

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): July 1, 2012

ASURE SOFTWARE, INC.

(Exact name of registrant as specified in charter)

Delaware
(State or other jurisdiction of incorporation or organization)

0-20008
(Commission File No.)

74-2415696
(IRS Employer Identification No.)

110 Wild Basin Road, Suite 100, Austin, Texas 78746
(Address of principal executive offices)

512-437-2700
(Registrant's telephone number, including area code)

N/A
(Former Name and Address)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Item 1.01. Entry into a Material Definitive Agreement.

Stock Purchase Agreement

The information set forth in Item 2.01 is incorporated herein by reference in its entirety.

Loan Agreement

Effective July 1, 2012, we and our wholly-owned subsidiaries entered into a Loan Agreement (the “Loan Agreement”) with Deerpath Funding, LP, a Delaware limited partnership, as lender, administrative agent and collateral agent (“Deerpath”).

The Loan Agreement provides for a single advance senior secured term loan in the amount of \$14,500,000, made on July 5, 2012, which were used to (i) finance the cash purchase consideration for the acquisition described in Item 2.01 below, (ii) pay outstanding indebtedness under the 15% subordinated promissory notes due September 2014 (including partial interest and subordination consent payments of \$134,375 to Patrick Goepel, our Chief Executive Officer, and \$80,625 to Pinnacle Fund, which is controlled by David Sandberg, our Chairman of the Board of Directors) and the JPMorgan Chase Bank line of credit, and (iii) pay transaction costs and expenses of the term loan and the acquisition.

The Loan Agreement also provides for a conditional commitment to provide additional single advance senior secured term loans from time to time in an aggregate amount not to exceed \$5,000,000 to be used for refinancing certain other indebtedness, funding permitted acquisitions or other growth initiatives, and paying fees and expenses of the term loans and permitted acquisitions.

The term loan bears interest at a floating annual rate equal to LIBOR plus 8.00%, subject to a LIBOR floor of 2.00%, and requires monthly payments of interest only beginning on August 1, 2012 and quarterly principal payments of \$362,500 beginning on October 1, 2012, with any remaining principal due on July 1, 2016. We may prepay all or a portion of the principal amount outstanding at any time, subject to a premium ranging from 1% to 5% of the principal amount being prepaid depending on if the prepayment occurs on or before the first, second or third anniversary of the closing date. The term loan requires mandatory prepayments of outstanding principal with 75% of excess cash flow (such percentage to be reduced to 50% if a specified senior debt to EBITDA ratio is achieved) and, at Deerpath’s election, with proceeds from certain events, including 100% of the net proceeds of any asset sales and issuance of equity securities.

The term loan is secured by a first priority lien on all of our and our subsidiaries’ assets and pledges of 100% of the equity interests in our domestic subsidiaries and 65% of the equity interests in our foreign subsidiaries.

The Loan Agreement contains customary covenants, including but not limited to limitations with respect to debt, liens, mergers and acquisitions, sale of assets, loans or advances to and investments in others, dividends or other distributions, capital expenditures and management compensation. We are also required to maintain EBITDA of not less than \$5.65 million beginning with the quarter ending September 30, 2012, with the amount stepping up thereafter; a total debt to EBITDA ratio of not greater than 3.75 to 1.00 beginning with the quarter ending September 30, 2012, with the levels stepping down thereafter; a senior debt to EBITDA ratio of not greater than 2.75 to 1.00 beginning with the quarter ending September 30, 2012, with the levels stepping down thereafter; and a fixed charge coverage ratio of not less than 0.60 to 1.00 beginning with the quarter ending September 30, 2012, with the levels stepping up thereafter. Deerpath may designate one representative to attend all meetings of our and our subsidiaries' boards of directors as a non-voting observer.

The Loan Agreement contains customary events of default, including, among others, (i) payment defaults, (ii) covenant defaults, (iii) incorrect representations or warranties, (iv) bankruptcy and insolvency events, (v) certain cross defaults and cross accelerations, (vi) certain change of control or change of management events and (vii) certain material adverse events. In some cases, the defaults are subject to customary notice and grace period provisions.

The foregoing description of the Loan Agreement does not summarize or include all terms relating to the financing or all other actions contemplated by the Loan Agreement, and is qualified in its entirety by reference to the full text of the Loan Agreement, which is filed as Exhibit 10.1 hereto and is incorporated herein by reference in its entirety.

Item 2.01. Completion of Acquisition or Disposition of Assets.

Effective July 1, 2012, we acquired all of the issued and outstanding shares of common stock (the "Shares") of Meeting Maker – United States, Inc., a Delaware corporation ("Meeting Maker - US"), pursuant to a Stock Purchase Agreement (the "Stock Purchase Agreement") by and among Meeting Maker Holding BV, a besloten vennootschap organized under the laws of the Netherlands ("Seller"), PeopleCube Holding BV, a besloten vennootschap organized under the laws of the Netherlands, and us. The Stock Purchase Agreement contains certain customary representations, warranties, indemnities and covenants.

The aggregate consideration for the Shares consisted of (i) \$9.8 million in cash, subject to a post-closing working capital adjustment, (ii) 255,000 shares of our common stock, par value \$0.01 per share, and (iii) an additional \$3 million in cash that is due on October 31, 2014, subject to offset of any amounts owed by Seller under the indemnification provisions of the Stock Purchase Agreement. The \$9.8 million cash portion of the purchase price was funded with proceeds from the Loan Agreement. As a result of the acquisition, Meeting Maker - US became our direct wholly-owned subsidiary.

The foregoing description of the Stock Purchase Agreement does not summarize or include all terms relating to the acquisition or all other actions contemplated by the Stock Purchase Agreement, and is qualified in its entirety by reference to the full text of the Stock Purchase Agreement, which is filed as Exhibit 2.1 hereto and is incorporated herein by reference in its entirety.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth under “Loan Agreement” in Item 1.01 is incorporated herein by reference in its entirety.

Item 3.02. Unregistered Sales of Equity Securities.

The information set forth in Item 2.01 is incorporated herein by reference in its entirety.

The issuance and sale of the shares of our common stock in connection with the acquisition are exempt from the registration requirements of the Securities Act of 1933 pursuant to Section 4(2) thereof and Rule 506 of Regulation D thereunder.

Item 7.01. Regulation FD Disclosure.

On July 5, 2012, we issued a press release announcing the acquisition. A copy of the press release is furnished (not filed) as Exhibit 99.1 hereto and incorporated herein by reference in its entirety.

Item 9.01. Financial Statements and Exhibits.

- (a) Financial statements of business acquired.

All financial statements required with respect to the acquisition described in Item 2.01 herein will be filed by amendment to this Current Report on Form 8-K within 71 calendar days from the date that this Current Report on Form 8-K is required to be filed.

- (b) Pro forma financial information.

All pro forma financial information required with respect to the acquisition described in Item 2.01 herein will be filed by amendment to this Current Report on Form 8-K within 71 calendar days from the date that this Current Report on Form 8-K is required to be filed.

- (d) Exhibits

Exhibit No. Description

2.1	<u>Stock Purchase Agreement, dated as of July 1, 2012, between Meeting Maker Holding B.V., PeopleCube Holding B.V. and Asure Software, Inc.</u>
	<u>Loan Agreement dated as of July 1, 2012 by and among Asure Software, Inc. as the Company, ADI Software, LLC, Asure Legiant, LLC,</u>
10.1	<u>Meeting Maker – United States, Inc. and the other borrowers from time to time party hereto Deerpath Funding, LP as Agent and the lenders from time to time Party hereto.</u>
99.1	<u>Press Release dated July 5, 2012 (furnished, not filed).</u>

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ASURE SOFTWARE, INC.

Dated: July 6, 2012

By /s/ Patrick Goepel
Patrick Goepel, Chief Executive Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
2.1	<u>Stock Purchase Agreement, dated as of July 1, 2012, between Meeting Maker Holding B.V., PeopleCube Holding B.V. and Asure Software, Inc.</u>
10.1	<u>Loan Agreement dated as of July 1, 2012 by and among Asure Software, Inc. as the company, ADI Software, LLC, Asure Legiant, LLC, Meeting Maker – United States, Inc. and the other borrowers from time to time party hereto Deerpath Funding, LP as Agent and the lenders from time to time party hereto.</u>
99.1	<u>Press Release dated July 5, 2012 (furnished, not filed).</u>

EXECUTION COPY

STOCK PURCHASE AGREEMENT

between

Meeting Maker Holding B.V. and PeopleCube Holding B.V.

and

Asure Software, Inc.

dated as of

July 1, 2012

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STOCK PURCHASE AGREEMENT

This Stock Purchase Agreement (this “**Agreement**”), dated as of July 1, 2012, is entered into between Meeting Maker Holding B.V., a besloten vennootschap organized under the laws of the Netherlands (“**Seller**”), PeopleCube Holding B.V., a besloten vennootschap organized under the laws of the Netherlands (“**Parent**”), and Asure Software, Inc., a Delaware corporation (“**Buyer**”).

RECITALS:

WHEREAS, Parent owns all of the issued and outstanding capital stock of Seller;

WHEREAS, Seller owns all of the issued and outstanding shares of common stock, par value \$0.01 (the “**Shares**”), of Meeting Maker – United States, Inc., a Delaware corporation (the “**Company**”); and

WHEREAS, Seller wishes to sell to Buyer, and Buyer wishes to purchase from Seller, the Shares, subject to the terms and conditions set forth herein; **NOW, THEREFORE**, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I **Definitions**

The following terms have the meanings specified or referred to in this **Article I**:

“**Action**” means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at law or in equity.

“**Adjusted Liabilities**” means the Company’s Liabilities, excluding Deferred Revenue and the Closing Holdback Amount.

“**Affiliate**” of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“**Agreement**” has the meaning set forth in the preamble.

“**Audited Financial Statements**” has the meaning set forth in **Section 3.06**.

“**Benefit Plan**” has the meaning set forth in **Section 3.20(a)**.

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

“**Buyer**” has the meaning set forth in the preamble.

“**Buyer Basket Exclusions**” has the meaning set forth in **Section 8.04(a)**.

“**Buyer Indemnitees**” has the meaning set forth in **Section 8.02**.

“**Buyer Stock**” has the meaning set forth in **Section 2.02**.

“**Buyer’s Accountants**” means Ernst & Young LLP.

“**CERCLA**” means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §§ 9601 et seq.

“**Closing**” has the meaning set forth in **Section 2.05**.

“**Closing Adjusted Working Capital**” means: (a) the Current Assets of the Company less (b) the Adjusted Liabilities of the Company, determined as of the close of business on the Closing Date.

“**Closing Adjusted Working Capital Statement**” has the meaning set forth in **Section 2.04(b)(i)**,

“**Closing Adjustment**” has the meaning set forth in **Section 2.04(a)(ii)**.

“**Closing Consideration**” has the meaning set forth in **Section 2.02**.

“**Closing Date**” has the meaning set forth in **Section 2.05**.

“**Closing Holdback Amount**” means the cash portion of the Closing Consideration to be held back by Buyer pursuant to **Section 2.03(d)** in the aggregate amount listed on **Schedule I** attached hereto.

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

“**Company**” has the meaning set forth in the recitals.

“**Company Intellectual Property**” has the meaning set forth in **Section 3.12(a)**.

“**Company Subsidiaries**” (or “Company Subsidiary” when used in the singular) means Meeting Maker Limited and BusinessSolve Limited, each a private limited company organized under the Companies Act 2006 (UK).

“**Contracts**” means all contracts, leases, deeds, mortgages, licenses, instruments, notes, commitments, undertakings, indentures, joint ventures and all other agreements, commitments and legally binding arrangements, whether written or oral.

“**Current Assets**” means the Company’s current assets, including cash and cash equivalents, accounts receivable, inventory and prepaid expenses, but excluding (a) the portion of any prepaid expense of which Buyer will not receive the benefit following the Closing, (b) deferred Tax assets and (c) receivables from any of the Company’s Affiliates, directors, employees, officers or stockholders and any of their respective Affiliates, determined in accordance with GAAP applied using the same accounting methods, practices, principles, policies and procedures, with consistent classifications, judgments and valuation and estimation methodologies that were used in the preparation of the Audited Financial Statements for the most recent fiscal year end as if such accounts were being prepared and audited as of a fiscal year end.

“**Deferred Purchase Payment**” has the meaning in **Section 2.02** below.

