' capital stock, or any options, warrants, convertible securities or other rights of any kind to acquire any shares of its or its Subsidiaries' capital stock except (i) in connection with the Rights Agreement and (ii) for transactions among the Company and its direct or indirect wholly owned Subsidiaries or among the Company's direct or indirect wholly owned Subsidiaries; provided, however, that the Company may issue shares of Company Common Stock upon the exercise of any vested Company Option as is outstanding as of the date hereof;

(d) declare, authorize, make or pay any dividend or other distribution, payable in cash, stock, property or otherwise, with respect to the Company's or any of its Subsidiaries' capital stock or other equity interests, other than dividends paid by any Subsidiary of the Company to the Company or any wholly owned Subsidiary of the Company;

(e) except as required pursuant to existing written Company Benefit Plans that are set forth in Section 4.12(a) of the Company Disclosure Letter or written offer letters for newly hired or promoted employees entered into in the ordinary course of business (in each case whose aggregate compensation is less than $80,000 annually), (A) materially increase the compensation payable or to become payable or benefits provided or to be provided to (x) any member of the Company's board of directors, or (y) any current or former employees or independent contractors of the Company or any of its Subsidiaries, (B) except under Company Benefit Plans set forth in Section 4.12(a) of the Company Disclosure Letter applicable to newly hired employees hired to fill vacancies in the ordinary course of business of the Company, grant the opportunity to participate in any severance or termination pay plans or (C) establish, adopt, enter into or materially amend any Company Benefit Plan (or any arrangement which in existence as of the date hereof would constitute a Company Benefit Plan), plan, trust, fund, policy or arrangement for the benefit of any current or former directors, officers or employees of the Company or any of its Subsidiaries or any of their respective beneficiaries;

(f) implement any employee layoffs that would require notice under the Worker Adjustment and Retraining Notification Act of 1988, as amended (the "**WARN Act**"), or any similar foreign state or local Law;

(g) acquire (including by merger, consolidation, or acquisition of stock or assets), except in respect of any merger, consolidation, business combination among the Company and its wholly owned Subsidiaries or among the Company's wholly owned Subsidiaries, any corporation, partnership, limited liability company, other business organization or any division or material amount of assets thereof, or sell, lease, license (other than any nonexclusive license granted in the ordinary course of business), abandon, permit to lapse or expire or otherwise subject to a Lien other than a Permitted Lien or otherwise dispose of any material properties, rights (including Company Intellectual Property Rights) or assets of the Company or its Subsidiaries other than (1) sales of inventory in the ordinary course of business consistent with past practice or (2) pursuant to agreements existing as of the date hereof and set forth in Section 4.16(a) of the Company Disclosure Letter or entered into after the date hereof and set forth in Section 4.16(a) of the Company Disclosure Letter in accordance with the terms of this Agreement;

(h) disclose any trade secret or confidential information to any Person outside of the ordinary course of business consistent with past practice;

(i) incur, or amend in any material respect the terms of, any Company Indebtedness or assume or guarantee any such Company Indebtedness for any Person, provided that the Company shall be authorized to incur additional indebtedness under existing lines of credit in an amount not to exceed $500,000 in the aggregate, and provided further that the Company shall provide prompt notice to the Parent of each and every such incurrence of additional indebtedness after it has incurred $100,000 in the aggregate;

(j) enter into, modify, amend or terminate (1) any Company Material Contract other than in the ordinary course of business (except as expressly permitted in Section 6.5(d)) or (2) any Contract which if so entered into, modified, amended or terminated could be reasonably likely to (x) have a Company Material Adverse Effect, (y) impair in any material respect the ability of the Company to perform its obligations under this Agreement or (z) prevent or materially delay the consummation of the transactions contemplated by this Agreement;

(k) make any material change to its methods of accounting in effect at December 31, 2016, except (i) as required by GAAP (or any interpretation thereof), Regulation S-X or a Governmental Authority or quasi-Governmental Authority (including the Financial Accounting Standards Board or any similar organization) or (ii) as required by a change in applicable Law;

(l) adopt or enter into a plan of complete or partial liquidation, dissolution, recapitalization or other reorganization;

(m) settle or compromise any litigation other than settlements or compromises of litigation where the amount paid (less the amount reserved for such matters by the Company or otherwise covered by insurance) in settlement or compromise, in each case, does not exceed the amount set forth in Section 6.1(m) of the Company Disclosure Letter;

(n) other than in the ordinary course of business or consistent with past practice, make or change any Tax election, change any method of Tax accounting, settle or compromise any material Tax liability, file any amended Tax Return, enter into any closing agreement with respect to any material Tax or surrender any right to claim a refund for a material amount of Tax;

(o) take any action that would reasonably be expected to result in any of the conditions set forth in Article VII not being satisfied or that would impair the ability of the Company to consummate the Merger in accordance with the terms hereof or materially delay such consummation;

(p) make any loans, advances or capital contributions to or investments in any other Person;

(q) hire any new employees other than non-officer employees in the ordinary course of business consistent with past practice;

(r) terminate any officer or key employee of the Company or any of its Subsidiaries other than for good reason or for reasonable cause;

(s) incur or commit to incur any capital expenditures, or any obligations or liabilities in connection therewith that, individually or in the aggregate, are in excess of the amounts set forth in the Company's annual capital expenditure budget for periods following the date of this Agreement, as provided to Parent, or delay any material capital expenditures;

(t) except as otherwise expressly permitted in Section 6.5(d), waive, release, grant or transfer any right of material value, other than in the ordinary course of business consistent with past practice, or waive any material benefits of, or agree to modify in any material adverse respect, or, subject to the terms hereof, fail to enforce, or consent to any material matter with respect to which its consent is required under, any material confidentiality, standstill or similar agreement to which the Company or any of its Subsidiaries is a party;

(u) maintain insurance at less than current levels or otherwise in a manner inconsistent with past practice;

(v) enter into any transaction that could give rise to a disclosure obligation as a "reportable transaction" under Section 6011 of the Code and the regulations thereunder;

(w) engage in any transaction with, or enter into any agreement, arrangement or understanding with any Affiliate of the Company;

(x) grant any material refunds, credits, rebates or other allowances by the Company to any end user, customer, reseller or distributor, in each case, other than in the ordinary course of business;

(y) enter into any new line of business outside of its existing business segments;

(z) communicate with employees of the Company or any of its Subsidiaries regarding the compensation, benefits or other treatment that they will receive in connection with the Merger, unless any such communications are consistent with prior directives or documentation provided to the Company by Parent (in which case, the Company shall provide Parent with prior notice of and the opportunity to review and comment upon any such communications); or

(aa) enter into any agreement to do any of the foregoing.

Section 6.2 Preparation of the Proxy Statement; Shareholders' Meeting.

(a) As promptly as practicable after the date hereof (and in any event within three (3) Business Days following the date of this Agreement), the Company shall prepare and deliver to the Parent the proposed form of the Proxy Statement to be mailed to the Company's shareholders. Parent and Merger Sub shall furnish to the Company all information concerning themselves and their Affiliates that is required to be included in the Proxy Statement and shall promptly provide such other assistance in the preparation of the Proxy Statement as may be

reasonably requested by the Company from time to time. The Company shall provide Parent reasonable opportunity to review and to propose comments on the Proxy Statement (and the Company shall give reasonable consideration to including any such comments in the Proxy Statement (or any supplement or amendment thereto) or response letter), except, in each case, to the extent prohibited by Law.

(b) If, at any time prior to the Shareholders' Meeting, any information relating to the Company, Parent, Merger Sub or any of their respective Affiliates, officers or directors is discovered by the Company or Parent or Merger Sub which should be set forth in an amendment or supplement to the Proxy Statement, so that the Proxy Statement shall not contain an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading, the party that discovers such information shall promptly notify the other parties thereof, and an appropriate amendment or supplement describing such information shall be filed with the OTC and, to the extent required by applicable Law, disseminated to the Company's shareholders.

(c) As promptly as practicable after the date hereof (and in any event within three (3) Business Days following the date on which Parent provides written notice to the Company that the Parent has no further comment to the Proxy Statement), (A) the Company shall establish a record date for, give notice of and call a meeting of its shareholders, for the purpose of voting upon the approval of this Agreement and the Merger (the "**Shareholders' Meeting**") and (B) the Company shall instruct its transfer agent to mail a notice and accompanying Proxy Statement to the Company's shareholders for purposes of the Shareholders' Meeting. Within fifteen (15) Business Days following the mailing date of the notice and accompanying Proxy Statement, the Company shall convene and hold the Shareholders' Meeting; provided that the Company may postpone or adjourn the Shareholders' Meeting only (i) with the written consent of Parent and Merger Sub, which consent shall not be unreasonably withheld, delayed or conditioned, (ii) for the absence of a quorum, (iii) after consultation with Parent, to allow reasonable additional time for any supplemental or amended disclosure which the Company has determined in good faith is necessary under applicable Law and for such supplemental or amended disclosure to be disseminated and reviewed by the Company's shareholders prior to the Shareholders' Meeting or (iv) to allow additional solicitation of votes in order to obtain the Requisite Shareholder Approval; and provided further that, at Parent's request, the Company shall postpone the Shareholders' Meeting until the next Business Day (or as soon thereafter as practicable) after the expiration of any Notice Period related to a Competing Proposal or until such other date as shall be mutually agreed by the Parent and the Company. Once the Company has established the record date for the Shareholders' Meeting, the Company shall not change such record date or establish a different record date without the prior written consent of Parent, which consent shall not be unreasonably withheld, delayed or conditioned, unless required to do so by applicable Law. In the event that the date of the Shareholders' Meeting as originally called is for any reason adjourned or postponed or otherwise delayed, the Company agrees that unless Parent shall have otherwise approved in writing, it shall implement such adjournment or postponement or other delay in such a way that the Company does not establish a new record date for the Shareholders' Meeting, as so adjourned, postponed or delayed, except as required by applicable Law. Unless there has been an Adverse Recommendation Change pursuant to Section 6.5, the Company shall, through the board of

directors of the Company, provide the Company Recommendation and shall include the Company Recommendation in the Proxy Statement, and, unless there has been an Adverse Recommendation Change pursuant to Section 6.5, the Company shall use reasonable best efforts to solicit proxies in favor of the Requisite Shareholder Approval. Notwithstanding any Adverse Recommendation Change, unless this Agreement is validly terminated pursuant to, and in accordance, with Article VIII, this Agreement and the Merger shall be submitted to the holders of Company Common Stock for the purpose of obtaining the Requisite Shareholder Approval. The Company shall, upon the reasonable request of Parent, advise Parent on each of the last ten (10) Business Days prior to the date of the Shareholders' Meeting, as to the aggregate tally of the proxies received by the Company with respect to the Requisite Shareholder Approval. Without the prior written consent of Parent, approval of this Agreement and the Merger shall be the only matter (other than procedure matters) which the Company shall propose to be acted on by the holders of Company Common Stock at the Shareholders' Meeting.

Section 6.3 Appropriate Action; Consents; Filings.

(a) Subject to the terms and conditions of this Agreement (including the limitations set forth in Section 6.5), the parties hereto will use their respective reasonable best efforts to consummate and make effective the transactions contemplated hereby and to cause the conditions to the Merger set forth in Article VII to be satisfied, including using reasonable best efforts to accomplish the following: (i) the obtaining of all necessary actions or non-actions, consents and approvals from Governmental Authorities necessary in connection with the consummation of the transactions contemplated by this Agreement, including the Merger, and the making of all necessary registrations and filings (including filings with Governmental Authorities, if any) and the taking of all reasonable steps as may be necessary to obtain an approval from, or to avoid a Proceeding by, any Governmental Authority necessary in connection with the consummation of the transactions contemplated by this Agreement, including the Merger, (ii) the obtaining of all other necessary consents, approvals or waivers from Third Parties, (iii) the defending of any lawsuits or other legal Proceedings, whether judicial or administrative, challenging this Agreement or the consummation of the transactions contemplated hereby ("**Merger Litigation**"), including the Merger, performed or consummated by such party in accordance with the terms of this Agreement, including seeking to have any stay or temporary restraining order entered by any court or other Governmental Authority vacated or reversed and (iv) the execution and delivery of any additional instruments reasonably necessary to consummate the Merger and any other transactions to be performed or consummated by such party in accordance with the terms of this Agreement and to carry out fully the purposes of this Agreement. Notwithstanding the foregoing, obtaining any Third Party consents, approvals or waivers pursuant to Section 6.3(a)(ii) above shall not be considered a condition to the obligations of Parent and Merger Sub to consummate the Merger. The Company shall give Parent the right to review and comment on all material filings or responses to be made by the Company in connection with any Merger Litigation, and the right to consult on the settlement with respect to such Merger Litigation, and the Company will in good faith take such comments into account, and, no such settlement shall be agreed to without Parent's prior written consent (such consent not to be unreasonably withheld, conditioned or delayed).

(b) Each of the parties hereto will furnish to the other such necessary information and reasonable assistance as the other may reasonably request in connection with the

preparation of any required governmental filings or submissions and will cooperate in responding to any inquiry from a Governmental Authority, including (i) promptly informing the other party of such inquiry, (ii) consulting in advance, and considering in good faith the other party's views, before making any presentations or submissions to a Governmental Authority, (iii) giving the other party the opportunity to attend and participate in any substantive meetings or discussions with any Governmental Authority, to the extent not prohibited by such Governmental Authority, and (iv) supplying each other with copies of all material correspondence, filings or communications between either party and any Governmental Authority with respect to this Agreement.

Section 6.4 Access to Information; Confidentiality. Upon reasonable notice, the Company shall (and shall cause each of its Subsidiaries to) afford to the representatives, officers, directors, employees, agents, attorneys, accountants and financial advisors ("**Representatives**") of Parent and the Financing Sources reasonable access, in a manner not disruptive in any material respect to the operations of the business of the Company and its Subsidiaries, during normal business hours and upon reasonable notice throughout the period prior to the Effective Time, to the properties (including the real estate for the purpose of conducting appropriate environmental tests, inspections or investigations in accordance with the Environmental Access Agreements), Contracts, books and records of the Company and its Subsidiaries and, during such period, shall (and shall cause each of its Subsidiaries to) furnish promptly to such Representatives (A) all information concerning the business, properties and personnel of the Company and its Subsidiaries as may reasonably be requested and (B) to the extent available, for the period beginning after the date of this Agreement and ending at the Effective Time, as soon as practicable after the end of each month, and in any event within thirty (30) days thereafter, a copy of the monthly consolidated financial statements of the Company, including statements of financial condition, results of operations and statements of cash flow; provided, however, that nothing herein shall require the Company or any of its Subsidiaries to disclose any information to Parent or Merger Sub if such disclosure would, in the reasonable judgment of the Company, (i) violate applicable Law or the provisions of any agreement to which the Company or any of its Subsidiaries is a party or (ii) jeopardize any attorney-client or other legal privilege; provided that, with respect to the foregoing clause (i), the Company shall use commercially reasonable efforts to seek to obtain any Third Party's consent to the disclosure of such information and implement appropriate procedures to enable the disclosure of such information. Without limiting the foregoing, in the event that the Company does not disclose information in reliance on clause (i) or (ii) of the preceding sentence, it shall provide notice to Parent that it is withholding such information and shall use its commercially reasonable efforts to communicate, to the extent feasible, the applicable information in a way that would not waive such privilege or violate such Law or agreement. No investigation or access permitted pursuant to this Section 6.4 shall affect or be deemed to modify any representation or warranty made by the Company hereunder. The Confidentiality Agreement shall apply with respect to information furnished by the Company, its Subsidiaries and the Company's officers, employees and other Representatives hereunder.

Section 6.5 Non-Solicitation; Competing Proposals.

(a) From and after the date of this Agreement until the Effective Time or, if earlier, the termination of this Agreement in accordance with its terms, the Company shall, and shall cause each of its Representatives and Subsidiaries to, immediately cease and cause to be

terminated any existing solicitation of, or discussions or negotiations with, any Third Party relating to any Competing Proposal or any existing inquiry, discussion, offer or request that could reasonably be expected to facilitate, encourage or lead to a Competing Proposal. To the extent the Company or its Representatives have not already done so, as promptly as reasonably practicable following the date hereof (and in any event within two (2) Business Days), the Company or its Representatives shall request in writing that each Third Party that has been provided with non-public information relating to the Company or its Subsidiaries in connection with its consideration of a Competing Proposal promptly return to the Company or destroy any non-public information previously furnished or made available to such Third Party or any of its Representatives by or on behalf of the Company or its Representatives in accordance with the terms of the confidentiality agreement in place with such Third Party.

(b) From and after the date of this Agreement until the Effective Time or, if earlier, the termination of this Agreement in accordance with its terms, the Company shall, as promptly as reasonably practicable, and in any event within twenty-four (24) hours of receipt by the Company, any of its Subsidiaries or any of their respective Representatives of any Competing Proposal or any inquiry or request relating to a Competing Proposal, or any request for nonpublic information of the Company or its Subsidiaries, deliver to Parent a written notice setting forth: (A) the identity of the Third Party making such Competing Proposal, inquiry or request and (B) the material terms and conditions of any such Competing Proposal (including, if applicable, copies of any written requests, proposals or offers, including proposed agreements, relating thereto). The Company shall keep Parent reasonably informed of the status and any material amendment or modification of any such Competing Proposal (including any change in the Company's intentions as previously notified to Parent) on a prompt basis, and in any event within twenty-four (24) hours thereof.

(c) Except as otherwise provided in this Section 6.5, from and after the date of this Agreement until the Effective Time or, if earlier, the termination of this Agreement in accordance with its terms, the Company shall not, and the Company shall instruct and cause its directors, officers, Representatives and Subsidiaries not to: (i) initiate, solicit or knowingly encourage the making of any Competing Proposal, including any inquiry or proposal that would reasonably be expected to lead to a Competing Proposal; (ii) engage in negotiations or discussions with, or furnish any nonpublic information to, any Person relating to a Competing Proposal or any inquiry or proposal that would reasonably be expected to lead to a Competing Proposal (it being understood that the Company will provide a mutually agreed summary of this Agreement in accordance with and only when required by the OTC Rules, which summary will be filed when mutually agreed by the parties and will include a copy of this Section 6.5 (the "**OTC Disclosure**"); (iii) grant access to the properties, books, records or personnel of the Company or its Subsidiaries to any Third Party who the Company has reason to believe is considering making, or has made, a Competing Proposal; (iv) approve, endorse, recommend, or execute or enter into any letter of intent, agreement in principle, merger agreement, acquisition agreement or other similar agreement relating to a Competing Proposal or any proposal or offer that could reasonably be expected to lead to a Competing Proposal (an "**Acquisition Agreement**"), or that contradicts this Agreement or requires the Company to abandon this Agreement; or (v) resolve, propose or agree to do any of the foregoing.

(d) Notwithstanding anything to the contrary in this Agreement, at any time after the date of this Agreement and prior to the date that the Requisite Shareholder Approval is obtained at the Shareholders' Meeting, (i) the Company may, after the giving of the OTC Disclosure, waive any standstill or similar covenant applicable to a Third Party, provided that the Company shall merely give such Third Party written notice of such waiver (with a copy provided to the Parent promptly thereafter) and shall not solicit such Third Party to submit a Competing Proposal; and (ii) in the event that the Company receives a bona fide written Competing Proposal from any Third Party, (A) the Company and its Representatives may contact such Third Party to clarify the terms and conditions thereof and (B) the Company and its board of directors and its Representatives may engage in negotiations or substantive discussions with, or furnish any information and other access to nonpublic information concerning the Company and its Subsidiaries (including a copy of this Agreement for the purposes of providing the Marked Acquisition Agreement), any Third Party making such Competing Proposal and its Representatives or potential sources of financing if the Company's board of directors determines in good faith (after consultation with the Company's outside legal counsel and financial advisors) that (x) such Competing Proposal either constitutes a Superior Proposal or could reasonably be expected to result in a Superior Proposal and (y) the failure to take any of the foregoing actions would be reasonably likely to violate the directors' fiduciary duties to the shareholders of the Company under applicable Law; provided that (1) prior to furnishing any material nonpublic information concerning the Company and its Subsidiaries, the Company receives from such Third Party, to the extent such Third Party is not already subject to a confidentiality agreement with the Company, an executed confidentiality agreement containing confidentiality terms that are not materially less favorable to the Company than those contained in the Confidentiality Agreement (it being understood and agreed that such confidentiality agreement need not restrict the making of Competing Proposals (and related communications) to the Company or the Company's board of directors) and (2) any such material nonpublic information so furnished in writing shall be promptly made available to Parent to the extent it was not previously made available to Parent or its Representatives. Without modifying the generality of the foregoing, in making such good faith determinations the Company's board of directors shall take into consideration, among other factors: (A) whether such Third Party is reasonably likely to have adequate sources of financing or adequate funds to consummate such Competing Proposal; and (B) whether such Third Party has given reasonable assurances that it will not propose obtaining financing or stockholder approval of such Third Party's stockholders as a condition to its obligation to consummate such Competing Proposal. The Company shall require any Third Party submitting a Competing Proposal to provide a definitive agreement that marks any proposed changes to the terms of this Agreement (a "**Marked Acquisition Agreement**").

(e) Except as otherwise provided in this Section 6.5(e), the board of directors of the Company shall not (i) (A) withdraw, withhold, qualify or modify, or propose publicly or otherwise to withdraw, withhold, qualify or modify, in a manner adverse to Parent or Merger Sub, or fail to make, the Company Recommendation, (B) adopt, approve or recommend, or propose to adopt, approve or recommend, any Competing Proposal, (C) fail to publicly recommend against any Competing Proposal or fail to publicly reaffirm the Company Recommendation, in each case within three (3) Business Days after Parent so requests in writing, or (D) fail to include the recommendation of the Company's board of directors in favor of approval and adoption of this Agreement and the Merger in the Proxy Statement (any action

described in this clause (i) being referred to as an "**Adverse Recommendation Change**") or (ii) approve or recommend, or allow the Company, any of its Subsidiaries or any of their respective Representatives to execute, approve or enter into, any letter of intent, memorandum of understanding or definitive merger or similar agreement with respect to any Competing Proposal (other than a confidentiality agreement referred to in Section 6.5(d)). Notwithstanding anything to the contrary in this Section 6.5, at any time prior to receipt of the Requisite Shareholder Approval, if the Company has received a bona fide Competing Proposal from any Third Party that is not withdrawn and the board of directors of the Company concludes in good faith that such Competing Proposal constitutes a Superior Proposal, the board of directors of the Company may (x) make an Adverse Recommendation Change and/or (y) authorize, adopt or approve such Superior Proposal and cause or permit the Company to enter into a definitive merger or similar agreement with respect to such Superior Proposal concurrently with the termination of this Agreement pursuant to Section 8.1(c)(ii) and the payment of the Termination Fee, in each case only if (A) the board of directors of the Company determines in good faith (after consultation with its outside legal counsel) that the failure to take such action would be reasonably likely to violate the directors' fiduciary duties to the shareholders of the Company under applicable Law, (B) the board of directors of the Company has determined in good faith (after consultation with its legal counsel and financial advisors) that such Competing Proposal constitutes a Superior Proposal, and (C) neither the Company nor any of its Subsidiaries or Representatives has violated this Section 6.5; provided, however, that (1) no Adverse Recommendation Change may be made and (2) no termination of this Agreement pursuant to this Section 6.5(e) and Section 8.1(c)(ii) may be effected, in each case until after the fifth (5^{th}) Business Day (the "**Notice Period**") following Parent's receipt of a written notice from the Company advising Parent that the Company has received a Competing Proposal that is not withdrawn and that the board of directors of the Company has concluded in good faith that such Competing Proposal constitutes a Superior Proposal and, absent any revision to the terms and conditions of this Agreement, the board of directors of the Company has resolved to make an Adverse Recommendation Change or terminate this Agreement pursuant to this Section6.5(e) and Section 8.1(c)(ii) (a "**Notice of Superior Proposal"**) and specifying the reasons therefor, including the terms and conditions of any such Superior Proposal (including a copy of the Marked Acquisition Agreement and copies of all relevant documents relating to such Superior Proposal) and the identity of the party making the Superior Proposal, it being understood that the Notice Period shall not commence until after Parent has received all of the foregoing. During the Notice Period, the Company shall, and shall cause its Representatives to, (I) negotiate with Parent and its Representatives in good faith (to the extent Parent desires to negotiate) to make such adjustments in the terms and conditions of this Agreement, so that the Competing Proposal would cease to constitute a Superior Proposal, and (II) permit Parent and its Representatives to make a presentation to the board of directors of the Company regarding this Agreement and any adjustments with respect thereto (to the extent Parent desires to make such presentation). Any material amendment to the financial terms or any other material amendment of such Superior Proposal shall require a new Notice of Superior Proposal and the Company shall be required to comply again with the requirements of this Section 6.5(e), including the Notice Period. In determining whether a Competing Proposal constitutes a Superior Proposal, the board of directors of the Company shall take into account any changes to the terms and conditions of this Agreement timely proposed within the Notice Period by Parent in response to a Notice of Superior Proposal or otherwise. In the event that the Parent makes such adjustments in the terms and conditions of this Agreement so that the

Competing Proposal would cease to constitute a Superior Proposal, then the Company shall (X) immediately cease and cause to be terminated any discussions or negotiations with such Third Party relating to such Competing Proposal, and (Y) promptly hold the Shareholders' Meeting in accordance with Section 6.2(c), withdraw any Adverse Recommendation Change and reaffirm the Company Recommendation.