“**Deferred Revenue**” means the Company’s deferred revenue, determined in accordance with GAAP applied using the same accounting methods, practices, principles, policies and procedures, with consistent classifications, judgments and valuation and estimation methodologies that were used in the preparation of the Audited Financial Statements for the most recent fiscal year end as if such account was being prepared and audited as of a fiscal year end.

“**Direct Claim**” has the meaning set forth in **Section 8.05(c)**.

“**Disclosure Schedule**” means the Disclosure Schedule delivered by Seller and Buyer concurrently with the execution and delivery of this Agreement.

“**Disputed Amounts**” has the meaning set forth in **Section 2.04(c)(iii)**.

“**Dollars or \$**” means the lawful currency of the United States.

“**Encumbrance**” means any charge, claim, community property interest, pledge, usufruct, condition, equitable interest, lien (statutory or other), option, security interest, mortgage, easement, encroachment, right of way, right of first refusal, or restriction of any kind, including any restriction on use, voting, transfer, receipt of income or exercise of any other attribute of ownership.

“**Environmental Claim**” means any Action, Governmental Order, lien, fine, penalty, or, as to each, any settlement or judgment arising therefrom, by or from any Person alleging liability of whatever kind or nature (including liability or responsibility for the costs of enforcement proceedings, investigations, cleanup, governmental response, removal or remediation, natural resources damages, property damages, personal injuries, medical monitoring, penalties, contribution, indemnification and injunctive relief) arising out of, based on or resulting from: (a) the presence, Release of, or exposure to, any Hazardous Materials; or (b) any actual or alleged non-compliance with any Environmental Law or term or condition of any Environmental Permit.

“**Environmental Law**” means any applicable Law, and any Governmental Order or binding agreement with any Governmental Authority: (a) relating to pollution (or the cleanup thereof) or the protection of natural resources, endangered or threatened species, human health or safety, or the environment (including ambient air, soil, surface water or groundwater, or subsurface strata); or (b) concerning the presence of, exposure to, or the management, manufacture, use, containment, storage, recycling, reclamation, reuse, treatment, generation, discharge, transportation, processing, production, disposal or remediation of any Hazardous Materials. The term “Environmental Law” includes, without limitation, the following (including their implementing regulations and any state analogs): the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §§ 9601 et seq.; the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, as amended by the Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. §§ 6901 et seq.; the Federal Water Pollution Control Act of 1972, as amended by the Clean Water Act of 1977, 33 U.S.C. §§ 1251 et seq.; the Toxic Substances Control Act of 1976, as amended, 15 U.S.C. §§ 2601 et seq.; the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. §§ 11001 et seq.; the Clean Air Act of 1966, as amended by the Clean Air Act Amendments of 1990, 42 U.S.C. §§ 7401 et seq.; and the Occupational Safety and Health Act of 1970, as amended, 29 U.S.C. §§ 651 et seq.

“**Environmental Notice**” means any written directive, notice of violation or infraction, or notice respecting any Environmental Claim relating to actual or alleged non-compliance with any Environmental Law or any term or condition of any Environmental Permit.

“**Environmental Permit**” means any Permit, letter, clearance, consent, waiver, closure, exemption, decision or other action required under or issued, granted, given, authorized by or made pursuant to Environmental Law.

“**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder.

“**ERISA Affiliate**” means, with respect to any Person, any other Person that, together with such first Person, would be treated as a single employer within the meaning of Section 414(b), (c), (m) or (o) of the Code.

“**Estimated Closing Adjusted Working Capital**” has the meaning set forth in **Section 2.04(a)(i)**.

“**Estimated Closing Adjusted Working Capital Statement**” has the meaning set forth in **Section 2.04(a)(i)**.

“**Financial Statements**” has the meaning set forth in **Section 3.06**.

“**GAAP**” means United States generally accepted accounting principles in effect from time to time.

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

“**Governmental Order**” means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

“**Hazardous Materials**” means: (a) any material, substance, chemical, waste, product, derivative, compound, mixture, solid, liquid, mineral or gas, in each case, whether naturally occurring or manmade, that is hazardous, acutely hazardous, toxic, or words of similar import or regulatory effect under Environmental Laws; and (b) any petroleum or petroleum-derived products, radon, radioactive materials or wastes, asbestos in any form, lead or lead-containing materials, urea formaldehyde foam insulation, and polychlorinated biphenyls.

“**Indemnitee**” has the meaning set forth in **Section 8.05**.

“**Indemnifying Party**” has the meaning set forth in **Section 8.05**.

“**Independent Accountants**” has the meaning set forth in **Section 2.04(c)(iii)**.

“**Insurance Policies**” has the meaning set forth in **Section 3.16**.

“**Intellectual Property**” has the meaning set forth in **Section 3.12(a)**.

“**Intellectual Property Registrations**” has the meaning set forth in **Section 3.12(b)**.

“**Interim Balance Sheet**” has the meaning set forth in **Section 3.06**.

“**Interim Balance Sheet Date**” has the meaning set forth in **Section 3.06**.

“**Interim Financial Statements**” has the meaning set forth in **Section 3.06**.

“**Knowledge of Seller or Seller’s Knowledge**” or any other similar knowledge qualification, means the actual or constructive knowledge of any director or officer of Parent, Seller or the Company, after due inquiry.

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

“**Liabilities**” has the meaning set forth in **Section 3.07**.

“**Licensed Intellectual Property**” has the meaning set forth in **Section 3.12(a)**.

“**Lock-Up Agreement**” means the agreement attached as **Exhibit A** hereto prohibiting Seller from selling or otherwise transferring any of the Buyer Stock (a) with respect to 125,000 shares of the Buyer Stock, during the one year period after the Closing date, and (b) with respect to the other 130,000 shares of the Buyer Stock, during the two year period after the Closing date.

“**Losses**” means losses, damages, liabilities, deficiencies, Actions, judgments, interest, awards, penalties, fines, costs or expenses of whatever kind, including reasonable attorneys’ fees and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers; *provided, however*, that “**Losses**” shall not include punitive damages, except in the case of fraud or to the extent actually awarded to a Governmental Authority or other third party.

“**Material Adverse Effect**” means any event, occurrence, condition, fact or change that is, or could reasonably be expected to become, individually or in the aggregate, materially adverse to the business, results of operations, prospects, condition (financial or otherwise) or assets of Parent, Seller, the Company or any of the Company Subsidiaries, alone or on a consolidated basis.

“**Material Contracts**” has the meaning set forth in **Section 3.09(a)**.

“**Material Customers**” has the meaning set forth in **Section 3.15(a)**.

“**Material Suppliers**” has the meaning set forth in **Section 3.15(b)**.

“**Multi-Employer Plan**” has the meaning set forth in **Section 3.20(c)**.

“**Parent**” has the meaning set forth in the preamble.

“**Permits**” means all permits, licenses, franchises, approvals, authorizations, registrations, certificates, variances and similar rights obtained, or required to be obtained, from Governmental Authorities.

“**Permitted Encumbrances**” has the meaning set forth in **Section 3.10(a)**.

“**Person**” means an individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association or other entity, whether domestic or foreign.

“**Post-Closing Adjustment**” has the meaning set forth in **Section 2.04(b)(ii)**.

“**Post-Closing Tax Period**” means any taxable period beginning after the Closing Date and, with respect to any taxable period beginning before and ending after the Closing Date, the portion of such taxable period beginning after the Closing Date.

“**Post-Closing Taxes**” means Taxes of the Company for any Post-Closing Tax Period.

“**Pre-Closing Tax Period**” means any taxable period ending on or before the Closing Date and, with respect to any taxable period beginning before and ending after the Closing Date, the portion of such taxable period ending on and including the Closing Date.

“**Pre-Closing Taxes**” means Taxes of the Company for any Pre-Closing Tax Period.

“**Purchase Price**” has the meaning set forth in **Section 2.02**.

“**Qualified Benefit Plan**” has the meaning set forth in **Section 3.20(c)**.

“**Real Property**” means the real property owned, leased or subleased by the Company or any Company Subsidiary, together with all buildings, structures and facilities located thereon.

“**Release**” means any actual or threatened release, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, abandonment, disposing or allowing to escape or migrate into or through the environment (including, without limitation, ambient air (indoor or outdoor), surface water, groundwater, land surface or subsurface strata or within any building, structure, facility or fixture).

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

“**Resolution Period**” has the meaning set forth in **Section 2.04(c)(ii)**.

“**Restricted Business**” means the development, marketing or sale of software (whether packaged or delivered via the internet as a service) or other products with the same functionality or purpose as that software and other products marketed and sold by the Company and the Company Subsidiaries as of the Closing Date.

“**Restricted Period**” has the meaning set forth in **Section 5.03(a)**.

“**Review Period**” has the meaning set forth in **Section 2.04(c)(i)**.

“**Seller**” has the meaning set forth in the preamble.

“**Seller Basket Exclusions**” has the meaning set forth in **Section 8.04(b)**

“**Seller Indemnitees**” has the meaning set forth in **Section 8.03**.

“**Seller’s Accountants**” means McGladrey & Pullen, LLP.

“**Seller’s Representative**” means John T. Anderson, who shall be authorized to act on behalf of Parent and Seller and to receive notices therefor for the purposes hereof after the Closing Date.

“**Shares**” has the meaning set forth in the recitals.

“**Software and Technology**” has the meaning set forth in **Section 3.12(a)**.

“**Statement of Objections**” has the meaning set forth in **Section 2.04(c)(ii)**.

“**Straddle Period**” has the meaning set forth in **Section 6.04**.

“**Target Adjusted Working Capital**” has the meaning set forth in **Section 2.04(a)(ii)**.

“**Taxes**” means all federal, state, local, foreign and other income, gross receipts, sales, use, production, ad valorem, value added, transfer, franchise, registration, profits, license, lease, service, service use, withholding, payroll, employment, unemployment, estimated, excise, severance, environmental, stamp, occupation, premium, property (real or personal), real property gains, windfall profits, customs, duties or other taxes, fees, assessments or charges of any kind whatsoever, together with any interest, additions or penalties with respect thereto and any interest in respect of such additions or penalties.

“**Tax Claim**” has the meaning set forth in **Section 6.06**.

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

“**Territory**” means worldwide.

“**Third Party Claim**” has the meaning set forth in **Section 8.05(a)**.

“**Undisputed Amounts**” has the meaning set forth in **Section 2.04(c)(iii)**.

“**Union**” has the meaning set forth in **Section 3.21(b)**.

ARTICLE II **Purchase and sale**

Section 2.01 Purchase and Sale. Subject to the terms and conditions set forth herein, at the Closing, Seller shall sell to Buyer, and Buyer shall purchase from Seller, the Shares, free and clear of all Encumbrances, for the consideration specified in **Section 2.02**.

Section 2.02 Purchase Price. The aggregate purchase price for the Shares (the “**Purchase Price**”) shall be the sum of (i) Ten Million Dollars (\$10,000,000), subject to adjustment pursuant to **Section 2.04** hereof, plus Two Hundred Fifty Five Thousand (255,000) shares of Buyer’s common stock, par value \$0.01 per share (the “**Buyer Stock**”) (together, the “**Closing Consideration**”) and (ii) an additional Three Million Dollars (\$3,000,000), subject to offset or holdback pursuant to **Section 8.06** (the “**Deferred Purchase Payment**”).

Section 2.03 Transactions to be Effected.

(a) At the Closing, Buyer shall deliver to Seller:

(i) the Closing Consideration, subject to any Closing Adjustment pursuant to **Section 2.04(a)**, the cash portion of which, less the Closing Holdback Amount pursuant to Section 2.03(d), shall be by wire transfer of immediately available funds to an account of Seller designated in writing by Seller to Buyer no later than two (2) Business Days prior to the Closing Date and certificate(s) representing the Buyer Stock issued in the name of Seller; and

(ii) all other agreements, documents, instruments or certificates required to be delivered by Buyer at or prior to the Closing pursuant to **Section 7.03** of this Agreement.

(b) At the Closing, Seller shall deliver to Buyer:

(i) stock certificates evidencing the Shares, free and clear of all Encumbrances, duly endorsed in blank or accompanied by stock powers, notarial or other instruments of transfer duly executed in blank, with all required stock transfer tax stamps affixed thereto; and

(ii) all other agreements, documents, instruments or certificates required to be delivered by Seller at or prior to the Closing pursuant to **Section 7.02** of this Agreement.