(f) Nothing in this Agreement shall restrict the Company or the board of directors of the Company from taking or disclosing a position contemplated by Rule 14e-2(a) under the Exchange Act, or otherwise making disclosure to comply with applicable Law with regard to a Competing Proposal (it being agreed that a factually accurate public statement by the Company that describes the Company's receipt of a Competing Proposal and the operation of this Agreement with respect thereto shall not be deemed to be an Adverse Recommendation Change or give rise to a Parent termination right pursuant to Section 8.1(d)(ii)).

(g) For purposes of this Agreement:

(i) "**Competing Proposal**" means any *bona fide* written or oral proposal or offer made by any Third Party (other than Parent, Merger Sub or any Affiliate thereof) or group of Third Parties as defined in Section 13(d)(3) of the Exchange Act to purchase or otherwise acquire, directly or indirectly, in one transaction or a series of transactions, (A) beneficial ownership (as defined under Section 13(d) of the Exchange Act) of twenty percent (20%) or more of any class of equity securities of the Company pursuant to a merger, consolidation or other business combination, sale of shares of capital stock, tender offer (including a self-tender offer), exchange offer, liquidation, dissolution or similar transaction, (B) any one or more assets or businesses of the Company and its Subsidiaries that constitute twenty percent (20%) or more of the revenues, earnings or assets of the Company and its Subsidiaries, taken as a whole or (C) any other transaction the consummation of which would reasonably be expected to interfere with or prevent the Merger. Any Third Party submitting a Competing Proposal shall provide a definitive agreement that marks any proposed changes to the terms of this Agreement.

(ii) "**Superior Proposal**" means a Competing Proposal (with all percentages in the definition of Competing Proposal increased from twenty percent (20%) to seventy percent (70%)) made by a Third Party on terms that the board of directors of the Company determines in good faith (after consultation with its legal counsel and financial advisors) and considering such factors as the board of directors of the Company considers to be appropriate (including, among other things, financing contingencies, closing contingencies, timing and likelihood of closing the transaction with the Third Party, regulatory approvals, identity of the Third Party making the Competing Proposal (including whether shareholder approval of such Third Party is required), breakup fee and expenses reimbursement provisions and other events or circumstances beyond the control of the Company), are more favorable to the Company's shareholders than the transactions contemplated by this Agreement (including any changes to the terms

of this Agreement committed to by Parent to the Company in writing in response to such Competing Proposal under the provisions of Section 6.5(e)).

Section 6.6 Directors' and Officers' Indemnification and Insurance.

(a) Parent and Merger Sub agree that all rights to exculpation and indemnification for acts or omissions occurring at or prior to the Effective Time, whether asserted or claimed prior to, at or after the Effective Time (including any matters arising in connection with the transactions contemplated hereby), now existing in favor of the current or former directors, officers and employees (including Persons who become directors, officers and employees before the Effective Time), if any ("**D&O Indemnified Parties**"), as the case may be, of the Company or its Subsidiaries as provided in their respective organizational documents as in effect on the date of this Agreement or in any Contract set forth in Section 6.6(a) of the Company Disclosure Letter shall survive the Merger and shall continue in full force and effect for a period of six (6) years from the Effective Time. For a period of six (6) years from the Effective Time, the Surviving Corporation shall (and Parent shall cause the Surviving Corporation and its Subsidiaries to) indemnify, defend and hold harmless, and advance expenses to D&O Indemnified Parties with respect to all acts or omissions by them in their capacities as such at any time prior to the Effective Time (including any matters arising in connection with this Agreement or the transactions contemplated hereby), to the fullest extent required by the organizational documents of the Company or its Subsidiaries as in effect on the date of this Agreement and as would be permitted by applicable Law. Parent shall cause the articles of incorporation, bylaws or other organizational documents of the Surviving Corporation and its Subsidiaries to contain provisions with respect to indemnification, advancement of expenses and limitation of director, officer and employee liability that are no less favorable to the D&O Indemnified Parties than those set forth in the Company's and its Subsidiaries' organizational documents as of the date hereof, which provisions thereafter shall not, for a period of six (6) years from the Effective Time, be amended, repealed or otherwise modified in any manner that would adversely affect the rights thereunder of the D&O Indemnified Parties.

(b) Prior to the Effective Time, the Company shall purchase a six (6) year prepaid "tail" policy on terms and conditions no less advantageous to the D&O Indemnified Parties, or any other Person entitled to the benefit of this Section 6.6, as applicable, than the existing directors' and officers' liability insurance and fiduciary insurance maintained by the Company or any of its Subsidiaries, as applicable, as of the date hereof, covering claims arising from facts, events, acts or omissions that occurred at or prior to the Effective Time, including the transactions contemplated hereby (provided that the premium for such insurance for the entire six (6) year term shall be in an amount mutually agreed by the Parent and the Company).

(c) In the event that Parent, the Surviving Corporation, any of the Company's Subsidiaries or any of their successors or assigns shall (i) consolidate with or merge into any other Person and shall not be the continuing or surviving company or entity of such consolidation or merger or (ii) transfer all or substantially all its properties and assets to any Person, then, and in each such case, Parent shall cause proper provision to be made so that the successor and assign of Parent, the Surviving Corporation or any such Subsidiary assumes the obligations set forth in this Section 6.6. The agreements and covenants contained herein shall not be deemed to be exclusive of any other rights to which any of the D&O Indemnified Parties is

entitled, whether pursuant to Law, Contract or otherwise. Nothing in this Agreement is intended to, shall be construed to or shall release, waive or impair any rights to directors' and officers' insurance claims under any policy that is or has been in existence with respect to the Company or its officers, directors and employees, it being understood and agreed that the indemnification provided for in this Section 6.6 is not prior to, or in substitution for, any such claims under any such policies.

(d) The D&O Indemnified Parties to whom this Section 6.6 applies shall be third-party beneficiaries of this Section 6.6. The provisions of this Section 6.6 are intended to be for the benefit of each D&O Indemnified Party and his or her successors, heirs or representatives. Notwithstanding any other provision of this Agreement, this Section 6.6 shall survive the consummation of the Merger indefinitely (or any earlier period actually specified in this Section 6.6) and shall be binding, jointly and severally, on all successors and assigns of Parent and the Surviving Corporation, and shall be enforceable by the D&O Indemnified Parties and their successors, heirs or representatives.

Section 6.7 Notification of Certain Matters. The Company shall give prompt notice to Parent, and Parent shall give prompt notice to the Company, of (a) any notice or other communication received by such party from any Governmental Authority in connection with the this Agreement, the Merger or the transactions contemplated hereby, or from any Person alleging that the consent of such Person is or may be required in connection with the Merger or the transactions contemplated hereby, (b) any Proceedings commenced or, to such party's Knowledge, threatened against, relating to or involving or otherwise affecting such party or any of its Subsidiaries which relate to this Agreement, the Merger or the transactions contemplated hereby and (c) any event, change or effect which causes or is reasonably likely to cause (i) any representation or warranty of such party contained in this Agreement to be no longer correct, or (ii) any breach by such party of any representation, warranty, covenant or agreement contained in this Agreement. In no event shall (x) the delivery of any notice by a party pursuant to this Section 6.7 limit or otherwise affect the respective rights, obligations, representations, warranties, covenants or agreements of the parties or the conditions to the obligations of the parties under this Agreement, or (y) disclosure by the Company or Parent be deemed to amend or supplement the Company Disclosure Letter or constitute an exception to any representation or warranty.

Section 6.8 Public Announcements. Except as otherwise contemplated by Section 6.5, the Company, Parent and Merger Sub shall consult with each other before issuing any press release or otherwise making any public statements with respect to this Agreement or the transactions contemplated hereby, and none of the parties or their Affiliates shall issue any such press release or make any public statement prior to obtaining the other parties' consent (which consent shall not be unreasonably withheld or delayed), except that no such consent shall be necessary to the extent disclosure may be required by Law, Order or applicable stock exchange rule or any listing agreement of any party hereto (in which case the disclosing party shall use its reasonable best efforts to consult with the other party prior to such disclosure) or is consistent with prior communications previously consented to by the other party. In addition, the Company may, without Parent or Merger Sub's consent, communicate statements with respect to this Agreement, the Merger or the transactions contemplated hereby to its employees, customers,

suppliers and consultants, provided that such communication is consistent with any communications plan previously agreed to by Parent and the Company.

Section 6.9 Employee Benefits.

(a) For the period commencing at the Effective Time and ending on the one (1)-year anniversary thereof (the "**Benefit Period**"), Parent shall, or shall cause the Surviving Corporation to (i) provide to each employee of the Company or its Subsidiaries as of immediately prior to the Effective Time who remains an employee of the Surviving Corporation or one of its Affiliates immediately after the Effective Time (the "**Continuing Employees**") with, during their period of employment with the Surviving Corporation or one of its Affiliates in the Benefit Period, an annual rate of base salary or wages, as applicable, and cash incentive compensation target amount opportunity that are no less favorable in the aggregate than the annual rate of base salary or wages, as applicable, and the cash incentive compensation target amount opportunity provided to each such employee by the Company and its Subsidiaries immediately prior to the Effective Time, and (ii) provide the Continuing Employees who remain employees of the Surviving Corporation or one of its Affiliates with employee benefits (excluding any equity-based compensation or benefits and employee benefits that are frozen, discontinued or, as of the Effective Time, being frozen or discontinued) that are substantially similar in the aggregate to the employee benefits (excluding any equity-based compensation or benefits and employee benefits that are frozen, discontinued or, as of the Effective Time, being frozen or discontinued) provided to such employees by the Company and its Subsidiaries immediately prior to the Effective Time under the Company Benefit Plans set forth in Section 4.12(a) of the Company Disclosure Letter.

(b) Parent agrees that the Surviving Corporation shall cause the Surviving Corporation's employee benefit plans established following the Closing Date during the Benefit Period (if any) and any other employee benefit plans covering the Continuing Employees during the Benefit Period (collectively, the "**Post-Closing Plans**"), to recognize the service of each Continuing Employee (to the extent such service was recognized by the Company under the analogous Company Benefit Plan for the same purpose) for purposes of eligibility, vesting and determination of the level of benefits (but not for benefit accrual purposes under a defined benefit pension plan) under the Post-Closing Plans, to the extent such recognition does not result in the duplication of any benefits.