(c) On October 31, 2014, Buyer shall deliver to Seller, at the direction of the Seller's Representative, such of the Deferred Purchase Payment remaining after offset and holdback as provided by **Section 8.06**. A late payment by Buyer will accrue interest at a rate per annum of eight percent (8%), calculated daily on the basis of a 365-day year and the actual number of days elapsed, without compounding, and Buyer shall be responsible for any costs of collection, including reasonable attorneys' fees.

(d) Buyer shall set aside from the cash portion of the Closing Consideration an amount equal to the Closing Holdback Amount for the purposes of promptly disbursing certain pre-agreed payments out of the closing proceeds against certain obligations of the Company and/or the Company Subsidiaries as set forth on **Schedule I**.

Section 2.04 Closing Consideration Adjustment.

(a) Closing Adjustment.

(i) At least three (3) Business Days before the Closing, Seller shall prepare and deliver to Buyer a statement setting forth its good faith estimate of the Closing Adjusted Working Capital (the "**Estimated Closing Adjusted Working Capital**"), which statement shall contain an estimated balance sheet of the Company as of the Closing Date (without giving effect to the transactions contemplated herein), a calculation of the Estimated Closing Adjusted Working Capital (the "**Estimated Closing Adjusted Working Capital Statement**"), and a certificate of the Chief Financial Officer of the Seller that the Estimated Closing Adjusted Working Capital Statement was prepared (except with respect to Adjusted Liabilities) in accordance with GAAP applied using the same accounting methods, practices, principles, policies and procedures, with consistent classifications, judgments and valuation and estimation methodologies that were used in the preparation of the Audited Financial Statements for the most recent fiscal year end as if such Estimated Closing Adjusted Working Capital Statement was being prepared and audited as of a fiscal year end.

(ii) The "**Closing Adjustment**" shall be an amount equal to the Estimated Closing Adjusted Working Capital minus One Million Five Hundred Thousand (\$1,500,000) (the "**Target Adjusted Working Capital**"). If the Closing Adjustment is a positive number, the cash portion of the Closing Consideration shall be increased by the amount of the Closing Adjustment. If the Closing Adjustment is a negative number, the cash portion of the Closing Consideration shall be reduced by the amount of the Closing Adjustment.

(b) Post-Closing Adjustment.

(i) Within 180 days after the Closing Date, Buyer shall prepare and deliver to Seller a statement setting forth its calculation of the Closing Adjusted Working Capital (the “**Closing Adjusted Working Capital Statement**”).

(ii) The post-closing adjustment shall be an amount equal to the Closing Adjusted Working Capital minus the Estimated Closing Adjusted Working Capital (the “**Post-Closing Adjustment**”). If the Post-Closing Adjustment is a positive number, Buyer shall pay to Seller an amount equal to the Post-Closing Adjustment. If the Post-Closing Adjustment is a negative number, Seller shall pay to Buyer an amount equal to the Post-Closing Adjustment.

(c) Examination and Review.

(i) Examination. After receipt of the Closing Adjusted Working Capital Statement, Seller shall have 15 days (the “**Review Period**”) to review the Closing Adjusted Working Capital Statement. During the Review Period, Seller and Seller’s Accountants shall have commercially reasonable access to the books and records of the Company, the personnel of, and work papers prepared by, Buyer and/or Buyer’s Accountants to the extent that they relate to the Closing Adjusted Working Capital Statement and to such historical financial information (to the extent in Buyer’s possession) relating to the Closing Adjusted Working Capital Statement as Seller may reasonably request for the purpose of reviewing the Closing Adjusted Working Capital Statement and to prepare a Statement of Objections (defined below), *provided, that* such access shall be in a manner that does not interfere with the normal business operations of Buyer or the Company.

(ii) Objection. On or prior to the last day of the Review Period, Seller may object to the Closing Adjusted Working Capital Statement by delivering to Buyer a written statement setting forth Seller’s objections in reasonable detail, indicating each disputed item or amount and the basis for Seller’s disagreement therewith (the “**Statement of Objections**”). If Seller fails to deliver the Statement of Objections before the expiration of the Review Period, the Closing Adjusted Working Capital Statement and the Post-Closing Adjustment, as the case may be, reflected in the Closing Adjusted Working Capital Statement shall be deemed to have been accepted by Seller. If Seller delivers the Statement of Objections before the expiration of the Review Period, Buyer and Seller shall negotiate in good faith to resolve such objections within 10 days after the delivery of the Statement of Objections (the “**Resolution Period**”), and, if the same are so resolved within the Resolution Period, the Post-Closing Adjustment and the Closing Adjusted Working Capital Statement with such changes as may have been previously agreed in writing by Buyer and Seller, shall be final and binding.

(iii) Resolution of Disputes. If Seller and Buyer fail to reach an agreement with respect to all of the matters set forth in the Statement of Objections before expiration of the Resolution Period, then any amounts remaining in dispute (“**Disputed Amounts**” and any amounts not so disputed, the “**Undisputed Amounts**”) shall be submitted for resolution to the office of the Seller’s Accountants, Minneapolis, Minnesota or, if such firm is unable to serve, Buyer and Seller shall appoint by mutual agreement the office of an impartial nationally recognized firm of independent certified public accountants other than Seller’s Accountants or Buyer’s Accountants (such resolving accountants referred to as the “**Independent Accountants**”) who, acting as experts and not arbitrators, shall resolve the Disputed Amounts only and make any adjustments to the Post-Closing Adjustment, as the case may be, and the Closing Adjusted Working Capital Statement. The parties hereto agree that all adjustments shall be made without regard to materiality. The Independent Accountants shall only decide the specific items under dispute by the parties and their decision for each Disputed Amount must be within the range of values assigned to each such item in the Closing Adjusted Working Capital Statement and the Statement of Objections, respectively.

(iv) Fees of the Independent Accountants. Parent and Seller, jointly and severally, shall pay that portion of the fees and expenses of the Independent Accountants equal to a fraction, the numerator of which is the amount of Disputed Amounts submitted to the Independent Accountants that are resolved in favor of Buyer (that being the difference between the Independent Accountants’ determination and Seller’s determination) and the denominator of which is the total amount of Disputed Amounts submitted to the Independent Accountants (that being the sum total by which Buyer’s determination and Seller’s determination differ from the determination of the Independent Accountants). Buyer shall pay that portion of the fees and expenses of the Independent Accountants that Seller is not required to pay hereunder.

(v) Determination by Independent Accountants. The Independent Accountants shall make a determination as soon as practicable within 30 days (or such other time as the parties hereto shall agree in writing) after their engagement, and their resolution of the Disputed Amounts and their adjustments to the Closing Adjusted Working Capital Statement and/or the Post-Closing Adjustment shall be conclusive and binding upon the parties hereto.

(vi) Payments of Post-Closing Adjustment. Except as otherwise provided herein, any payment of the Post-Closing Adjustment, together with interest calculated as set forth below, shall (A) be due (x) within five (5) Business Days of acceptance of the applicable Closing Adjusted Working Capital Statement or (y) if there are Disputed Amounts, then within five (5) Business Days of the resolution described in clause (v) above; and (B) be paid by wire transfer of immediately available funds to such account as is directed by Buyer or Seller, as the case may be. The amount of any Post-Closing Adjustment shall bear interest from and including the Closing Date to and including the date of payment at a rate per annum equal to 8%. Such interest shall be calculated daily on the basis of a 365 day year and the actual number of days elapsed, without compounding, and the party owing the payment shall be responsible for any costs of collection, including reasonable attorneys’ fees.

(d) Adjustments for Tax Purposes. Any payments made pursuant to **Section 2.04** shall be treated as an adjustment to the Purchase Price by the parties for Tax purposes, unless otherwise required by Law.

Section 2.05 Closing. Subject to the terms and conditions of this Agreement, the purchase and sale of the Shares contemplated hereby shall take place at a closing (the “**Closing**”) to be held at 10:00 a.m., Central Time, no later than two (2) Business Days after the last of the conditions to Closing set forth in **Article VII** have been satisfied or waived (other than conditions which, by their nature, are to be satisfied on the Closing Date), between the parties on a virtual basis, or at such other time or on such other date or at such other place as Seller and Buyer may mutually agree upon in writing (the day on which the Closing takes place being the “**Closing Date**”) and provided, however, that the Closing shall be deemed to have occurred at 12:01 a.m. Texas, USA time on the Closing Date.

Section 2.06 Withholding Tax. Buyer and the Company shall be entitled to deduct and withhold from the Purchase Price all Taxes that Buyer and the Company may be required to deduct and withhold under any provision of Tax Law. All such withheld amounts shall be treated as delivered to Seller hereunder.

ARTICLE III Representations and warranties of seller

Except as set forth in the correspondingly numbered Section of the Disclosure Schedule, Seller and Parent, jointly and severally, represent and warrant to Buyer that the statements contained in this **Article III** are true and correct as of the date hereof. For purposes of Section 3.05, and Sections 3.07 through Sections 3.23, references to the “Company” shall mean “the Company and the Company Subsidiaries”, alone or on a consolidated basis.

Section 3.01 Organization and Authority of Seller and Parent. Seller and Parent are each a besloten vennootschap duly organized, validly existing and in good standing under the Laws of the Netherlands. Seller and Parent each have full corporate power and authority to enter into this Agreement and the other transaction document to which Seller and Parent is a party, to carry out their respective obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Seller and Parent of this Agreement and any other transaction document to which Seller and Parent is a party, the performance by Seller and Parent of their respective obligations hereunder and thereunder and the consummation by Seller and Parent of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of Seller and Parent. This Agreement has been duly executed and delivered by Seller and Parent, and (assuming due authorization, execution and delivery by each other party thereto) this Agreement constitutes a legal, valid and binding obligation of Seller and Parent, enforceable against each of Seller and Parent in accordance with its terms. When each other transaction document to which Seller or Parent is or will be a party has been duly executed and delivered by Seller or Parent (assuming due authorization, execution and delivery by each other party thereto), each such transaction document will constitute a legal and binding obligation of Seller and Parent, enforceable against each of Seller and Parent in accordance with its terms.

Section 3.02 Organization, Authority and Qualification of the Company. The Company is a corporation duly organized, validly existing and in good standing under the Laws of the state of Delaware and has full corporate power and authority to own, operate or lease the properties and assets now owned, operated or leased by it and to carry on its business as it has been and is currently conducted. **Section 3.02** of the Disclosure Schedule sets forth each jurisdiction in which the Company is licensed or qualified to do business, and the Company is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the properties owned or leased by it or the operation of its business as currently conducted makes such licensing or qualification necessary. All corporate actions taken by the Company in connection with this Agreement and the other transaction documents will be duly authorized at or prior to the Closing.

Section 3.03 Capitalization.

(a) The authorized capital stock of the Company consists of 1,000 shares of common stock, par value \$0.01, of which all 1,000 shares are issued and outstanding and constitute the Shares. All of the Shares have been duly authorized, are validly issued, fully paid and non-assessable, and are owned of record and beneficially by Seller, free and clear of all Encumbrances. Upon consummation of the transactions contemplated by this Agreement, Buyer shall own all of the Shares, free and clear of all Encumbrances.

(b) All of the Shares were issued in compliance with applicable Laws. None of the Shares were issued in violation of any agreement, arrangement or commitment to which Seller or the Company is a party or is subject to or in violation of any preemptive or similar rights of any Person.

(c) There are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to the capital stock of the Company or obligating Seller or the Company to issue or sell any shares of capital stock of, or any other interest in, the Company. The Company does not have outstanding or authorized any stock appreciation, phantom stock, profit participation or similar rights. There are no voting trusts, stockholder agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the Shares.