(c) For the calendar year including the Effective Time, the Continuing Employees shall be credited with amounts to satisfy any deductible, co-payment, out-of-pocket maximum or similar requirements under the Post-Closing Plans that provide medical, dental and other welfare benefits (collectively, the "**Post-Closing Welfare Plans**") to the extent of amounts that were previously credited for such Continuing Employee for the same purposes under comparable Company Benefit Plans that provide medical, dental and other welfare benefits immediately prior to the Effective Time.

(d) As of the Effective Time, any waiting periods, pre-existing condition exclusions and requirements to show evidence of good health contained in any Post-Closing Welfare Plans that is a group health plan shall be waived with respect to the Continuing Employees (except to the extent any such waiting period, pre-existing condition exclusion, or

requirement of show evidence of good health was already in effect with respect to such employees and that have not been satisfied under the applicable Company Benefit Plan in which the participant then participates or is otherwise eligible to participate as of immediately prior to the Effective Time).

(e) Notwithstanding anything in this Section 6.9 to the contrary, nothing in this Agreement, whether express or implied, shall (i) limit the right of Parent or the Surviving Corporation to amend or terminate the employment of any individual or amend or terminate any Company Benefit Plan or any Post-Closing Plan, (ii) be treated as an amendment or other modification of any Company Benefit Plan, Post-Closing Plan, or any other employee benefit plans of the Company or Parent or as a guarantee of employment for any employee of the Company or any of its Subsidiaries, and (iii) confer upon any Person other than the parties hereto any rights or remedies hereunder.

Section 6.10 Merger Sub. Parent shall take all commercially reasonable actions necessary to (a) cause Merger Sub to perform its obligations under this Agreement and to consummate the Merger on the terms and conditions set forth in this Agreement and (b) ensure that, prior to the Effective Time, Merger Sub shall not conduct any business, or incur or guarantee any indebtedness or make any investments, other than as specifically contemplated by this Agreement.

Section 6.11 No Control of the Company's Business. Nothing contained in this Agreement shall give Parent or Merger Sub, directly or indirectly, the right to control or direct the Company's or its Subsidiaries' operations prior to the Effective Time. Prior to the Effective Time, the Company shall exercise, consistent with the terms and conditions of this Agreement, complete control and supervision over its and its Subsidiaries' operations.

Section 6.12 Conveyance Taxes. The Company and Parent shall reasonably cooperate in the preparation, execution and filing of all returns, questionnaires, applications or other documents regarding any real property transfer or gains, sales, use, transfer, value added, stock transfer and stamp taxes, any transfer, recording, registration and other fees, and any similar taxes which become payable in connection with the transactions contemplated by this Agreement that are required or permitted to be filed on or before the Effective Time.

Section 6.13 Removal from the OTC. Each of the parties agrees to reasonably cooperate with each other in taking, or causing to be taken, all actions necessary to remove the Company Common Stock from being quoted on the OTC, provided that such removal shall not be effective until or after the Effective Time.

Section 6.14 Warn Act Compliance. At the Closing, the Company shall provide to Parent a true and correct list, by date and location, of all employees terminated by the Company and its Subsidiaries (other than for cause) in the ninety (90) day period immediately preceding the Closing Date. For a period of ninety (90) days immediately following the Closing Date, the Surviving Corporation shall take no action or make any omission that would give rise to notice obligations under the WARN Act without complying in all material respects with the requirements of the WARN Act.

Section 6.15 R&W Insurance Policy. To the extent reasonably requested by the Parent, the parties hereto agree to work in good faith and to use their commercially reasonable efforts to secure a R&W Insurance Policy to be issued to the Parent or its designee in connection with the transactions contemplated by this Agreement.

Section 6.16 ELT Insurance. Parent shall use its good faith commercially reasonable efforts to secure an ELT Default Insurance Policy to be issued on or before the Closing Date to the Parent or its designee in connection with the transactions contemplated by this Agreement.

Section 6.17 Closing Statement. No later than the third (3rd) Business Day immediately preceding the Closing Date, the Company shall deliver to the Parent a closing statement setting forth an estimate, based upon the good faith belief of the management of the Company and reasonable in all material respects taking into account all facts and information known by the Company, of the following (the "**Closing Statement**"): (a) the Transaction Expenses as of the Closing Date; (b) the Company Indebtedness as of the Closing Date; and (c) the Working Capital as of the month ended immediately prior to the Closing Date. The Closing Statement shall be accompanied by reasonable supporting detail.

Section 6.18 Update of Company Disclosure Letter. From the date hereof until the Closing Date, the Company shall disclose to Parent in writing in reasonable detail (in the form of a supplement or amendment to the Company Disclosure Letter) any material variances from the representations and warranties contained in Article IV and of any other fact or event that would be reasonably likely to cause or constitute a breach of the covenants in this Agreement made by the Company, in each case promptly upon discovery thereof. The delivery of any such updated Company Disclosure Letter will not be deemed to have cured any misrepresentation or breach that otherwise might have existed hereunder by reason of such variance or inaccuracy; provided that, notwithstanding the foregoing, solely with respect to information pursuant to any such variance or inaccuracy that first occurred after the date of this Agreement that gives Parent the right to terminate this Agreement pursuant to Article VIII (which termination right the Company shall have acknowledged in writing), if the Closing occurs, the delivery of any such updated Company Disclosure Letter shall be deemed to have amended the Company Disclosure Letter as of the date hereof with respect to the matters contained in such supplement or amendment and such updated Company Disclosure Schedule will be deemed to have cured any misrepresentation or breach that otherwise might have existed hereunder by reason of such variance or inaccuracy.

ARTICLE VII

CONDITIONS TO THE MERGER

Section 7.1 Conditions to the Obligations of Each Party. The respective obligations of each party to consummate the Merger are subject to the satisfaction or (to the extent permitted by Law) waiver by the Company and Parent at or prior to the Effective Time of the following conditions:

(a) the Requisite Shareholder Approval shall have been obtained; and

(b) no Governmental Authority of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any Law or Order which is then in effect and has the effect of restraining, enjoining, rendering illegal or otherwise prohibiting consummation of the Merger.

Section 7.2 Conditions to Obligations of Parent and Merger Sub to Effect the Merger. The obligations of Parent and Merger Sub to effect the Merger are, in addition to the conditions set forth in Section 7.1, further subject to the satisfaction or (to the extent permitted by Law) waiver by Parent at or prior to the Effective Time of the following conditions:

(a) each of the representations and warranties of the Company contained in this Agreement, without giving effect to any materiality or "**Company Material Adverse Effect**" qualifications therein, shall be true and correct as of the Closing Date, except for such failures to be true and correct as would not have, individually or in the aggregate, a Company Material Adverse Effect (except to the extent such representations and warranties are expressly made as of a specific date, in which case such representations and warranties shall be so true and correct as of such specific date only); provided, however, that the representations and warranties contained in the first two sentences of Section 4.1 (Organization and Qualification; Subsidiaries), Section 4.2(a-d) (Capitalization), Section 4.3 (Authority Relative to Agreement), Section 4.22 (Rights Agreement), Section 4.23 (Vote Required), Section 4.27 (Brokers) and Section 4.28 (Opinion of Financial Advisor) shall be required to be true and correct in all respects as of the Closing Date (except, solely with respect to Section 4.2 (Capitalization), de minimis errors); and Parent shall have received a certificate signed on behalf of the Company by a senior executive officer of the Company to the effect that the conditions set forth in this Section 7.2(a) have been satisfied;

(b) the Company shall deliver an affidavit, under penalties of perjury, stating that the Company is not and has not been a United States real property holding corporation, dated as of the Closing Date and in form and substance required under Treasury Regulation Section 1.897-2(h);

(c) since the date of this Agreement, there shall not have occurred a Company Material Adverse Effect;

(d) the Company shall have timely filed all documents and reports required to be filed under the OTC Rules with the OTC with respect to the Merger and the transactions contemplated herein prior to the Effective Time;

(e) the Company shall have delivered to Parent payoff letters with respect to all Company Indebtedness outstanding as of the Closing and releases of all Liens securing such Company Indebtedness and with respect to all unpaid Transaction Expenses, which payoff letters shall set forth the payment required on the Closing Date to satisfy in full the applicable obligations, along with a statement from the obligee that the payment of such amount will satisfy in full all applicable obligations of the Company and its Subsidiaries; provided that in no event shall such Transaction Expenses exceed 105% of the Estimated Transaction Expenses;

(f) the resignations and mutual releases executed by directors, managers of limited liability companies and officers of each of the Company and its Subsidiaries shall have been delivered to Parent in substantially the form attached hereto as Exhibit B (the "**Management Resignations and Releases**");

(g) Douglas Church shall execute and deliver a confirmation in substantially the form attached hereto as Exhibit C to the effect that Good Reason does not exist for his resignation, as that term is defined in The Elco Corporation President Severance Pay Plan such that he would be entitled to any benefit under the Elco Corporation President Severance Pay Plan (the "**Church Confirmation**");

(h) Robert Lunoe, David Millin and Thomas Steib each shall execute and deliver a confirmation in substantially the form attached hereto as Exhibit D to the effect that Good Reason does not exist for their resignation, as that term is defined in The Elco Corporation Senior Management Severance Pay Plan such that he would be entitled to any benefit under The Elco Corporation Senior Management Severance Pay Plan (the **"Senior Management Confirmation"**); and

(i) the Company shall have performed or complied in all material respects with its obligations required under this Agreement to be performed or complied with on or prior to the Closing Date, and Parent shall have received a certificate signed on behalf of the Company by a senior executive officer of the Company to such effect.

Section 7.3 Conditions to Obligation of the Company to Effect the Merger. The obligation of the Company to effect the Merger is, in addition to the conditions set forth in Section 7.1, further subject to the satisfaction or (to the extent permitted by Law) waiver by the Company at or prior to the Effective Time of the following conditions:

(a) each of the representations and warranties of Parent and Merger Sub contained in this Agreement, without giving effect to any materiality or "**Parent Material Adverse Effect**" qualifications therein, shall be true and correct as of the Closing Date, except for such failures to be true and correct as would not have, individually or in the aggregate, a Parent Material Adverse Effect (except to the extent such representations and warranties are expressly made as of a specific date, in which case such representations and warranties shall be so true and correct as of such specific date only); and the Company shall have received a certificate signed on behalf of Parent and Merger Sub by a senior executive officer of Parent to the effect that the conditions set forth in this Section 7.3(a) have been satisfied; and

(b) Parent and Merger Sub shall have performed or complied in all material respects with their respective obligations required under this Agreement to be performed or complied with on or prior to the Closing Date, and the Company shall have received a certificate signed on behalf of Parent and Merger Sub by a senior executive officer of Parent to such effect.

ARTICLE VIII

TERMINATION, AMENDMENT AND WAIVER

Section 8.1 Termination. Notwithstanding anything contained in this Agreement to the contrary, this Agreement may be terminated at any time prior to the Effective Time, whether before or after the Requisite Shareholder Approval is obtained (except as otherwise expressly noted), as follows:

(a) by mutual written consent of each of Parent and the Company; or

(b) by either Parent or the Company, if:

(i) the Merger shall not have been consummated on or before 5:00 p.m. (eastern time) on the date that is ninety (90) days from the date of this Agreement (the "Termination Date"); provided, however, that the right to terminate this Agreement pursuant to this Section 8.1(b)(i) shall not be available to any party if the failure of such party to perform or comply with any of its obligations under this Agreement has been the principal cause of or resulted in the failure of the Closing to have occurred on or before such date; or

(ii) prior to the Effective Time, any Governmental Authority of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any Law or Order or taken any other action permanently restraining, enjoining, rendering illegal or otherwise prohibiting the transactions contemplated by this Agreement, and such Law or Order or other action shall have become final and non-appealable; provided, however, that the party seeking to terminate this Agreement pursuant to this Section 8.1(b)(ii) shall have used its reasonable best efforts as required by this Agreement to remove such Law, Order or other action; and provided, further, that the right to terminate this Agreement under this Section 8.1(b)(ii) shall not be available to a party if the issuance of such Law or Order or taking of such action was primarily due to the failure of such party, and in the case of Parent, including the failure of Merger Sub, to perform any of its obligations under this Agreement; or

(iii) the Requisite Shareholder Approval shall not have been obtained at the Shareholders' Meeting duly convened therefor or at any adjournment or postponement thereof at which this Agreement and the transactions contemplated hereby have been voted upon; or

(c) by the Company, if:

(i) Parent or Merger Sub shall have breached or failed to perform any of their respective representations, warranties, covenants or other agreements set forth in this Agreement, which breach or failure to perform (A) would give rise to the failure of any condition set forth in Section 7.3(a) or Section 7.3(b) and (B) is not capable of being cured, or is not cured, by Parent or Merger Sub on or before the earlier of (x) the Termination Date and (y) the date that is thirty (30) calendar days following the Company's delivery of written notice to Parent or Merger Sub, as applicable, of such breach; provided, however, that the Company shall not have the right to terminate this Agreement pursuant to this Section 8.1(c)(i) if the

Company is then in material breach of any of its representations, warranties, covenants or agreements hereunder;

(ii) the board of directors of the Company shall have authorized the Company to enter into an Acquisition Agreement with respect to a Superior Proposal; provided that, substantially concurrently with such termination, the Company enters into such Acquisition Agreement and pays (or causes to be paid) at the direction of Parent the Termination Fee as specified in Section 8.3(a)(ii); or

(iii) (A) all the conditions set forth in Section 7.1 and Section 7.2 have been and continued to be satisfied (other than those conditions that by their terms are to be satisfied by actions taken at the Closing, provided that such conditions are at the time of termination capable of being satisfied as if such time were the Closing), (B) Parent and Merger Sub shall have failed to consummate the Merger by the time the Closing was required by Section 2.2, (C) the Company has irrevocably notified Parent in writing that all of the conditions set forth in Article VII have been satisfied or, with respect to the Company's conditions, waived (or would be satisfied or waived if the Closing were to occur on the date of such notice) and the Company stands and will stand ready, willing and able to consummate the Merger at such time, (D) the Company shall have given Parent written notice at least five (5) Business Days prior to such termination stating the Company's intention to terminate this Agreement pursuant to this (iii) and the basis for such termination and (E) the Merger shall not have been consummated by the end of such five (5) Business Day Period; or

(d) by Parent, if:

(i) the Company shall have breached or failed to perform any of its representations, warranties, covenants or other agreements set forth in this Agreement, which breach or failure to perform (A) would give rise to the failure of any condition set forth in Section 7.2(a) or Section 7.2(i), and (B) is not capable of being cured, or is not cured, by the Company on or before the earlier of (x) the Termination Date and (y) the date that is thirty (30) calendar days following Parent's delivery of written notice to the Company of such breach; provided, however, that Parent shall not have the right to terminate this Agreement pursuant to this Section 8.1(d)(i) if Parent or Merger Sub is then in material breach of any of its representations, warranties, covenants or agreements hereunder;

(ii) the board of directors of the Company shall have made an Adverse Recommendation Change; provided that Parent's right to terminate this Agreement pursuant to this Section 8.1(d)(i) shall expire upon the Requisite Shareholder Approval having been obtained; or

(iii) the Company shall have breached any of its obligations under Section 6.5 (other than any immaterial or inadvertent breaches thereof not intended to result in a Competing Proposal).

Section 8.2 Effect of Termination. In the event that this Agreement is terminated and the Merger abandoned pursuant to Section 8.1, written notice thereof shall be given to the other party or parties, specifying the provisions hereof pursuant to which such termination is made, and this Agreement shall forthwith become null and void and of no effect without liability on the part of any party hereto (or any of its Affiliates or Representatives), and all rights and obligations of any party hereto shall cease; provided, however, that, except as otherwise provided in Section 8.3 or in any other provision of this Agreement, no such termination shall relieve any party hereto of any liability or damages resulting from fraud occurring prior to such termination or the willful breach by any party of any of its representations, warranties, covenants or agreements set forth in this Agreement, in which case, except as otherwise provided in Section 8.3, the aggrieved party shall be entitled to all remedies available at law or in equity; and provided, further, that the Confidentiality Agreement and the provisions of this Section 8.2, Section 8.3, Section 8.7 and Article IX shall survive any termination of this Agreement pursuant to Section 8.1 in accordance with their respective terms.

Section 8.3 Termination Fee.

(a) In the event that:

(i) (A) a Third Party shall have made a Competing Proposal after the date of this Agreement, (B) this Agreement is subsequently terminated by (x) the Company or Parent pursuant to Section 8.1(b)(i) or Section 8.1(b)(iii) or (y) Parent pursuant to Section 8.1(d)(i) or Section 8.1(d)(iii), and (C) within twelve (12) months of such termination of this Agreement, the Company consummates a transaction involving a Competing Proposal; provided, however, that clause (iii) in the definition of "Competing Proposal" shall be deemed to be deleted;

(ii) this Agreement is terminated by the Company pursuant to Section 8.1(c)(ii); or

(iii) this Agreement is terminated by Parent pursuant to Section 8.1(d)(ii) or Section 8.1(d)(iii),

then the Company shall, (A) in the case of clause (i) above, no later than two (2) Business Days following the date of the consummation of such transaction involving a Competing Proposal, (B) in the case of clause (ii) above, prior to or substantially concurrently with such termination, and (C) in the case of clause (iii) above, no later than two (2) Business Days after the date of such termination, pay, or cause to be paid, at the direction of Parent, the Termination Fee (less the amount of any Parent Expense Reimbursement paid or payable to Parent pursuant to Section 8.6(a), if any); it being understood that in no event shall the Company be required to pay the Termination Fee on more than one occasion.

(b) Notwithstanding anything to the contrary set forth in this Agreement, but subject to Section 9.9, Parent's right to receive payment from the Company of the Termination Fee pursuant to Section 8.3(a) and/or Parent Expense Reimbursement pursuant to Section 8.6(a), in circumstances where the Termination Fee is owed pursuant to Section 8.3(a)(i), or the Parent Expense Reimbursement is owed pursuant to Section 8.6(a), shall constitute the sole and

exclusive remedy of Parent, Merger Sub and any of their respective former, current or future general or limited partners, shareholders, members, equityholders, controlling persons, managers, directors, officers, employees, agents, Affiliates, or assignees of any of the foregoing (collectively, the "**Parent Related Parties**") against the Company and its Subsidiaries and any of their respective, direct or indirect, former, current or future general or limited partners, shareholders, members, equityholders, controlling persons, managers, directors, officers, employees, agents, Affiliates or assignees of any of the foregoing (collectively, the "**Company Related Parties**") for all losses and damages suffered as a result of any breach or failure to perform hereunder giving rise to such termination (whether intentional or unintentional), and upon payment of such amount, none of the Company Related Parties shall have any further liability or obligation relating to or arising out of this Agreement or the transactions contemplated thereby with respect to such breach or failure to perform, other than any losses or damages incurred or suffered by Parent or Merger Sub as a result of the Company's fraud or willful breach (and except that the Company shall also be obligated with respect to Section 8.2, Section 8.3(c) and Section 8.7, as applicable). Notwithstanding the foregoing, it is explicitly agreed that Parent and Merger Sub shall be entitled to obtain an injunction, or other appropriate form of specific performance or equitable relief to enforce this Section 8.3(b), in accordance with Section 9.9.

(c) Each of the parties hereto acknowledges that (i) the agreements contained in this Section 8.3 are an integral part of the transactions contemplated by this Agreement, (ii) each of the respective Termination Fees and respective Expense Reimbursements are not a penalty, but are liquidated damages, in a reasonable amount that will compensate Parent and Merger Sub or the Company in the circumstances in which such fee is payable for the efforts and resources expended and opportunities foregone while negotiating this Agreement and in reliance on this Agreement and on the expectation of the consummation of the transactions contemplated hereby, which amount would otherwise be impossible to calculate with precision and (iii) without these agreements, Parent and Merger Sub and the Company would not enter into this Agreement; accordingly, if the Company or Parent fails to timely pay any amount due pursuant to this Section 8.3 and, in order to obtain such payment, Parent or the Company commences a suit that results in a judgment against the Company or Parent for the payment of any amount set forth in this Section 8.3, the Company shall pay Parent or Parent shall pay the Company, as the case may be, its reasonable and documented costs and Expenses in connection with such suit, together with interest on such amount at the annual rate of five percent (5%) plus the prime rate as published in *The Wall Street Journal* in effect on the date such payment was required to be made through the date such payment was actually received, or such lesser rate as is the maximum permitted by applicable Law.

Section 8.4 Amendment. This Agreement may be amended by mutual agreement of the parties hereto by action taken by or on behalf of their respective boards of directors or governing bodies at any time before or after receipt of the Requisite Shareholder Approval; provided, however, that after the Requisite Shareholder Approval has been obtained, there shall not be any amendment that by Law or in accordance with the rules of the OTC requires further approval by the shareholders of the Company without such further approval of such shareholders nor any amendment or change not permitted under applicable Law. This Agreement may not be amended except by an instrument in writing signed by each of the parties hereto.

Section 8.5 Extension; Waiver. At any time prior to the Effective Time, subject to applicable Law, Parent or Merger Sub, on the one hand, or the Company, on the other hand, may (a) extend the time for the performance of any obligation or other act of the other party(ies) hereto, (b) waive any inaccuracy in the representations and warranties of the other party(ies) contained herein or in any document delivered pursuant hereto and (c) waive compliance with any agreement or condition contained herein. Any such extension or waiver shall only be valid if set forth in an instrument in writing signed by the party or parties to be bound thereby. Notwithstanding the foregoing, no failure or delay by the Company, Parent or Merger Sub in exercising any right hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise of any other right hereunder. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party.

Section 8.6 Expense Reimbursement.

(a) Parent Expense Reimbursement. In the event this Agreement is terminated pursuant to (i) Section 8.1(b)(iii) or (ii) Section 8.1(d)(i), in each case under circumstances in which the Termination Fee is not then payable pursuant to Section 8.3(a)(i), and prior to the time of such termination by Parent, Parent and Merger Sub were not in material breach of their representations, warranties, covenants or agreements under this Agreement, then the Company shall, no later than two (2) Business Days after the date of such termination, pay, or cause to be paid, at the direction of Parent, $1,500,000 in consideration of the cost and expense incurred by Parent and its Affiliates in connection with the transactions contemplated by this Agreement (the "**Parent Expense Reimbursement**"); provided that the existence of circumstances which could require the Termination Fee to become subsequently payable by the Company pursuant to Section 8.3(a)(i) shall not relieve the Company of its obligations to pay the Parent Expense Reimbursement pursuant to this Section 8.6(a); provided, further, that the payment by the Company of Parent Expense Reimbursement pursuant to this Section 8.6(a) shall not relieve the Company of any subsequent obligation to pay the Termination Fee pursuant to Section 8.3(a) except to the extent indicated in Section 8.3(a). Notwithstanding the foregoing, it is explicitly agreed that Parent and Merger Sub shall be entitled to obtain an injunction, or other appropriate form of specific performance or equitable relief in accordance with Section 9.9.

(b) Company Expense Reimbursement. In the event this Agreement is terminated by the Company pursuant to Section 8.1(c)(i), and prior to the time of such termination by the Company, the Company was not in material breach of its representations, warranties, covenants or agreements under this Agreement, then the Parent shall, no later than two (2) Business Days after the date of such termination, pay, or cause to be paid, at the direction of the Company, the actual, documented cost and expense incurred by the Company and its Affiliates in connection with the transactions contemplated by this Agreement, which shall not exceed $1,500,000 (the "**Company Expense Reimbursement**"). Notwithstanding the foregoing, it is explicitly agreed that Parent and Merger Sub shall be entitled to obtain an injunction, or other appropriate form of specific performance or equitable relief in accordance with Section 9.9.