Section 3.04 Company Subsidiaries. Section 3.04 of the Disclosure Schedule sets forth the authorized and outstanding capital stock of the Company Subsidiaries. The Company owns all of the outstanding capital stock of each of the Company Subsidiaries which, in the case of Meeting Maker Limited, consists of 100 ordinary shares (resulting from a 100-for-1 split prior to Closing in the one ordinary share of Meeting Maker Limited outstanding prior to such split). The shares of each Company Subsidiary have been duly authorized, are validly issued, fully paid and non-assessable, and are owned of record and beneficially by the Company, free and clear of all Encumbrances. The Shares of each Company Subsidiary were issued in compliance with applicable Laws. None of the shares of the Company Subsidiaries were issued in violation of any agreement, arrangement or commitment to which any of the Company Subsidiaries, the Seller or the Company is a party or is subject to or in violation of any preemptive or similar rights of any Person. There are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to the capital stock of either of the Company Subsidiaries or obligating either of the Company Subsidiaries, the Seller or the Company to issue or sell any shares of capital stock of, or any other interest in, either of the Company Subsidiaries. Neither of the Company Subsidiaries has outstanding or authorized any stock appreciation, phantom stock, profit participation or similar rights. There are no voting trusts, stockholder agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the shares of either of the Company Subsidiaries. Each of the Company Subsidiaries is a private limited company duly organized, validly existing and in good standing under the Laws of England and Wales. Each of the Company Subsidiaries has full corporate power and authority to own, operate or lease the properties and assets now owned, operated or leased by it and to carry on its business as it has been and is currently conducted.

Section 3.04 of the Disclosure Schedule sets forth each jurisdiction in which each of the Company Subsidiaries is licensed or qualified to do business, and each is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the properties owned or leased by it or the operation of its respective business as currently conducted makes such licensing or qualification necessary. The Company and the Company Subsidiaries do not otherwise own, or have any interest in any shares or have an ownership interest in any other Person. BusinessSolve Limited has no assets, liabilities or business operations, all which have been duly transferred to, and are owned by, the Company. There are no amounts due and owing to, or claims made by, the prior shareholders of BusinessSolve Limited in connection with or arising out of the acquisition of BusinessSolve Limited by the Company in February 2011.

Section 3.05 No Conflicts; Consents. The execution, delivery and performance by Seller and Parent of this Agreement and the other transaction documents to which they are a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the certificate of incorporation, articles of association, by-laws or other organizational documents of Seller, Parent, or the Company; (b) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to Seller, Parent, or the Company; (c) require the consent, notice or other action by any Person under, conflict with, result in a violation or breach of, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, result in the acceleration of or create in any party the right to accelerate, terminate, modify or cancel any Contract to which Seller, Parent, or the Company is a party or by which Seller, Parent, or the Company is bound or to which any of their respective properties and assets are subject (including any Material Contract) or any Permit affecting the properties, assets or business of Seller, Parent, or the Company; or (d) result in the creation or imposition of any Encumbrance other than Permitted Encumbrances on any properties or assets of Seller, Parent, or the Company. No consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to Seller, Parent, or the Company, in connection with the execution and delivery of this Agreement and the other transaction documents and the consummation of the transactions contemplated hereby and thereby.

Section 3.06 Financial Statements.

(a) Complete copies of the Parent's audited consolidated financial statements consisting of the consolidated balance sheets of the Parent, Seller, the Company and the Company Subsidiaries (collectively, the "**Parent Group**") at December 31, 2011, 2010 and 2009 and the related consolidated statements of operations, changes in stockholders' equity and comprehensive loss and cash flows for the years then ended (the "**Audited Financial Statements**"), and unaudited consolidated financial statements consisting of the consolidated balance sheets of the Parent Group for the period ended April 30, 2012, and the related unaudited consolidated statements of operations, changes in stockholders' equity and comprehensive loss and cash flows for the four-month period then ended (the "**Interim Financial Statements**" and together with the Audited Financial Statements, the "**Financial Statements**") have been delivered to Buyer. The Financial Statements have been prepared in accordance with GAAP applied on a consistent basis throughout the periods involved, subject, in the case of the Interim Financial Statements, to normal and recurring year-end adjustments (the effect of which will not be materially adverse) and the absence of notes (that, if presented, would not differ materially from those presented in the Audited Financial Statements). The Financial Statements are based on the books and records of the Parent Group, and fairly present the consolidated financial position of the Parent Group as of the respective dates above and the consolidated results of the operations and cash flows of the Parent Group for the periods indicated above. The consolidated balance sheet of the Parent Group as of April 30, 2012 is referred to herein as the "**Interim Balance Sheet**" and the date thereof as the "**Interim Balance Sheet Date**". The Parent, Seller, the Company and the Company Subsidiaries maintain a standard system of accounting established and administered in accordance with GAAP.

(b) Since January 1, 2009, except as set forth in Section 3.06(b) of the Disclosure Schedule, Parent has not (i) owned any tangible or intangible assets other than all of the issued and outstanding capital stock of Seller, or (ii) operated any business other than the business of holding the outstanding capital stock of Seller.

(c) Since January 1, 2009, except as set forth in Section 3.06(c) of the Disclosure Schedule, Seller has not (i) owned any tangible or intangible assets other than all of the Shares of the Company, or (ii) operated any business other than the business of holding the Shares of the Company.

Section 3.07 Undisclosed Liabilities. Each of Parent, Seller and the Company has no liabilities, obligations or commitments of any nature whatsoever, asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured or otherwise (“**Liabilities**”), except (a) those which are adequately reflected or reserved against in the Interim Balance Sheet as of the Interim Balance Sheet Date and (b) those which have been incurred in the ordinary course of business consistent with past practice since the Interim Balance Sheet Date and which are not, individually or in the aggregate, material in amount. For avoidance of doubt, liabilities or obligations relating to tort, breach of contract or violation of law shall in no event be considered to be in the ordinary course of business.

Section 3.08 Absence of Certain Changes, Events and Conditions. Since the Interim Balance Sheet Date, except as listed in **Section 3.08** of the Disclosure Schedule, and other than in the ordinary course of business consistent with past practice, there has not been, with respect to the Company, any:

(a) event, occurrence or development that has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect;

(b) amendment of the charter, by-laws or other organizational documents of the Company;

(c) split, combination or reclassification of any shares of its capital stock;

(d) issuance, sale or other disposition of any of its capital stock, or grant of any options, warrants or other rights to purchase or obtain (including upon conversion, exchange or exercise) any of its capital stock;

(e) declaration or payment of any dividends or distributions on or in respect of any of its capital stock or redemption, purchase or acquisition of its capital stock;

(f) material change in any method of accounting or accounting practice of the Company, except as required by GAAP or as disclosed in the notes to the Financial Statements;

(g) material change in the Company’s cash management practices and its policies, practices and procedures with respect to collection of accounts receivable, establishment of reserves for uncollectible accounts, accrual of accounts receivable, inventory control, prepayment of expenses, payment of trade accounts payable, accrual of other expenses, deferral of revenue and acceptance of customer deposits;

(h) entry into any Contract that would constitute a Material Contract;

(i) incurrence, assumption or guarantee of any indebtedness for borrowed money except unsecured current obligations and Liabilities incurred in the ordinary course of business consistent with past practice;

(j) transfer, assignment, sale or other disposition of any of the assets shown or reflected in the Interim Balance Sheet or cancellation of any debts or entitlements;

(k) transfer, assignment or grant of any license or sublicense of any material rights under or with respect to any Intellectual Property;

(l) material damage, destruction or loss (whether or not covered by insurance) to its property;

(m) any capital investment in, or any loan to, any other Person;

(n) acceleration, termination, material modification to or cancellation of any material Contract (including, but not limited to, any Material Contract) to which the Company is a party or by which it is bound;

(o) any material capital expenditures;

(p) imposition of any Encumbrance upon any of the Company properties, capital stock or assets, tangible or intangible;

(q) (i) grant of any bonuses, whether monetary or otherwise, or increase in any wages, salary, severance, pension or other compensation or benefits in respect of its employees, officers, directors, consultants or independent contractors, other than as provided for in any written agreements or required by applicable Law, (ii) change in the terms of employment for any employee or any termination of any employees for which the aggregate costs and expenses exceed \$10,000 or (iii) action to accelerate the vesting or payment of any compensation or benefit for any employee, member, manager, consultant or independent contractor;

(r) adoption, modification or termination of any: (i) employment, severance, retention or other agreement with an employee, (ii) Benefit Plan or (iii) collective bargaining or other agreement with a Union, in each case whether written or oral;

(s) any loan to (or forgiveness of any loan to), or entry into any other transaction with, any of its stockholders, directors, officers, employees or Affiliates;

(t) entry into a new line of business or abandonment or discontinuance of existing lines of business;

(u) adoption of any plan of merger, consolidation, reorganization, liquidation or dissolution or filing of a petition in bankruptcy under any provisions of federal, state or foreign bankruptcy Law or consent to the filing of any bankruptcy petition against it under any similar Law;

(v) purchase, lease or other acquisition of the right to own, use or lease any property or assets for an amount in excess of \$10,000, individually (in the case of a lease, per annum) or \$25,000 in the aggregate (in the case of a lease, for the entire term of the lease, not including any option term), except for purchases of inventory or supplies in the ordinary course of business consistent with past practice;

(w) acquisition by merger or consolidation with, or by purchase of a substantial portion of the assets or stock of, or by any other manner, any business or any Person or any division thereof;

(x) action by the Company to make, change or rescind any Tax election, amend any Tax Return or take any position on any Tax Return, take any action, omit to take any action or enter into any other transaction that would have the effect of increasing the Tax liability or reducing any Tax asset of Buyer in respect of any Post-Closing Tax Period; or

(y) any Contract to do any of the foregoing, or any action or omission that would result in any of the foregoing.

Section 3.09 Material Contracts.

(a) **Section 3.09(a)** of the Disclosure Schedule lists each of the following Contracts of the Company (such Contracts, together with all Contracts concerning the occupancy, management or operation of any Real Property (including without limitation, brokerage contracts) listed or otherwise disclosed in **Section 3.10(b)** of the Disclosure Schedule and all Contracts relating to Intellectual Property set forth in **Section 3.12(d)** and **Section 3.12(f)** of the Disclosure Schedule, being “**Material Contracts**”):

(i) each Contract involving aggregate consideration in excess of \$10,000 and which, in each case, cannot be cancelled without penalty or without more than 90 days’ notice specifically including all customer agreements, support agreements, supplier agreements, reseller agreements, referral agreements, hosting agreements, and software development agreements;

(ii) all Contracts that require the Company to purchase its total requirements of any product or service from a third party or that contain “take or pay” provisions;

(iii) all Contracts that provide for the indemnification by the Company of any Person or the assumption of any Tax, environmental or other Liability of any Person;

(iv) all Contracts that relate to the acquisition or disposition of any business, a material amount of stock or assets of any other Person or any real property (whether by merger, sale of stock, sale of assets or otherwise);

(v) all broker, distributor, dealer, manufacturer’s representative, franchise, agency, sales promotion, market research, marketing consulting and advertising Contracts to which the Company is a party;

(vi) all employment agreements and Contracts with independent contractors or consultants (or similar arrangements) to which the Company is a party and which are not cancellable without material penalty or without more than 90 days' notice;

(vii) except for Contracts relating to trade receivables, all Contracts relating to indebtedness (including, without limitation, guarantees) of the Company;

(viii) except for those Contracts relating to commercially available off-the-shelf items as defined in Subpart 2.101 of the Federal Acquisition Regulations, all Contracts with any Governmental Authority to which the Company is a party;

(ix) all Contracts that limit or purport to limit the ability of the Company to compete in any line of business or with any Person or in any geographic area or during any period of time;

(x) any Contracts to which the Company is a party that provide for any joint venture, partnership or similar arrangement by the Company;

(xi) all Contracts between or among the Company on the one hand and Seller or any Affiliate of Seller (other than the Company) on the other hand;

(xii) all collective bargaining agreements or Contracts with any Union to which the Company is a party; and

(xiii) any other Contract that is material to the Company and not previously disclosed pursuant to this **Section 3.09**.

(b) Each Material Contract is valid and binding on the Company in accordance with its terms and is in full force and effect. None of the Company or, to Seller's Knowledge, any other party thereto is in breach of or default under (or is alleged to be in breach of or default under) in any material respect, or has provided or received any notice of any intention to terminate, any Material Contract. No event or circumstance has occurred that, with notice or lapse of time or both, would constitute an event of default under any Material Contract or result in a termination thereof or would cause or permit the acceleration or other changes of any right or obligation or the loss of any benefit thereunder. Complete and correct copies of each Material Contract (including all modifications, amendments and supplements thereto and waivers thereunder) have been made available to Buyer.

Section 3.10 Title to Assets; Real Property.