Section 8.7 Expenses; Transfer Taxes. Except as expressly set forth herein, all Expenses incurred in connection with this Agreement and the transactions contemplated by this Agreement shall be paid by the party incurring such Expenses. Parent shall, or, following the

Effective Time, shall cause the Surviving Corporation to, timely and duly pay all (i) transfer, stamp and documentary Taxes or fees and (ii) sales, use, gains, real property transfer and other similar Taxes or fees arising out of or in connection with entering into and carrying out this Agreement.

ARTICLE IX

GENERAL PROVISIONS

Section 9.1 Non-Survival of Representations, Warranties and Agreements. The representations, warranties, covenants and agreements in this Agreement and any certificate delivered pursuant hereto by any Person shall terminate at the Effective Time or, except as provided in Section 8.2, upon the termination of this Agreement pursuant to Section 8.1, as the case may be, except that this Section 9.1 shall not limit any covenant or agreement of the parties which by its terms contemplates performance after the Effective Time or after termination of this Agreement, including those contained in Section 6.6, Section 6.9 and the Confidentiality Agreement.

Section 9.2 Notices. All notices, consents and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by hand delivery, by prepaid overnight courier (providing written proof of delivery) or by confirmed facsimile transmission or electronic mail (provided that, in the case of electronic mail, such confirmation is not automated), addressed as follows:

if to Parent or Merger Sub:

Italmatch USA Corporation
5544 Oakdale Road
Smyrna GA 30082
Phone: (678) 904-4021
Fax:
Email: dmccaul@compasschemical.com
Attention: Daniel K. McCaul

with copies (which shall not constitute notice) to:

Italmatch Chemicals S.p.A.
Via Pietro Chiesa, 7/13 (Piano 8)
Torri Piane
San Benigno, GE 16149 Italy
Phone: +39 (010) 6420-8201
Fax: +39 (010) 469-5301
Email: s.iorio@italmatch.it
Attention: Sergio Iorio

and to:

Dykema Gossett PLLC
400 Renaissance Center
Detroit, Michigan 48243
Phone: (313) 568-5374
Fax: (866) 697-9682
Email: jbernard@dykema.com
Attention: J. Michael Bernard

if to the Company:

Detrex Corporation
1000 Belt Line St.
Cleveland, Ohio 44109
Phone: 216-749-2605
Fax: 216-749-7462
Email: tmark@detrex-hq.com
Attention: Thomas E. Mark

with a copy (which shall not constitute notice) to:

Clark Hill PLC
500 Woodward Avenue, Suite 3500
Detroit, Michigan 48226
Phone: (313) 965-8385
Fax: (313) 309-6885
Email: jhensien@clarkhill.com
Attention: John P. Hensien

or to such other address, electronic mail address or facsimile number for a party as shall be specified in a notice given in accordance with this Section 9.2; provided that any notice received by facsimile transmission or electronic mail or otherwise at the addressee's location on any Business Day after 5:00 p.m. (addressee's local time) or on any day that is not a Business Day shall be deemed to have been received at 9:00 a.m. (addressee's local time) on the next Business Day; provided, further, that notice of any change to the address or any of the other details specified in or pursuant to this Section 9.2 shall not be deemed to have been received until, and shall be deemed to have been received upon, the later of the date specified in such notice or the date that is five (5) Business Days after such notice would otherwise be deemed to have been received pursuant to this Section 9.2.

Section 9.3 Interpretation; Certain Definitions.

(a) The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

(b) Disclosure of any fact, circumstance or information in any Section of the Company Disclosure Letter or Parent Disclosure Letter shall be deemed to be disclosure of such fact, circumstance or information with respect to any other Section of the Company Disclosure Letter or Parent Disclosure Letter, respectively, if it is reasonably apparent on the face of such disclosure that such disclosure relates to any such other Section. The inclusion of any item in the Company Disclosure Letter or Parent Disclosure Letter shall not be deemed to be an admission or evidence of materiality of such item, nor shall it establish any standard of materiality for any purpose whatsoever.

(c) The words "hereof," "herein," "hereby," "hereunder" and "herewith" and words of similar import shall refer to this Agreement as a whole and not to any particular provision of this Agreement. References to articles, sections, paragraphs, exhibits, annexes and schedules are to the articles, sections and paragraphs of, and exhibits, annexes and schedules to, this Agreement, unless otherwise specified, and the table of contents and headings in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the phrase "without limitation." Words describing the singular number shall be deemed to include the plural and vice versa, words denoting any gender shall be deemed to include all genders, words denoting natural persons shall be deemed to include business entities and vice versa and references to a Person are also to its permitted successors and assigns. The phrases "the date of this Agreement" and "the date hereof" and terms or phrases of similar import shall be deemed to refer to November 10, 2017, unless the context requires otherwise. When used in reference to the Company or its Subsidiaries, the term "material" shall be measured against the Company and its Subsidiaries, taken as a whole. References to any statute shall be deemed to refer to such statute as amended from time to time and to any rules or regulations promulgated thereunder (provided that for purposes of any representations and warranties contained in this Agreement that are made as of a specific date or dates, references to any statute shall be deemed to refer to such statute, as amended, and to any rules or regulations promulgated thereunder, in each case, as of such date). Terms defined in the text of this Agreement have such meaning throughout this Agreement, unless otherwise indicated in this Agreement, and all terms defined in this Agreement shall have the meanings when used in any certificate or other document made or delivered pursuant hereto unless otherwise defined therein. Any Law defined or referred to herein or in any agreement or instrument that is referred to herein means such Law as from time to time amended, modified or supplemented, including (in the case of statutes) by succession of comparable successor Laws (provided that for purposes of any representations and warranties contained in this Agreement that are made as of a specific date or dates, references to any statute shall be deemed to refer to such statute, as amended, and to any rules or regulations promulgated thereunder, in each case, as of such date). All references to "dollars" or "$" refer to currency of the United States of America.

Section 9.4 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void, unenforceable or against its regulatory policy, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to

modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the Merger be consummated as originally contemplated to the fullest extent possible. Notwithstanding the foregoing, the parties intend that the remedies and limitations thereon contained in Section 8.3(b) and Section 8.3(c) be construed as an integral provision of this Agreement and that such remedies and limitations shall not be severable in any manner that increases a party's liability or obligations hereunder.

Section 9.5 Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto (whether by operation of Law or otherwise) without the prior written consent of the other parties; provided, however, that Parent and Merger Sub may transfer or assign their rights and obligations under this Agreement (in whole but not in part) to, (a) Parent or any of its Affiliates and/or to any parties providing the Financing pursuant to the terms thereof (including for purposes of creating a security interest herein or otherwise assign as collateral in respect of such Financing), and (b) after the Effective Time, any Person, provided that, in each case, no such transfer or assignment shall relieve Parent or Merger Sub of its obligations hereunder. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective permitted successors and assigns. Any attempted assignment in violation of this Section 9.5 shall be null and void.

Section 9.6 Entire Agreement. This Agreement (including the exhibits, annexes and appendices hereto) constitutes, together with the Voting Agreement, the Confidentiality Agreement, the Company Disclosure Letter and the Parent Disclosure Letter, the entire agreement, and supersedes all other prior agreements and understandings, both written and oral, among the parties, or any of them, with respect to the subject matter hereof.

Section 9.7 No Third-Party Beneficiaries. This Agreement is not intended to and shall not confer upon any Person other than the parties hereto any rights or remedies hereunder; provided, however, that it is specifically intended that (A) the D&O Indemnified Parties (with respect to Section 6.6 from and after the Effective Time), and (B) the Parent Related Parties (with respect to Section 8.3) and the Company Related Parties (with respect to Section 8.3) are third-party beneficiaries.

Section 9.8 Governing Law. This Agreement and all Proceedings or counterclaims (whether based on contract, tort or otherwise) arising out of or relating to this Agreement or the actions of Parent, Merger Sub or the Company in the negotiation, administration, performance and enforcement thereof, shall be governed by, and construed in accordance with the laws of the State of Michigan, without giving effect to any choice or conflict of laws provision or rule (whether of the State of Michigan or any other jurisdiction) that would cause the application of the Laws of any jurisdiction other than the State of Michigan.

Section 9.9 Specific Performance.

(a) The parties hereto agree that irreparable damage for which monetary damages, even if available, would not be an adequate remedy would occur in the event that the parties hereto do not perform their obligations under the provisions of this Agreement in accordance with its specified terms or otherwise breach such provisions. The parties

acknowledge and agree that the parties shall be entitled to an injunction or injunctions, specific performance or other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in the courts described in Section 9.10, this being in addition to any other remedy to which they are entitled at law or in equity.

(b) Extension of Termination Date. To the extent any party hereto brings a Proceeding to specifically enforce the performance of the terms and provisions of this Agreement in accordance with this Section 9.9 (other than an action to enforce specifically any provision that expressly survives the termination of this Agreement), the Termination Date shall automatically be extended to (i) the twentieth (20th) Business Day following the resolution of such Proceeding or (ii) such other time period established by the court presiding over such Proceeding.

Section 9.10 Consent and Waiver of Objection to Jurisdiction and Venue.

(a) In the event any dispute arises out of this Agreement or the transactions contemplated hereby, each of the parties hereto hereby (a) irrevocably consents to personal jurisdiction in the courts of the State of Michigan, and any federal court sitting in the State of Michigan for the resolution of any dispute arising out of this Agreement or the transactions contemplated hereby, (b) waives any objection to and agrees that it will not in any action arising from such dispute attempt to deny, challenge or defeat personal jurisdiction by motion or otherwise, (c) agrees that it will not bring any action relating to this Agreement or the transactions contemplated hereby in any court other than the state courts of the State of Michigan, or any federal court sitting in the State of Michigan, (d) to the extent a dispute arises under this Agreement or the transactions contemplated hereby, agrees in the future to waive, to the fullest extent it may legally and effectively do so, any objection which it may have to venue in the state or federal courts sitting in the State of Michigan for any Proceeding arising out of or relating to this Agreement, and (e) agrees that each of the other parties shall have the right to bring any Proceeding in other states and jurisdictions for the enforcement of any judgment or order entered by the state courts of the State of Michigan or any federal court sitting in the State of Michigan and that a final judgment from the state courts of the State of Michigan or any federal court sitting in the State of Michigan shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law.

(b) Each party irrevocably consents to the service of process outside the territorial jurisdiction of the courts referred to in Section 9.10(a) in any such Proceeding by mailing copies thereof by registered or certified United States mail, postage prepaid, return receipt requested, to its address as specified in or pursuant to Section 9.2, and the parties hereby waive any objection to the above manner of service. However, the foregoing shall not limit the right of a party to effect service of process on the other party by any other legally available method.

Section 9.11 Execution of Agreement. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Copies (whether photostatic, facsimile or otherwise) of this Agreement may be made and relied upon to the same extent as an original. The exchange of copies of this Agreement and of signature pages by facsimile transmission or e-mail shall

constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original Agreement for all purposes. Signatures of the parties transmitted by facsimile or e-mail shall be deemed to be their original signatures for all purposes.

Section 9.12 WAIVER OF JURY TRIAL. EACH OF PARENT, MERGER SUB AND THE COMPANY HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY PROCEEDING (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE ACTIONS OF PARENT, MERGER SUB OR THE COMPANY IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT THEREOF (INCLUDING THE DEBT FINANCING).

[*Remainder of page intentionally left blank; signature page follows.*]

IN WITNESS WHEREOF, Parent, Merger Sub and the Company have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

ITALMATCH USA CORPORATION

By: /s/
Name: Daniel McCaul
Title: Chief Executive Officer

CUYAHOGA MERGER SUB, INC.

By: /s/
Name: Daniel McCaul
Title: President

DETREX CORPORATION

By: /s/
Name: Thomas Mark
Title: President and CEO

GUARANTEE

The undersigned, being the sole shareholder of the Parent, hereby unconditionally and irrevocably guarantees to the Company the full payment and the complete performance by the Parent and the Merger Sub of all of Parent's and Merger Sub's obligations under this Agreement in accordance with, and subject to, the terms and conditions hereof. The undersigned unconditionally waives (a) any right to require the Company to proceed against the Parent, Merger Sub or any other party or to pursue any other remedy in the Company's power whatsoever, and (b) all presentments, demands for performance, protests and notices which may be required by statute, rule, law or otherwise to preserve any rights against the undersigned hereunder. Notwithstanding the foregoing, the Company shall not take any action to enforce any rights against the undersigned with respect to payment or performance of the Parent's or Merger Sub's obligations under this Agreement unless and until the Company shall have first made a written demand on the Parent or Merger Sub, as the case may be (with a copy to the undersigned), in accordance with the notice provisions set forth in Section 9.2 of the Agreement requesting the Parent's or Merger Sub's payment or performance, which remains unsatisfied fifteen (15) days after the giving of such notice to the Parent or Merger Sub. The provisions of this Guarantee shall not be affected by the dissolution, merger, consolidation, or other change to or with respect to the Parent or Merger Sub.

ITALMATCH CHEMICALS S.P.A.

By: /s/
Name: Sergio Iorio
Title: CEO

Appendix A

As used in this Agreement, the following terms shall have the following meanings:

"**Acquisition Agreement**" has the meaning specified in Section 6.5(c).

"**Adverse Recommendation Change**" has the meaning specified in Section 6.5(e).

"**Affiliate**" has the meaning set forth in Rule 12b-2 of the Exchange Act.

"**Aggregate Consideration**" has the meaning specified in Section 4.2(e).

"**Aggregate Merger Consideration**" has the meaning specified in Section 3.2(a).

"**Agreement**" has the meaning specified in the Preamble.

"**Benefit Period**" has the meaning specified in Section 6.9(a).

"**Blue Sky Laws**" means state securities or "blue sky" laws.

"**Book-Entry** Shares" has the meaning specified in Section 3.1(b).

"**Business Day**" means any day other than a Saturday, Sunday or a day on which all banking institutions in New York, New York are authorized or obligated by Law or executive order to close.

"**Certificate of Merger**" has the meaning specified in Section 2.3(a).

"**Certificates**" has the meaning specified in Section 3.1(b).

"**Church Confirmation**" has the meaning specified in Section 7.2(g).

"**Closing**" has the meaning specified in Section 2.2.

"**Closing Date**" has the meaning specified in Section 2.2.

"**Closing Statement**" has the meaning specified in Section 6.17.

"**Closing Transaction Expense Payments**" has the meaning specified in Section 3.6.

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

"**Company**" has the meaning specified in the Preamble.

"**Company Benefit Plan**" has the meaning specified in Section 4.12(a).

"**Company Common Stock**" has the meaning specified in Section 3.1(a).

"**Company Disclosure Documents**" means (i) all information posted by or on behalf of the Company on the Company's website at detrex.com, (ii) all proxy statement, annual reports,

quarterly reports and other filings of the Company available through the OTC website at otcmarkets.com; and (iii) all information sent by or on behalf of the Company to shareholders of the Company.

"**Company Disclosure Letter**" means the disclosure letter delivered by the Company to Parent simultaneously with the execution of this Agreement.

"**Company Equity Plan**" has the meaning specified in Section 3.3(b).

"**Company Expense Reimbursement**" has the meaning specified in Section 8.6(b).

"**Company Indebtedness**" means, on a consolidated basis, any obligations of the Company relating to indebtedness for borrowed money, (b) obligations of the Company evidenced by bonds, notes, debentures or similar instruments, (c) obligations in respect of capitalized leases (calculated in accordance with GAAP), (d) obligations in respect of banker's acceptances or letters of credit, (e) obligations for the deferred purchase price of property or services, (f) indebtedness or obligations of the types referred to in the preceding clauses (a) through (e) of any other Person secured by any Lien on any assets of the Company, even though the Company has not assumed or otherwise become liable for the payment thereof, (g) obligations in the nature of guarantees of obligations of the type described in clauses (a) through (e) above of any other Person, (h) obligations in respect of interest under any existing interest rate swap or hedge agreement entered into by the Company, (i) obligations under any sale and leaseback transaction, synthetic lease or other off-balance sheet loan or financing where the transaction is considered indebtedness for borrowed money for federal income Tax purposes but is classified as an operating lease in accordance with GAAP for financial reporting purposes, and (j) in each case together with all accrued interest thereon and any applicable prepayment, breakage or other premiums, fees or penalties.

"**Company Intellectual Property Rights**" has the meaning specified in Section 4.14(a).

"**Company Material Adverse Effect**" means any change, event, effect, fact, condition or circumstance which, individually or in the aggregate has resulted in or would reasonably be expected to: (i) result in a material adverse effect on the business, financial condition, assets, liabilities or results of operations of the Company and its Subsidiaries, taken as a whole, or (ii) prevent or materially delay or materially impair the ability of the Company to consummate the Merger and the other transactions contemplated by this Agreement; provided, however, that changes, events, effects, facts, conditions or circumstances which, directly or indirectly, to the extent they relate to or result from the following shall be excluded from the determination of Company Material Adverse Effect: (a) any condition, change, event, fact, effect or circumstance generally affecting any of the industries or markets in which the Company or its Subsidiaries operate; (b) any change in any Law or GAAP (or changes in interpretations of any Law or GAAP by a Governmental Authority); (c) general economic, regulatory or political conditions (or changes therein) or conditions (or changes therein) in the financial, credit or securities markets (including changes in interest or currency exchange rates) in any country or region in which the Company or its Subsidiaries conduct business; (d) any acts of God, natural disasters, terrorism, armed hostilities, sabotage, war or any escalation or worsening of acts of war; (e) any changes in the market price or trading volume of the Company Common Stock, any failure by the Company or its Subsidiaries to meet internal, analysts' or other earnings estimates or

financial projections or forecasts for any period, any changes in credit ratings and any changes in any analysts' recommendations or ratings with respect to the Company or any of its Subsidiaries (provided that the facts or occurrences giving rise to or contributing to such changes or failure that are not otherwise excluded from the definition of "Company Material Adverse Effect" may be taken into account in determining whether there has been a Company Material Adverse Effect); (f) any action required or permitted by this Agreement or any action taken (or omitted to be taken) with the written consent of or at the written request of Parent or Merger Sub; and (g) the announcement, pendency or completion of the transactions contemplated by this Agreement, including losses or threatened losses of employees, customers, suppliers, distributors or others having relationships with the Company; except, with respect to clauses (a), (b), (c) and (d), that if any such changes, events, effects or circumstances have a materially disproportionate effect on the Company and its Subsidiaries relative to other participants in the industries in which the Company and its Subsidiaries operate, such changes, events, effects or circumstances shall be taken into account in determining whether there has been, or there is reasonably likely to occur, a Company Material Adverse Effect.

"**Company Material Contract**" has the meaning specified in Section 4.16(a).

"**Company Option**" means each outstanding option to purchase shares of Company Common Stock.

"**Company Permits**" has the meaning specified in Section 4.5(a).

"**Company Recommendation**" means the recommendation of the board of directors of the Company that the shareholders of the Company adopt this Agreement and approve the transactions contemplated hereby, including the Merger.

"**Company Related Parties**" has the meaning specified in Section 8.3(b).

"**Competing Proposal**" has the meaning specified in Section 6.5(f)(i).

"**Computer Systems**" has the meaning specified in Section 4.14(f).

"**Confidentiality Agreement**" means the Confidentiality Agreement, dated July 21, 2015, as amended by Amendment No.1 thereto, dated October 19, 2015, between and the Company and Italmatch Chemicals SpA.

"**Consent**" has the meaning specified in Section 4.4.

"**Continuing Employees**" has the meaning specified in Section 6.9(a).

"**Contract**" means any written or oral contract, subcontract, lease, sublease, conditional sales contract, purchase order, sales order, task order, delivery order, license, indenture, note, bond, loan, instrument, understanding, permit, concession, franchise, commitment or other agreement.

"**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, as trustee or executor, by Contract or credit arrangement or otherwise.

"**D&O Indemnified Parties**" has the meaning specified in Section 6.6(a).

"**Data Room**" means the electronic data room for Project Cuyahoga maintained by the Company at intralinks.com for purposes of the transactions contemplated by this Agreement.

"**Effective Time**" has the meaning specified in Section 2.3(a).

"**ELT Agreements**" means the following: (i) the Environmental Liabilities Transfer Agreement dated June 18, 2013, as amended by the First Amendment thereto dated June 18, 2013, the Second Amendment thereto dated June 18, 2013, and the Mutual Release and Settlement Agreement, dated August 22, 2017; and (ii) Limited Guaranty Agreement dated June 18, 2013 in favor of the Company, as amended by the First Amendment to Limited Guaranty Agreement dated August 22, 2017.

"**ELT Default Insurance Policy**" means an insurance policy issued by an insurance carrier acceptable to the Parent providing for coverage arising out of the failure of the ELT Entities to pay for and/or perform their respective obligations under the ELT Agreements due to financial issues, intentional breach, or any other reason.

"**ELT Entities**" means Environmental Liability Transfer, Inc., a Missouri corporation, Commercial Development Company, Inc., a Missouri corporation, Trex Properties LLC, a Missouri corporation, Thomas E. Roberts, Karin L. Roberts, Michael J. Roberts and Melody A. Roberts.

"**Environmental Access Agreements** " means (i) the Access Agreement, dated December 8, 2015, between the Company and Geosyntec Consultants, Inc., and (ii) the Access Agreement, dated December 4, 2015, between the Company and Italmatch Chemicals SpA.

"**Environmental Laws**" means all Laws relating to pollution, public or worker health and safety or protection of the environment, including Laws relating to Releases and the manufacture, processing, distribution, use, treatment, storage, transport or handling of Hazardous Materials, including the Federal Water Pollution Control Act (33 U.S.C. §1251 et seq.), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. §6901 et seq.), the Safe Drinking Water Act (42 U.S.C. §3000(f) et seq.), the Toxic Substances Control Act (15 U.S.C. §2601 et seq.), the Clean Air Act (42 U.S.C. §7401 et seq.), the Oil Pollution Act of 1990 (33 U.S.C. §2701 et seq.), the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. §9601 et seq.), the Endangered Species Act of 1973 (16 U.S.C. §1531 et seq.), and other similar state and local statutes.

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

"**ERISA Affiliate**" has the meaning specified in Section 4.12(f).

"**Estimated Transaction Expenses**" has the meaning specified in Section 3.6.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Exchange Fund**" has the meaning specified in Section 3.2(a).

"**Expenses**" means all out-of-pocket expenses (including all fees and expenses of counsel, accountants, investment bankers, experts and consultants to a party hereto and its Affiliates) incurred by a party or on its behalf in connection with or related to the authorization, preparation, negotiation, execution and performance of this Agreement, and all other matters related to the Closing.

"**Financing Sources**" means the banks, financial institutions or other financing sources engaged by the Parent to provide a portion of the financing for the payment of the Aggregate Consideration.

"**GAAP**" means the United States generally accepted accounting principles.

"**Governmental Authority**" means any United States (federal, territorial, state or local) or foreign government, or any governmental, regulatory, judicial or administrative authority, agency, instrumentality, court, tribunal, or commission, or any subdivision, department or branch of any of the foregoing) or body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power of any nature.

"**Government Bid**" means any quotation, bid, offer or proposal made by the Company which, if accepted or awarded, would result in a Government Contract.

"**Government Contract**" means any Contract between the Company and (i) any Governmental Authority (*i.e.*, a prime contract), (ii) any party holding a prime contract with a Governmental Authority in its capacity as a prime contractor (*i.e.*, a subcontract), (iii) any subcontractor with respect to any Contract of a type described in clauses (i) or (ii) above, or (iv) a teaming agreement, strategic partnership or similar arrangement with another Person relating to any Contract of a type described in clauses (i) or (ii) or (iii) above.

"**Hazardous Materials**" means all substances, materials and wastes (i) defined as hazardous substances, oils, pollutants or contaminants in the National Oil and Hazardous Substances Pollution Contingency Plan, 40 C.F.R. § 300.5, (ii) defined as hazardous substances, hazardous materials, pollutants, contaminants, toxic substances (or words of similar meaning and regulatory effect) by or regulated as such under, any Environmental Law, or (iii) which may give rise to liability under any Environmental Law.