(a) The Company has good and valid (and, in the case of owned Real Property, good and marketable fee simple) title to, or a valid leasehold interest in, all Real Property and personal property and other assets (including the Intellectual Property) reflected in the Audited Financial Statements or acquired after the Interim Balance Sheet Date, other than properties and assets sold or otherwise disposed of in the ordinary course of business consistent with past practice since the Interim Balance Sheet Date. The Parent, Seller and the Company do not own any Real Property. All such properties and assets (including the Intellectual Property, leasehold and license interests) are free and clear of Encumbrances except for the following (collectively referred to as "**Permitted Encumbrances**"):

(i) liens for Taxes not yet due and payable or being contested in good faith by appropriate procedures and for which there are adequate accruals or reserves on the Interim Balance Sheet;

(ii) mechanics, carriers', workmen's, repairmen's or other like liens arising or incurred in the ordinary course of business consistent with past practice or amounts that are not delinquent and which are not, individually or in the aggregate, material to the business of the Company;

(iii) easements, rights of way, zoning ordinances and other similar encumbrances affecting Real Property which are not, individually or in the aggregate, material to the business of the Company; or

(iv) other than with respect to owned Real Property, liens arising under original purchase price conditional sales contracts and equipment leases with third parties entered into in the ordinary course of business consistent with past practice which is not, individually or in the aggregate, material to the business of the Company.

(v) **Section 3.10(a)** of the Disclosure Schedule contains true, correct and complete copies of any and all transfer documents transferring personal property and assets (tangible or intangible) of Seller to the Company.

(b) Except as listed in **Section 3.10(b)** of the Disclosure Schedule, with respect to owned Real Property, Seller has delivered or made available to Buyer true, complete and correct copies of the deeds and other instruments (as recorded) by which the Company acquired such Real Property, and copies of all title insurance policies, opinions, abstracts and surveys in the possession of Seller or the Company and relating to the Real Property. Except as listed in **Section 3.10(b)** of the Disclosure Schedule, with respect to leased Real Property, Seller has delivered or made available to Buyer true, complete and correct copies of any leases affecting the Real Property. **Section 3.10(b)** Except as listed in **Section 3.10(b)** of the Disclosure Schedule, the Company is not a sublessor or grantor under any sublease or other instrument granting to any other Person any right to the possession, lease, occupancy or enjoyment of any leased Real Property. The use and operation of the Real Property in the conduct of the Company's business do not violate in any material respect any Law, covenant, condition, restriction, easement, license, permit or agreement. No material improvements constituting a part of the Real Property encroach on real property owned or leased by a Person other than the Company. There are no Actions pending nor, to the Seller's Knowledge, threatened against or affecting the Real Property or any portion thereof or interest therein in the nature or in lieu of condemnation or eminent domain proceedings. The landlord for the Company's office space at 111 Speen Street, Suite 510, Framingham, Massachusetts will consent to the change in control of the Company, as tenant, without additional financial considerations other than requiring a lease guaranty from Buyer.

Section 3.11 Condition And Sufficiency of Assets.

(a) Except as set forth in **Section 3.11** of the Disclosure Schedule, the buildings, plants, structures, furniture, fixtures, machinery, equipment, vehicles and other items of tangible personal property of the Company are structurally sound, are in good operating condition and repair, and are adequate for the uses to which they are being put, and none of such buildings, plants, structures, furniture, fixtures, machinery, equipment, vehicles and other items of tangible personal property is in need of maintenance or repairs except for ordinary, routine maintenance and repairs that are not material in nature or cost.

(b) The buildings, plants, structures, furniture, fixtures, machinery, equipment, vehicles and other items of tangible personal property currently owned or leased by the Company, together with all other properties and assets of the Company including the Intellectual Property, leasehold and license interests) are sufficient for the continued conduct of the Company's business after the Closing in substantially the same manner as conducted prior to the Closing and constitute all of the rights, property and assets necessary to conduct the business of the Company as currently conducted.

Section 3.12 Intellectual Property.

(a) "**Intellectual Property**" means all of the following and similar intangible property and related proprietary rights, interests and protections, however arising, pursuant to the Laws of any jurisdiction throughout the world that is owned by the Company ("**Company Intellectual Property**") and that in which the Company holds exclusive or non-exclusive rights or interests granted by license from other Persons, including the Seller ("**Licensed Intellectual Property**"):

(i) trademarks, service marks, trade names, brand names, logos, trade dress and other proprietary indicia of goods and services, whether registered, unregistered or arising by Law, and all registrations and applications for registration of such trademarks, including intent-to-use applications, and all issuances, extensions and renewals of such registrations and applications;

(ii) Internet domain names, whether or not trademarks, registered in any generic top level domain by any authorized private registrar or Governmental Authority;

(iii) original works of authorship in any medium of expression, whether or not published, including but not limited to the "**Software and Technology**" (as defined below) all copyrights (whether registered, unregistered or arising by Law), all registrations and applications for registration of such copyrights, and all issuances, extensions and renewals of such registrations and applications;

(iv) confidential information, formulas, designs, devices, know-how, research and development, inventions, methods, processes, compositions and other trade secrets, whether or not patentable; and

(v) patented and patentable designs and inventions, all design, plant and utility patents, letters patent, utility models, pending patent applications and provisional applications and all issuances, divisions, continuations, continuations-in-part, reissues, extensions, reexaminations and renewals of such patents and applications.

The term “**Software and Technology**” means any and all software, applications, systems, programs, source code, object code, logic, logic diagrams, flowcharts, algorithms, routines, sub-routines, utilities, tools, modules, file structures, coding sheets, coding, functional specifications, program specifications, designs, technical data, improvements, modifications, and versions thereof, and any documentation and other tangible embodiments of the foregoing, whether in eye readable or machine readable form, training manuals, user guides, end user instructional information, and all related technology information, that is used in, incorporated in, embodied in or displayed by any of the products or services developed, manufactured, marketed, licensed or sold in connection with the Company’s business, or are used in the design, development, reproduction, maintenance or modification of any of products or services developed, manufactured, marketed, licensed or sold in connection with the Company’s business.

(b) **Section 3.12(b)** of the Disclosure Schedule lists all Company Intellectual Property that is either (i) subject to any issuance, registration, application or other filing by, to or with any Governmental Authority or authorized private registrar in any jurisdiction (collectively, “**Intellectual Property Registrations**”), including registered trademarks, domain names and copyrights, issued and reissued patents and pending applications for any of the foregoing, or (ii) not subject to any applications or registration but is used in or necessary for the Company’s current or planned business or operations including any of the products or services developed, manufactured, marketed, licensed or sold or to be sold in connection with the Company’s business and operations. All required filings and fees related to the Intellectual Property Registrations have been timely filed with and paid to the relevant Governmental Authorities and authorized registrars, and all Intellectual Property Registrations are otherwise in good standing. Seller has provided Buyer with true and complete copies of file histories, documents, certificates, office actions, correspondence and other materials related to all Intellectual Property Registrations.

(c) Except as set forth in **Section 3.12(c)** of the Disclosure Schedule, the Company owns exclusively all right, title and interest in and to the Company Intellectual Property, free and clear of Encumbrances. Except as listed in the said section of the Disclosure Schedule, Seller has entered into binding, written agreements with every current and former employee of the Company, and with every current and former independent contractor, whereby such employees and independent contractors (i) assign to the Company any ownership interest and right they may have in the Company Intellectual Property; and (ii) acknowledge the Company’s exclusive ownership of all Company Intellectual Property. Seller has provided Buyer with true and complete copies of all such agreements. The Company is in full compliance with all legal requirements applicable to the Company Intellectual Property and the Company’s ownership and use thereof.

(d) **Section 3.12(d)** of the Disclosure Schedule lists all licenses, sublicenses and other agreements whereby the Company is granted rights, interests and authority, whether on an exclusive or non-exclusive basis, with respect to any Licensed Intellectual Property that is used in or necessary for the Company's current or planned business or operations. Seller has provided Buyer with true and complete copies of all such agreements. All such agreements are valid, binding and enforceable between the Company and the other parties thereto, and the Company and such other parties are in full compliance with the terms and conditions of such agreements.

(e) The Company Intellectual Property and Licensed Intellectual Property as currently or formerly owned, licensed or used by the Company or proposed to be used, and the Company's conduct of its business as currently and formerly conducted and proposed to be conducted have not, do not and will not infringe, violate or misappropriate the Intellectual Property of any Person. Except as listed on Section 3.12(e) of the Disclosure Schedule, neither Seller nor the Company has received any communication, and no Action has been instituted, settled, nor to Seller's Knowledge threatened, that alleges any such infringement, violation or misappropriation, and none of the Company Intellectual Property is subject to any outstanding Governmental Order.

(f) **Section 3.12(f)** of the Disclosure Schedule lists all licenses, sublicenses and other agreements pursuant to which the Company grants rights or authority to any Person with respect to any Company Intellectual Property or Licensed Intellectual Property. Seller has provided Buyer with true and complete copies of all such agreements. All such agreements are valid, binding and enforceable between the Company and the other parties thereto, and the Company and such other parties are in full compliance with the terms and conditions of such agreements. No Person has infringed, violated or misappropriated, or is infringing, violating or misappropriating, any Company Intellectual Property.

(g) **Section 3.12(g)** of the Disclosure Schedule lists all of the products or services that are currently out-licensed, rendered or sold by the Company in connection with the Company's business and operations, or for which the Company is currently planning to do so.

Section 3.13 Inventory. All inventory of the Company, whether or not reflected in the Interim Balance Sheet, consists of a quality and quantity usable and saleable in the ordinary course of business consistent with past practice, except for obsolete, damaged, defective or slow-moving items that have been written off or written down to fair market value or for which adequate reserves have been established. Except as listed in the said section of the Disclosure Schedule, all such inventory is owned by the Company free and clear of all Encumbrances, and no inventory is held on a consignment basis. The quantities of each item of inventory (whether raw materials, work-in-process or finished goods) are not excessive, but are reasonable in the present circumstances of the Company.

Section 3.14 Accounts Receivable. The accounts receivable reflected on the Interim Balance Sheet and the accounts receivable arising after the date thereof (a) have arisen from bona fide transactions entered into by the Company involving the sale of goods or the rendering of services in the ordinary course of business consistent with past practice; and (b) constitute only valid, undisputed claims of the Company not subject to claims of set-off or other defenses or counterclaims other than normal cash discounts accrued in the ordinary course of business consistent with past practice. The reserve for bad debts shown on the Interim Balance Sheet or, with respect to accounts receivable arising after the Interim Balance Sheet Date, on the accounting records of the Company have been determined in accordance with GAAP, consistently applied, subject to normal year-end adjustments and the absence of disclosures normally made in footnotes. **Schedule 3.14** of the Disclosure Schedule includes an accurate and complete aging of all accounts and notes receivable of the Company as of the last day of the month preceding the Closing Date, showing amounts due in 30-day aging categories.

Section 3.15 Customers and Suppliers.

(a) **Section 3.15(a)** of the Disclosure Schedule sets forth (i) each customer who has paid aggregate consideration to the Company for goods or services rendered in an amount greater than or equal to \$10,000 for each of the period of January 1, 2011 through June 30, 2012 (collectively, the “**Material Customers**”); and (ii) the amount of consideration paid by each Material Customer during such periods. Except as set forth on Schedule 3.15(a), the Company has not received any notice, and has no reason to believe, that any of its Material Customers has ceased, or intends to cease after the Closing, to use its goods or services or to otherwise terminate or materially reduce its relationship with the Company.

(b) **Section 3.15(b)** of the Disclosure Schedule sets forth (i) each supplier to whom the Company has paid consideration for goods or services rendered in an amount greater than or equal to \$15,000 for period of January 1, 2011 through June 30, 2012 (collectively, the “**Material Suppliers**”); and (ii) the amount of purchases from each Material Supplier during such periods. The Company has not received any notice, and has no reason to believe, that any of its Material Suppliers has ceased, or intends to cease, to supply goods or services to the Company or to otherwise terminate or materially reduce its relationship with the Company.

Section 3.16 Insurance. Section 3.16 of the Disclosure Schedule sets forth a true and complete list of all current policies or binders of fire, liability, product liability, umbrella liability, errors and omissions, intellectual property and/or infringement liability, real and personal property, workers' compensation, vehicular, directors and officers' liability, fiduciary liability and other casualty and property insurance maintained by Seller or its Affiliates (including the Company) and relating to the assets, business, operations, employees, officers and directors of the Company (collectively, the "**Insurance Policies**") and true and complete copies of such Insurance Policies have been made available to Buyer. Such Insurance Policies are in full force and effect and shall remain in full force and effect following the consummation of the transactions contemplated by this Agreement. Neither the Seller nor any of its Affiliates (including the Company) has received any written notice of cancellation of, premium increase with respect to, or alteration of coverage under, any of such Insurance Policies. All premiums due on such Insurance Policies have either been paid or, if due and payable prior to Closing, will be paid prior to Closing in accordance with the payment terms of each Insurance Policy. The Insurance Policies do not provide for any retrospective premium adjustment or other experience-based liability on the part of the Company. All such Insurance Policies (a) are valid and binding in accordance with their terms; (b) are provided by carriers who are financially solvent; and (c) have not been subject to any lapse in coverage. Except as set forth on **Section 3.16** of the Disclosure Schedule, there are no claims related to the business of the Company pending under any such Insurance Policies as to which coverage has been questioned, denied or disputed or in respect of which there is an outstanding reservation of rights. None of Seller or any of its Affiliates (including the Company) is in default under, or has otherwise failed to comply with, in any material respect, any provision contained in any such Insurance Policy. The Insurance Policies are of the type and in the amounts customarily carried by Persons conducting a business similar to the Company and are sufficient for compliance with all applicable Laws and Contracts to which the Company is a party or by which it is bound.

Section 3.17 Legal Proceedings; Governmental Orders.

(a) Except as set forth in **Section 3.17(a)** of the Disclosure Schedule, there are no Actions pending or, to Seller's Knowledge, threatened (a) against or by the Company affecting any of its properties or assets (or by or against Seller or any Affiliate thereof and relating to the Company); or (b) against or by the Company, Seller or any Affiliate of Seller that challenges or seeks to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such Action.

(b) Except as set forth in **Section 3.17(b)** of the Disclosure Schedule, there are no outstanding Governmental Orders and no unsatisfied judgments, penalties or awards against or affecting the Company or any of its properties or assets. The Company is in compliance with the terms of each Governmental Order set forth in **Section 3.17(b)** of the Disclosure Schedule. No event has occurred or circumstances exist that may constitute or result in (with or without notice or lapse of time) a violation of any such Governmental Order.

Section 3.18 Compliance With Laws; Permits.

(a) Except as set forth in **Section 3.18(a)** of the Disclosure Schedule, the Company has complied, and is now complying, with all Laws applicable to it or its business, properties or assets.

(b) All Permits required for the Company to conduct its business have been obtained by it and are valid and in full force and effect. All fees and charges with respect to such Permits as of the date hereof have been paid in full. **Section 3.18(b)** of the Disclosure Schedule lists all current Permits issued to the Company, including the names of the Permits and their respective dates of issuance and expiration. No event has occurred that, with or without notice or lapse of time or both, would reasonably be expected to result in the revocation, suspension, lapse or limitation of any Permit set forth in **Section 3.18(b)** of the Disclosure Schedule.

Section 3.19 Environmental Matters.

(a) The Company is currently and has been in compliance with all Environmental Laws and has not, and the Company and Seller have not, received from any Person any: (i) Environmental Notice or Environmental Claim; or (ii) written request for information pursuant to Environmental Law, which, in each case, either remains pending or unresolved, or is the source of ongoing obligations or requirements as of the Closing Date.

(b) The Company has obtained and is in material compliance with all Environmental Permits (each of which is disclosed in **Section 3.19(b)** of the Disclosure Schedule) necessary for the ownership, lease, operation or use of the business or assets of the Company and all such Environmental Permits are in full force and effect and shall be maintained in full force and effect by Seller through the Closing Date in accordance with Environmental Law, and neither Seller nor the Company is aware of any condition, event or circumstance that might prevent or impede, after the Closing Date, the ownership, lease, operation or use of the business or assets of the Company as currently carried out. With respect to any such Environmental Permits, Seller has undertaken, or will undertake prior to the Closing Date, all measures necessary to facilitate transferability of the same, and neither the Company nor the Seller is aware of any condition, event or circumstance that might prevent or impede the transferability of the same, nor have they received any Environmental Notice or written communication regarding any material adverse change in the status or terms and conditions of the same.

(c) No real property currently or formerly owned, operated or leased by the Company is listed on, or has been proposed for listing on, the National Priorities List (or CERCLIS) under CERCLA, or any similar state list.

(d) There has been no Release of Hazardous Materials in contravention of Environmental Law with respect to the business or assets of the Company or any real property currently or formerly owned, operated or leased by the Company, and neither the Company nor Seller has received an Environmental Notice that any real property currently or formerly owned, operated or leased in connection with the business of the Company (including soils, groundwater, surface water, buildings and other structure located on any such real property) has been contaminated with any Hazardous Material which could reasonably be expected to result in an Environmental Claim against, or a violation of Environmental Law or term of any Environmental Permit by, Seller or the Company.

(e) **Section 3.19(e)** of the Disclosure Schedule contains a complete and accurate list of all active or abandoned aboveground or underground storage tanks owned or operated by the Company.

(f) **Section 3.19(f)** of the Disclosure Schedule contains a complete and accurate list of all off-site Hazardous Materials treatment, storage, or disposal facilities or locations used by the Company or Seller and any predecessors as to which the Company or Seller may retain liability, and none of these facilities or locations has been placed or proposed for placement on the National Priorities List (or CERCLIS) under CERCLA, or any similar state list, and neither Seller nor the Company has received any Environmental Notice regarding potential liabilities with respect to such off-site Hazardous Materials treatment, storage, or disposal facilities or locations used by the Company or Seller.

(g) Neither Seller nor the Company has retained or assumed, by contract or operation of Law, any liabilities or obligations of third parties under Environmental Law.

(h) Seller has provided or otherwise made available to Buyer and listed in **Section 3.19(h)** of the Disclosure Schedule: (i) any and all environmental reports, studies, audits, records, sampling data, site assessments, risk assessments, economic models and other similar documents with respect to the business or assets of the Company or any currently or formerly owned, operated or leased real property which are in the possession or control of the Seller or Company related to compliance with Environmental Laws, Environmental Claims or an Environmental Notice or the Release of Hazardous Materials; and (ii) any and all material documents concerning planned or anticipated capital expenditures required to reduce, offset, limit or otherwise control pollution and/or emissions, manage waste or otherwise ensure compliance with current or future Environmental Laws (including, without limitation, costs of remediation, pollution control equipment and operational changes).

(i) Neither the Seller nor the Company is aware of or reasonably anticipates, as of the Closing Date, any condition, event or circumstance concerning the Release or regulation of Hazardous Materials that might, after the Closing Date, prevent, impede or materially increase the costs associated with the ownership, lease, operation, performance or use of the business or assets of the Company as currently carried out.

Section 3.20 Employee Benefit Matters.

(a) **Section 3.20(a)** of the Disclosure Schedule contains a true and complete list of each pension, benefit, retirement, compensation, profit-sharing, deferred compensation, incentive, performance award, phantom equity, stock or stock-based, change in control, retention, severance, vacation, paid time off, fringe-benefit and other similar agreement, plan, policy, program or arrangement (and any amendments thereto), in each case whether or not reduced to writing and whether funded or unfunded, including each “employee benefit plan” within the meaning of Section 3(3) of ERISA, whether or not tax-qualified and whether or not subject to ERISA, which is or has been maintained, sponsored, contributed to, or required to be contributed to by the Company for the benefit of any current or former employee, officer, director, retiree, independent contractor or consultant of the Company or any spouse or dependent of such individual, or under which the Company has or may have any Liability, or with respect to which Buyer or any of its Affiliates would reasonably be expected to have any Liability, contingent or otherwise (as listed on **Section 3.20(a)** of the Disclosure Schedule, each, a “**Benefit Plan**”).

(b) With respect to each Benefit Plan, Seller has made available to Buyer accurate, current and complete copies of each of the following: (i) where the Benefit Plan has been reduced to writing, the plan document together with all amendments; (ii) where the Benefit Plan has not been reduced to writing, a written summary of all material plan terms; (iii) where applicable, copies of any trust agreements or other funding arrangements, custodial agreements, insurance policies and contracts, administration agreements and similar agreements, and investment management or investment advisory agreements, now in effect or required in the future as a result of the transactions contemplated by this Agreement or otherwise; (iv) copies of any summary plan descriptions, summaries of material modifications, employee handbooks and any other written communications (or a description of any oral communications) relating to any Benefit Plan; (v) in the case of any Benefit Plan that is intended to be qualified under Section 401(a) of the Code, a copy of the most recent determination, opinion or advisory letter from the Internal Revenue Service; (vi) in the case of any Benefit Plan for which a Form 5500 is required to be filed, a copy of the most recently filed Form 5500, with schedules attached; (vii) actuarial valuations and reports related to any Benefit Plans with respect to the two most recently completed plan years; and (viii) copies of material notices, letters or other correspondence from the Internal Revenue Service, Department of Labor or Pension Benefit Guaranty Corporation relating to the Benefit Plan.

(c) Except as set forth in **Section 3.20(c)** of the Disclosure Schedule, each Benefit Plan (other than any multi-employer plan within the meaning of Section 3(37) of ERISA (each a “**Multi-employer Plan**”)) has been established, administered and maintained in accordance with its terms and in compliance with all applicable Laws (including ERISA and the Code). Each Benefit Plan that is intended to be qualified under Section 401(a) of the Code (a “**Qualified Benefit Plan**”) is so qualified and has received a favorable and current determination letter from the Internal Revenue Service, or with respect to a prototype plan, can rely on an opinion letter from the Internal Revenue Service to the prototype plan sponsor, to the effect that such Qualified Benefit Plan is so qualified and that the plan and the trust related thereto are exempt from federal income taxes under Sections 401(a) and 501(a), respectively, of the Code, and nothing has occurred that could reasonably be expected to cause the revocation of such determination letter from the Internal Revenue Service or the unavailability of reliance on such opinion letter from the Internal Revenue Service, as applicable, nor has such revocation or unavailability been threatened. Nothing has occurred with respect to any Benefit Plan that has subjected or could reasonably be expected to subject the Company or, with respect to any period on or after the Closing Date, Buyer or any of its Affiliates, to a penalty under Section 502 of ERISA or to tax or penalty under Section 4975 of the Code. Except as set forth in **Section 3.20(c)** of the Disclosure Schedule, all benefits, contributions and premiums relating to each Benefit Plan have been timely paid in accordance with the terms of such Benefit Plan and all applicable Laws and accounting principles, and all benefits accrued under any unfunded Benefit Plan have been paid, accrued or otherwise adequately reserved to the extent required by, and in accordance with, GAAP.

(d) Neither the Company nor any of its ERISA Affiliates has (i) incurred or reasonably expects to incur, either directly or indirectly, any material Liability under Title I or Title IV of ERISA or related provisions of the Code or foreign Law relating to employee benefit plans; (ii) failed to timely pay premiums to the Pension Benefit Guaranty Corporation; (iii) withdrawn from any Benefit Plan; or (iv) engaged in any transaction which would give rise to liability under Section 4069 or Section 4212(c) of ERISA.

(e) With respect to each Benefit Plan (i) no such plan is a “multiple employer plan” within the meaning of Section 413(c) of the Code or a “multiple employer welfare arrangement” (as defined in Section 3(40) of ERISA); (ii) no Action has been initiated by the Pension Benefit Guaranty Corporation to terminate any such plan or to appoint a trustee for any such plan; and (iii) no “reportable event,” as defined in Section 4043 of ERISA, has occurred with respect to any such plan.

(f) Except as required by applicable Law, no provision of any Benefit Plan or collective bargaining agreement could reasonably be expected to result in any limitation on Buyer or any of its Affiliates from amending or terminating any Benefit Plan. The Company has no commitment or obligation and has not made any representations to any employee, officer, director, consultant or independent contractor, whether or not legally binding, to adopt, amend or modify any Benefit Plan or any collective bargaining agreement, in connection with the consummation of the transactions contemplated by this Agreement or otherwise.

(g) Other than as required under Section 601 et. seq. of ERISA or other applicable Law, no Benefit Plan provides post-termination or retiree welfare benefits to any individual for any reason, and neither the Company nor any of its ERISA Affiliates has any Liability to provide post-termination or retiree welfare benefits to any individual or ever represented, promised or contracted to any individual that such individual would be provided with post-termination or retiree welfare benefits.