"**Insurance Policies**" has the meaning specified in Section 4.24.

"**Intellectual Property**" means all of the following in any jurisdiction throughout the world: (i) all trademarks, trademark registrations, trademark rights and renewals thereof, trade names, trade name rights, trade dress, corporate names, logos, slogans, all service marks, service mark registrations and renewals thereof, service mark rights, and all applications to register any of the foregoing, together with the goodwill associated with each of the foregoing; (ii) all issued patents, patent rights, and patent applications; (iii) all registered and unregistered copyrights, copyrightable works, copyright registrations, renewals thereof, and applications to register the same; (iv) all Software; (v) all Internet domain names and Internet web-sites and the content thereof; (vi) all confidential and proprietary information, including trade secrets, know-how, inventions, invention disclosures (whether or not patentable and whether or not reduced to

practice), inventor rights, reports, quality records, engineering notebooks, models, processes, procedures, drawings, specifications, designs, component lists, formulae, plans, proposals, technical data, financial, marketing, customer and business data, pricing and cost information, business and marketing plans, and customer and supplier lists and information; and (vii) all other intellectual property.

"**Intellectual Property Rights**" means all rights, title and interests in and to Intellectual Property.

"**International Trade Laws**" means any legal requirement relating to exports, export controls, economic sanctions, anti-boycott, and importation, such as those administered or enforced by the U.S. Department of Commerce ("Commerce") and the United States Department of the Treasury, Office of Foreign Assets Control ("OFAC"), and including the prohibitions and restrictions related to OFAC's list of Specially Designated Nationals and Blocked Persons and Commerce's Denied Persons List and Entity List.

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

"**Knowledge**" means the actual knowledge, after reasonable inquiry within the scope of such person's routine responsibilities, of the following officers and employees of the Company or Parent, as applicable: (i) for the Company: Thomas E. Mark, Douglas A. Church, David Millin, Robert Lunoe, and Thomas Steib; and (ii) for Parent: Sergio Iorio, Yann Chareton, and Marco Bellino.

"**Law**" means any and all domestic (federal, state or local) or foreign laws (including common law), rules, regulations, orders, judgments, decrees or similar requirements promulgated by any Governmental Authority, including any judicial or administrative interpretation thereof.

"**Leased Real Property**" has the meaning specified in Section 4.18(b).

"**Leases**" means all leases, subleases, licenses, concessions and other agreements (written or oral) together with all amendments, extensions, renewals, guaranties and other agreements with respect thereto, pursuant to which the Company or any Subsidiary holds any Leased Real Property.

"**Lien**" means liens, claims, mortgages, encumbrances, pledges, security interests, charges or other adverse claims or interests of any kind.

"**Made Available to Parent**" or similar phrases used in this Agreement shall mean that the subject documents were posted to the "Project Cuyahoga" virtual deal room at *services.intralinks.com* at least one (1) Business Day prior to the date hereof.

"**Major Customer**" has the meaning specified in Section 4.25.

"**Major Supplier**" has the meaning specified in Section 4.25.

"**Management Resignations and Releases**" has the meaning specified in Section 7.2(f).

"**Marked Acquisition Agreement**" has the meaning specified in Section 6.5(d).

"**MBCA**" means the Michigan Business Corporation Act.

"**Merger**" has the meaning specified in the Recitals.

"**Merger Consideration**" has the meaning specified in Section 3.1(b).

"**Merger Litigation**" has the meaning specified in Section 6.3(a).

"**Merger Sub**" has the meaning specified in the Preamble.

"**Michigan LARA**" means the State of Michigan Department of Licensing and Regulatory Affairs' Corporations, Securities, and Commercial Licensing Bureau.

"**Notice Period**" has the meaning specified in Section 6.5(e).

"**Notice of Superior Proposal**" has the meaning specified in Section 6.5(e).

"**Option Cash Payment**" has the meaning specified in Section 3.3(a).

"**Order**" means any decree, order, determination, judgment, injunction, temporary restraining order or other order in any Proceeding by or with any Governmental Authority.

"**OTC**" means the OTCQX US Premier marketplace.

"**OTC Disclosure**" has the meaning specified in Section 6.5(c).

"**OTC Rules**" has the meaning specified in Section 4.7.

"**Owned Real Property**" has the meaning specified in Section 4.18(a).

"**Parent**" has the meaning specified in the Preamble.

"**Parent Disclosure Letter**" means the disclosure letter delivered by Parent to the Company simultaneously with the execution of this Agreement.

"**Parent Expense Reimbursement**" has the meaning specified in Section 8.6(a).

"**Parent Material Adverse Effect**" means any change, effect, fact, condition or circumstance that, individually or in the aggregate, has prevented, materially delayed or impaired or would reasonably be expected to prevent, materially delay or materially impair the ability of Parent or Merger Sub to consummate the Merger and the other transactions contemplated by this Agreement.

"**Parent Organizational Documents**" means the articles of incorporation, bylaws (or equivalent organizational or governing documents), and other organizational or governing documents, agreements or arrangements, each as amended to date, of each of Parent and Merger Sub.

"**Parent Related Parties**" has the meaning specified in Section 8.3(b).

"**Paying Agent**" has the meaning specified in Section 3.2(a).

"**PBGC**" has the meaning specified in Section 4.12(g).

"**Permitted Lien**" means (i) any Lien for Taxes not yet due and payable or that are being contested in good faith by any appropriate proceedings and for which adequate accruals or reserves have been established in accordance with GAAP, (ii) Liens securing indebtedness or liabilities that are reflected in the Company Disclosure Documents and Liens securing indebtedness or liabilities that have otherwise been disclosed on Section 1-A of the Company Disclosure Letter, (iii) easements or claims of easements whether or not shown by the public records, boundary line disputes, overlaps, encroachments and any matters not of record which would be disclosed by an accurate survey or a personal inspection of the property, (iv) title to any portion of the premises lying within the right of way or boundary of any public road or private road, (v) Liens imposed or promulgated by Laws with respect to real property and improvements, including zoning regulations, (vi) Liens disclosed on existing title reports or existing surveys and Made Available to Parent, and (vii) mechanics', carriers', workmen's, repairmen's and similar Liens incurred in the ordinary course of business for amounts which are not yet due and payable and which would not, individually or in the aggregate, have a Company Material Adverse Effect.

"**Person**" means an individual, a corporation, a limited liability company, a partnership, an association, a trust or any other entity or organization, including a Governmental Authority.

"**Post-Closing Plans**" has the meaning specified in Section 6.9(b).

"**Post-Closing Welfare Plans**" has the meaning specified in Section 6.9(c).

"**Proceeding**" means any claim, counterclaim, cross-claim, charge, complaint, grievance, action, suit, summons, citation or subpoena, audit, assessment or arbitration, or any proceeding or investigation of any kind or nature whatsoever, civil, criminal, regulatory or otherwise, at law or in equity by or before any Governmental Authority.

"**Proxy Statement**" has the meaning specified in Section 4.7.

"**R&W Insurance Policy**" means that certain insurance policy, if any, issued as of the Closing Date by the R&W Insurance Provider in connection with this Agreement.

"**R&W Insurance Provider**" means the insurance carrier or provider, if any, selected by the Parent pursuant to Section 6.15.

"**Release**" means any actual or threatened release, spill, emission, discharge, leaking, pumping, pouring, dumping, escaping, injection, deposit, disposal, dispersal, leaching, movement or migration of Hazardous Materials through or into the air, soil, surface water, groundwater or real property.

"**Remedial Action**" means any action required under any Environmental Laws to (i) clean up, remove, treat, or in any other way address any Hazardous Materials or other substance in the environment, (ii) prevent the Release or threat of Release, or minimize the further Release of any Hazardous Materials or other substance so it does not migrate or endanger or threaten to

endanger public health or welfare or the environment, or (iii) perform pre-remedial studies and investigations and post-remedial monitoring and care.

"**Representatives**" has the meaning specified in Section 6.4.

"**Requisite Shareholder Approval**" has the meaning specified in Section 4.23.

"**Rights Agreement**" has the meaning specified in Section 4.22.

"**SEC**" means the Securities and Exchange Commission.

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

"**Senior Management Confirmation**" has the meaning specified in Section 7.2(h).

"**Shareholders' Meeting**" has the meaning specified in Section 6.2(c).

"**Software**" means any and all (i) computer programs, including any and all software implementations of algorithms, models and methodologies, whether in source code or object code, (ii) databases and compilations, including any and all data and collections of data, whether machine readable or otherwise, (iii) descriptions, schematics, flow charts and other work product used to design, plan, organize and develop any of the foregoing and (iv) all documentation, user manuals and training materials relating to any of the foregoing.

"**Subsidiary**" of any Person, means any corporation, partnership, joint venture or other legal entity of which such Person (either above or through or together with any other subsidiary), owns, directly or indirectly, more than 50% of the stock or other equity interests, the holders of which are generally entitled to vote for the election of the board of directors or other governing body of such corporation or other legal entity.

"**Superior Proposal**" has the meaning specified in Section 6.5(h)(ii).

"**Surviving Corporation**" has the meaning specified in Section 2.1.

"**Takeover Law**" has the meaning specified in Section 2.1.

"**Tax**" or "**Taxes**" means any and all federal, state, local or non-U.S. taxes, assessments, fees, levies, duties, tariffs, imposts, and other similar charges (together with any and all interest, penalties and additions to tax, whether disputed or not) imposed by any Governmental Authority or taxing authority, including taxes or other charges on or with respect to income, franchises, windfall or other profits, gross receipts, property, sales, use, capital stock, payroll, employment, social security, workers' compensation, unemployment compensation, or net worth; taxes or other charges in the nature of excise, withholding, ad valorem, stamp, transfer, escheat or abandoned property, value added, or gains taxes; license, registration and documentation fees; customs duties, and tariffs; and other obligations of the same or of a similar nature to any of the foregoing including any obligations to indemnity or otherwise assumed or succeed to the tax liability of any other Person.

"**Tax Returns**" means returns, reports and information statements, including any schedule or attachment thereto, with respect to Taxes required to be filed with the IRS or any other Governmental Authority or taxing authority, including, without limitation, any claim for refund or amended return.

"**Termination Date**" has the meaning specified in Section 8.1(b)(i).

"**Termination Fee**" means an amount equal to $2,300,000.

"**Third Party**" means any Person or group other than the Company, Parent, Merger Sub and their respective Affiliates.

"**Transaction Expenses**" means any liability or obligation of the Company, any of its Subsidiaries or any of its shareholders arising in connection with the negotiation, preparation, execution, delivery, consummation and performance of this Agreement or the transactions contemplated by this Agreement, including (a) any investment banking fees, financial advisory fees, fairness opinion or related fees brokerage fees, commissions, finder's fees, attorneys' fees and expenses, accountants' fees and expenses or similar fees, (b) all amounts related to any obligation of the Company to pay any Person consideration in connection with and/or triggered by the Closing of the transactions contemplated by this Agreement, including under any incentive compensation plan, equity appreciation rights plan or agreement, employment agreement, deferred compensation plan or agreement, supplemental executive compensation agreement, phantom equity plan or agreement, sale, "stay-around," "change-in-control," retention, or similar bonuses or payments to current or former directors, officers, employees and consultants or any other similar arrangement, (c) any delisting, depository, public relations, or related fees and expenses, (d) the preparation, printing, filing and mailing of the Proxy Statement and all OTC and other regulatory filing fees incurred in connection with the Proxy Statement, the solicitation of shareholder approvals, any filing with, and obtaining of any necessary action or non-action, engaging the services of the Paying Agent, and/or any other filings with the OTC, and (e) all amounts, payments, costs and/or expenses that Section 3.6 of the Company Disclosure Letter identifies as being included in the Transaction Expenses.

"**Voting Agreement**" has the meaning specified in the Recitals.

"**WARN Act**" has the meaning specified in Section 6.1(f).

"**Working Capital**" means the current assets of the Company less the current liabilities of the Company, as calculated in accordance with GAAP, but excluding the Company Indebtedness and the Estimated Transaction Expenses.

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