(h) There is no pending or, to Seller's Knowledge, threatened Action relating to a Benefit Plan (other than routine claims for benefits), and no Benefit Plan has within the three years prior to the date hereof been the subject of an examination or audit by a Governmental Authority or the subject of an application or filing under or is a participant in, an amnesty, voluntary compliance, self-correction or similar program sponsored by any Governmental Authority.

(i) There has been no amendment to, announcement by Seller, the Company or any of their Affiliates relating to, or change in employee participation or coverage under, any Benefit Plan or collective bargaining agreement that would increase the annual expense of maintaining such plan above the level of the expense incurred for the most recently completed fiscal year with respect to any director, officer, employee, consultant or independent contractor, as applicable. None of Seller, the Company, nor any of their Affiliates has any commitment or obligation or has made any representations to any director, officer, employee, consultant or independent contractor, whether or not legally binding, to adopt, amend or modify any Benefit Plan or any collective bargaining agreement.

(j) Each Benefit Plan that is subject to Section 409A of the Code has been operated in compliance with such section and all applicable regulatory guidance (including notices, rulings and proposed and final regulations).

(k) Each individual who is classified by the Company as an independent contractor has been properly classified for purposes of participation and benefit accrual under each Benefit Plan.

(l) Neither the execution of this Agreement nor any of the transactions contemplated by this Agreement will (either alone or upon the occurrence of any additional or subsequent events): (i) entitle any current or former director, officer, employee, contractor or consultant of the Company to severance pay or any other payment; (ii) accelerate the time of payment, funding or vesting, or increase the amount of compensation due to any such individual; (iii) limit or restrict the right of the Company to merge, amend or terminate any Benefit Plan; (iv) increase the amount payable under or result in any other material obligation pursuant to any Benefit Plan; or (v) result in "excess parachute payments" within the meaning of Section 280G(b) of the Code.

Section 3.21 Employment Matters.

(a) **Section 3.21(a)** of the Disclosure Schedule contains a list of all persons who are employees, consultants, or contractors of the Company as of the date hereof, and sets forth for each such individual the following: (i) name; (ii) title or position (including whether full or part time); (iii) hire date; (iv) current annual base compensation rate; (v) commission, bonus or other incentive-based compensation; and (vi) a description of the fringe benefits provided to each such individual as of the date hereof. As of the date hereof, all compensation, including wages, commissions and bonuses, payable to employees, consultants, or contractors of the Company for services performed on or prior to the date hereof have been paid in full (or accrued in full on the Closing Adjusted Working Capital Statement) and there are no outstanding agreements, understandings or commitments of the Company with respect to any commissions, bonuses or increases in compensation.

(b) The Company is not, and has not been for the past three years, a party to, bound by, or negotiating any collective bargaining agreement or other Contract with a union, works council or labor organization (collectively, “**Union**”), and there is not, and has not been for the past three years, any Union representing or purporting to represent any employee of the Company, and, to Seller’s Knowledge, no Union or group of employees is seeking or has sought to organize employees for the purpose of collective bargaining. There has never been, nor has there been any threat of, any strike, slowdown, work stoppage, lockout, concerted refusal to work overtime or other similar labor disruption or dispute affecting the Company or any of its employees. The Company has no duty to bargain with any Union.

(c) The Company is and has been in compliance in all material respects with the terms of the Contracts listed on **Section 3.21(b)** of the Disclosure Schedule and all applicable Laws pertaining to employment and employment practices, including all Laws relating to labor relations, equal employment opportunities, fair employment practices, employment discrimination, harassment, retaliation, reasonable accommodation, disability rights or benefits, immigration, wages, hours, overtime compensation, child labor, hiring, promotion and termination of employees, working conditions, meal and break periods, privacy, health and safety, workers’ compensation, leaves of absence and unemployment insurance. All individuals characterized and treated by the Company as consultants or contractors are properly treated as independent contractors under all applicable Laws. All employees classified as exempt under the Fair Labor Standards Act and state and local wage and hour laws are properly classified in all material respects. Except as set forth in **Section 3.21(c)** of the Disclosure Schedule, there are no Actions against the Company pending, or to the Seller’s Knowledge, threatened to be brought or filed, by or with any Governmental Authority or arbitrator in connection with the employment of any current or former applicant, employee, consultant, volunteer, intern or independent contractor of the Company, including, without limitation, any claim relating to unfair labor practices, employment discrimination, harassment, retaliation, equal pay, wage and hours or any other employment related matter arising under applicable Laws.

(d) The Company has complied in all material respects with regard to its obligations in the UK under the Transfer of Undertakings (Protection of Employment) Regulations (2006).

Section 3.22 Taxes.

(a) All Tax Returns required to be filed on or before the Closing Date by the Company have been, or will be, timely filed. Such Tax Returns are, or will be, true, complete and correct in all respects. All Taxes due and owing by the Company (whether or not shown on any Tax Return) have been, or will be, timely paid by the Closing Date.

(b) The Company has withheld and paid each Tax required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, customer, shareholder or other party, and complied with all information reporting and backup withholding provisions of applicable Law.

(c) No claim has been made by any taxing authority in any jurisdiction where the Company does not file Tax Returns that it is, or may be, subject to Tax by that jurisdiction.

(d) No extensions or waivers of statutes of limitations have been given or requested with respect to any Taxes of the Company.

(e) The amount of the Company's Liability for unpaid Taxes for all periods ending on or before December 31, 2011 does not, in the aggregate, exceed the amount of accruals for Taxes (excluding reserves for deferred Taxes) reflected on the Financial Statements. The amount of the Company's Liability for unpaid Taxes for all periods following the end of the recent period covered by the Financial Statements shall not, in the aggregate, exceed the amount of accruals for Taxes (excluding reserves for deferred Taxes) as adjusted for the passage of time in accordance with the past custom and practice of the Company (and which accruals shall not exceed comparable amounts incurred in similar periods in prior years).

(f) **Section 3.22(f)** of the Disclosure Schedule sets forth:

(i) the taxable years of the Company as to which the applicable statutes of limitations on the assessment and collection of Taxes have not expired;

(ii) those years for which examinations by the taxing authorities have been completed; and

(iii) those taxable years for which examinations by taxing authorities are presently being conducted.

(g) All deficiencies asserted, or assessments made, against the Company as a result of any examinations by any taxing authority have been fully paid.

(h) The Company is not a party to any Action by any taxing authority. There are no pending or threatened Actions by any taxing authority.

(i) Seller has delivered to Buyer copies of all federal, state, local and foreign income, franchise and similar Tax Returns, examination reports, and statements of deficiencies assessed against, or agreed to by, the Company for all Tax periods ending after December 31, 2006.

(j) There are no Encumbrances for Taxes (other than for current Taxes not yet due and payable) upon the assets of the Company.

(k) The Company is not a party to, or bound by, any Tax indemnity, Tax-sharing or Tax allocation agreement.

(l) The Company is not a party to, or bound by, any closing agreement or offer in compromise with any taxing authority.

(m) No private letter rulings, technical advice memoranda or similar agreement or rulings have been requested, entered into or issued by any taxing authority with respect to the Company.

(n) The Company has not been a member of an affiliated, combined, consolidated or unitary Tax group for Tax purposes. The Company has no Liability for Taxes of any Person (other than the Company) under Treasury Regulations Section 1.1502-6 (or any corresponding provision of state, local or foreign Law), as transferee or successor, by contract or otherwise.

(o) The Company has not agreed to make, nor is it required to make, any adjustment under Sections 481(a) or 263A of the Code or any comparable provision of state, local or foreign Tax Laws by reason of a change in accounting method or otherwise. The Company has not taken any action that could defer a Liability for Taxes of the Company from any Pre-Closing Tax Period to any Post-Closing Tax Period.

(p) The Company is not, nor has it been, a United States real property holding corporation (as defined in Section 897(c)(2) of the Code) during the applicable period specified in Section 897(c)(1)(a) of the Code.

(q) The Company has not been a “distributing corporation” or a “controlled corporation” in connection with a distribution described in Section 355 of the Code.

(r) The Company is not, and has not been, a party to, or a promoter of, a “reportable transaction” within the meaning of Section 6707A(c)(1) of the Code and Treasury Regulations Section 1.6011-4(b).

(s) **Section 3.22(s)** of the Disclosure Schedule sets forth all foreign jurisdictions in which the Company is subject to Tax, is engaged in business or has a permanent establishment. The Company has not entered into a gain recognition agreement pursuant to Treasury Regulations Section 1.367(a)-8. The Company has not transferred an intangible the transfer of which would be subject to the rules of Section 367(d) of the Code.

Section 3.23 Books and Records. The minute books and stock record books of the Company, all of which have been made available to Buyer, are complete and correct and have been maintained in accordance with sound business practices. The minute books of the Company contain accurate and complete records of all meetings, and actions taken by written consent of, the stockholders, the board of directors and any committees of the board of directors of the Company, and no meeting, or action taken by written consent, of any such stockholders, board of directors or committee has been held for which minutes have not been prepared and are not contained in such minute books. At the Closing, all of those books and records will be in the possession of the Company.

Section 3.24 Brokers. Except for Mooreland Partners (as to which fees the Seller is solely responsible for payment through the Closing Holdback Amount), no broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or any other transaction document based upon arrangements made by or on behalf of Seller.

Section 3.25 Regarding the Acquisition of Buyer Stock. In connection with the Seller's acquisition of Buyer Stock, the Seller represents:

(a) It has been given access to full and complete information regarding the Buyer and its business and has used such access to Seller's satisfaction for the purpose of obtaining information. The Seller has had the opportunity to ask questions of, and to receive answers from, the officers of the Buyer concerning the Buyer and its business and the terms and conditions of the investment and to obtain any additional information concerning the Buyer, its business and the Buyer Stock. The undersigned has received all information the undersigned considers necessary or advisable in order to make an investment decision.

(b) Without limiting the generality of the foregoing, the Seller has reviewed all of the Buyer's annual, quarterly and periodic filings with the Securities and Exchange Commission (the "**SEC Filings**").

(c) The Seller understands that a purchase of the Buyer Stock is speculative and involves a high degree of risk, but has the financial position to hold the Buyer Stock for an indefinite period of time and to bear the economic risk and withstand a complete loss of its investment. The Seller has carefully reviewed the risk factors set forth in the SEC Filings.

(d) The Seller believes the Buyer Stock is a suitable investment for it based upon its investment objectives and financial needs. The Seller is an "accredited investor" within the meaning of Regulation D under the Securities Act of 1933, as amended. The Seller has no need for liquidity with respect to its investment in the Buyer.

(e) The Seller has had the opportunity to consult with its own tax counsel and is not relying on the Buyer or its officers with respect to the tax considerations involved in its investment in Buyer Stock.

(f) The Seller has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Buyer and protecting its own interests in connection with the investment.

(g) The Seller is acquiring the Buyer Stock for its own account, for investment purposes and not with any intent to resell the Buyer Stock, and no other person has a direct or indirect beneficial interest in the Buyer Stock. The Seller is not a resident of the United States.

(h) The Seller represents and agrees that it will not sell or otherwise transfer the Buyer Stock without compliance with the Lock-Up Agreement and registration under the Securities Act of 1933, as amended, or an exemption therefrom, and understands and agrees that it must bear the economic risk of an investment in the Buyer Stock for an indefinite period of time because the Buyer Stock has not been, and will not be, registered under the Securities Act of 1933, as amended, or under the securities laws of any state.

(i) The Seller realizes that the Buyer is under no obligation, and does not intend, to register the Buyer Stock on the Seller's behalf or to assist Seller in complying with any exemption from registration, that the Seller may not be able to sell the Buyer Stock or otherwise liquidate such investment in the event of an emergency or pledge the Buyer Stock as collateral for loans and that legends will be placed on the certificates evidencing the Buyer Stock referring to the applicable restrictions on transferability, including with respect to the Lock-Up Agreement.

(j) The Seller acknowledges that the offer and sale of the Buyer Stock to it has not been accomplished by any form of general solicitation or general advertising.

Section 3.26 Full Disclosure. No representation or warranty by Parent or Seller in this Agreement and no statement contained in the Disclosure Schedule to this Agreement or any certificate or other document furnished or to be furnished to Buyer pursuant to this Agreement contains any untrue statement of a material fact, or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances in which they are made, not misleading.

ARTICLE IV **Representations and warranties of buyer**

Except as set forth in the correspondingly numbered Section of the Disclosure Schedule, Buyer represents and warrants to Parent and Seller that the statements contained in this **Article IV** are true and correct as of the date hereof.

Section 4.01 Organization and Authority of Buyer. Buyer is a corporation duly organized, validly existing and in good standing under the Laws of the state of Delaware. Buyer has full corporate power and authority to enter into this Agreement and the other transaction documents to which Buyer is a party, to carry out its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Buyer of this Agreement and any other transaction document to which Buyer is a party, the performance by Buyer of its obligations hereunder and thereunder and the consummation by Buyer of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of Buyer. This Agreement has been duly executed and delivered by Buyer, and (assuming due authorization, execution and delivery by Seller) this Agreement constitutes a legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with its terms. When each other transaction document to which Buyer is or will be a party has been duly executed and delivered by Buyer (assuming due authorization, execution and delivery by each other party thereto), such transaction document will constitute a legal and binding obligation of Buyer enforceable against it in accordance with its terms.

Section 4.02 No Conflicts; Consents. The execution, delivery and performance by Buyer of this Agreement and the other transaction documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the certificate of incorporation, by-laws or other organizational documents of Buyer; (b) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to Buyer; or (c) require the consent, notice or other action by any Person under any Contract to which Buyer is a party. No consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to Buyer in connection with the execution and delivery of this Agreement and the other transaction documents and the consummation of the transactions contemplated hereby and thereby, except for such filings as may be required under the Securities Act of 1933, as amended, which, in the aggregate, would not have a Material Adverse Effect.

Section 4.03 Buyer Stock. The Buyer Stock issuable to Seller has been duly authorized and will be validly issued and fully paid and non-assessable.

Section 4.04 Brokers. Except for Monroe Credit Advisors LLC (the fees as to which the Buyer is solely responsible for payment), no broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or any other transaction document based upon arrangements made by or on behalf of Buyer.

Section 4.05 Legal Proceedings. There are no Actions pending or, to Buyer's knowledge, threatened against or by Buyer or any Affiliate of Buyer that challenge or seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise or serve as a basis for any such Action.

Section 4.06 Full Disclosure. No representation or warranty by Buyer in this Agreement and no statement contained in the Disclosure Schedule to this Agreement or any certificate or other document furnished or to be furnished to Seller pursuant to this Agreement contains any untrue statement of a material fact, or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances in which they are made, not misleading.

ARTICLE V
Covenants

Section 5.01 Resignations. Seller shall deliver to Buyer written resignations, effective as of the Closing Date, of the officers and directors of the Company and any Company Subsidiary.

Section 5.02 Confidentiality. From and after the Closing, Parent and Seller shall, and shall cause their Affiliates to, hold, and shall use its reasonable best efforts to cause its or their respective Representatives to hold, in confidence any and all information, whether written or oral, concerning the Company, except to the extent that Seller can show that such information (a) is generally available to and known by the public through no fault of Seller, any of its Affiliates or their respective Representatives; or (b) is lawfully acquired by Seller, any of its Affiliates or their respective Representatives from and after the Closing from sources which are not prohibited from disclosing such information by a legal, contractual or fiduciary obligation. If Seller or any of its Affiliates or their respective Representatives are compelled to disclose any information by judicial or administrative process or by other requirements of Law, Seller shall promptly notify Buyer in writing and shall disclose only that portion of such information which Seller is advised by its counsel in writing is legally required to be disclosed, *provided that* Seller shall use reasonable best efforts to obtain an appropriate protective order or other reasonable assurance that confidential treatment will be accorded such information.

Section 5.03 Non-competition; Non-solicitation.

(a) For purposes of Section 5.03, references to “Seller” shall mean “Seller and Parent” and references to the “Company” shall mean “the Company and the Company Subsidiaries”. For a period of two years commencing on the Closing Date (the “**Restricted Period**”), Seller shall not, and shall not permit any of its Affiliates to, directly or indirectly, (i) engage in or assist others in engaging in the Restricted Business in the Territory; (ii) have an interest in any Person that engages directly or indirectly in the Restricted Business in the Territory in any capacity, including as a partner, shareholder, member, employee, principal, agent, trustee or consultant; or (iii) intentionally interfere in any material respect with the business relationships (whether formed prior to or after the date of this Agreement) between the Company and customers or suppliers of the Company. Notwithstanding the foregoing, Seller may own, directly or indirectly, solely as an investment, securities of any Person traded on any national securities exchange if Seller is not a controlling Person of, or a member of a group which controls, such Person and does not, directly or indirectly, own 3% or more of any class of securities of such Person.

(b) During the Restricted Period, Seller shall not, and shall not permit any of its Affiliates to, directly or indirectly, hire or solicit any employee of the Company or encourage any such employee to leave such employment or hire any such employee who has left such employment, except pursuant to a general solicitation which is not directed specifically to any such employees; *provided, that* nothing in this **Section 5.03(b)** shall prevent Seller or any of its Affiliates from hiring (i) any employee whose employment has been terminated by the Company or Buyer or (ii) after one year from the date of termination of employment, any employee whose employment has been terminated by the employee.

(c) During the Restricted Period, Seller shall not, and shall not permit any of its Affiliates to, directly or indirectly, solicit or entice, or attempt to solicit or entice, any clients or customers of the Company or potential clients or customers of the Company for purposes of diverting their business or services from the Company.

(d) Seller acknowledges that a breach or threatened breach of this **Section 5.03** would give rise to irreparable harm to Buyer, for which monetary damages would not be an adequate remedy, and hereby agrees that in the event of a breach or a threatened breach by Seller of any such obligations, Buyer shall, in addition to any and all other rights and remedies that may be available to it in respect of such breach, be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction (without any requirement to post bond).

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

Section 5.04 Books and Records.

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

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

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

provided, however, that any books and records related to Tax matters shall be retained pursuant to the periods set forth in **Article VI**.

(b) In order to facilitate the resolution of any claims made by or against or incurred by Buyer or the Company after the Closing, or for any other reasonable purpose, for a period of three years following the Closing (or such longer period as required by Article VI), Parent and Seller shall:

(i) retain the books and records (including personnel files) of Parent and Seller which relate to the Company and the Company Subsidiaries and its operations for periods prior to the Closing; and

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

provided, however, that any books and records related to Tax matters shall be retained pursuant to the periods set forth in **Article VI**.

(c) Neither Buyer, Seller nor Parent shall be obligated to provide the other party with access to any books or records (including personnel files) pursuant to this **Section 5.04** where such access would violate any Law.

Section 5.05 Closing Conditions. From the date hereof until the Closing, each party hereto shall, and Parent and Seller shall cause the Company to, use reasonable best efforts to take such actions as are necessary to expeditiously satisfy the closing conditions set forth in **Article VII** hereof.

Section 5.06 Public Announcements. Unless otherwise required by applicable Law or stock exchange requirements (based upon the reasonable advice of counsel), no party to this Agreement shall make any public announcements in respect of this Agreement or the transactions contemplated hereby or otherwise communicate with any news media without the prior written consent of the other party (which consent shall not be unreasonably withheld or delayed), and the parties shall cooperate as to the timing and contents of any such announcement.

Section 5.07 Audit of Financial Statements for 2011. Parent's and Seller's Accountants have conducted an audit of the Parent's Consolidated Financial Statements at December 31, 2011. To the extent the fees and expenses of such Accountants (i) for the preparation, conduct and review of such audit, and (ii) to obtain their consent to the inclusion by Buyer of such Consolidated Financial Statements in Buyer's Form S-3 to be filed with SEC following the Closing Date, exceed the amounts listed for such expenses in the Closing Holdback Amount, Parent and Seller, jointly and severally, shall pay such excess amounts within 10 days after Buyer delivers an invoice related thereto.

Section 5.08 Further Assurances. Following the Closing, each of the parties hereto shall, and shall cause their respective Affiliates to, execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement.

ARTICLE VI Tax matters

Section 6.01 Tax Covenants.

(a) Without the prior written consent of Buyer, Parent and Seller (and, prior to the Closing, the Company, its Affiliates and their respective Representatives) shall not, to the extent it may affect, or relate to, the Company or any Company Subsidiary, make, change or rescind any Tax election, amend any Tax Return or take any position on any Tax Return, take any action, omit to take any action or enter into any other transaction that would have the effect of increasing the Tax liability or reducing any Tax asset of Buyer or the Company or any Company Subsidiary in respect of any Post-Closing Tax Period. Each of Parent and Seller agrees that Buyer is to have no liability for any Tax resulting from any action of Parent, Seller, the Company, its Affiliates or any of their respective Representatives, and agrees to jointly and severally indemnify and hold harmless Buyer (and, after the Closing Date, the Company) against any such Tax or reduction of any Tax asset.

(b) All transfer, documentary, sales, use, stamp, registration, value added and other such Taxes and fees (including any penalties and interest) incurred in connection with this Agreement and the other transaction documents (including any real property transfer Tax and any other similar Tax) shall be borne and paid by Parent and Seller, jointly and severally, when due. Parent and Seller shall, at their own expense, timely file any Tax Return or other document with respect to such Taxes or fees (and Buyer shall cooperate with respect thereto as necessary).

(c) Buyer shall prepare, or cause to be prepared, all Tax Returns required to be filed by the Company after the Closing Date with respect to a Pre-Closing Tax Period. Any such Tax Return shall be prepared in a manner consistent with past practice (unless otherwise required by Law) and without a change of any election or any accounting method and shall be submitted by Buyer to Parent and Seller (together with schedules, statements and, to the extent requested by Seller, supporting documentation) at least 30 days prior to the due date (including extensions) of such Tax Return. If Parent and Seller objects to any item on any such Tax Return, it shall, within ten days after delivery of such Tax Return, notify Buyer in writing that it so objects, specifying with particularity any such item and stating the specific factual or legal basis for any such objection. If a notice of objection shall be duly delivered, the parties shall negotiate in good faith and use their reasonable best efforts to resolve such items. If the parties are unable to reach such agreement within ten days after receipt by Buyer of such notice, the disputed items shall be resolved by Independent Accountants as set forth at §2.04(c) herein except that the fees and expenses of such accounting firm shall be borne equally by the parties.

Section 6.02 Termination of Existing Tax Sharing Agreements. Any and all existing Tax sharing agreements (whether written or not) binding upon the Company shall be terminated as of the Closing Date. After such date, neither the Company, Parent, the Seller nor any of Parent's or Seller's Affiliates nor their respective Representatives shall have any further rights or liabilities thereunder.

Section 6.03 Tax Indemnification. Except to the extent treated as a liability in the calculation of Closing Adjusted Working Capital, Parent and Seller, joint and severally, shall indemnify the Company, Buyer, and each Buyer Indemnitee and hold them harmless from and against (a) any Loss attributable to any breach of or inaccuracy in any representation or warranty made in **Section 3.22**; (b) any Loss attributable to any breach or violation of, or failure to fully perform, any covenant, agreement, undertaking or obligation in **Article VI**; (c) all Taxes of Parent, Seller, the Company and any Company Subsidiary or relating to the business of the any of the foregoing for all Pre-Closing Tax Periods; (d) all Taxes of any member of an affiliated, consolidated, combined or unitary group of which the Company (or any predecessor of the Company) is or was a member on or prior to the Closing Date by reason of a liability under Treasury Regulation Section 1.1502-6 or any comparable provisions of foreign, state or local Law; and (e) any and all Taxes of any person imposed on the Company arising under the principles of transferee or successor liability or by contract, relating to an event or transaction occurring before the Closing Date. In each of the above cases, together with any out-of-pocket fees and expenses (including attorneys' and accountants' fees) incurred in connection therewith. Parent and Seller, jointly and severally, shall reimburse Buyer for any Taxes of Parent, Seller, the Company, any Company Subsidiary that are the responsibility of Seller pursuant to this **Section 6.03** within ten Business Days after payment of such Taxes by Buyer or the Company. Late payments by Seller will accrue interest at a rate per annum of 8%, calculated daily on the basis of a 365-day year and the actual number of days elapsed, without compounding, Seller shall be responsible for any costs of collection, including reasonable attorneys' fees. Buyer may also exercise its rights of offset and holdback in **Section 8.06** as to any amount owing by Seller under this **Article VI**.

Section 6.04 Straddle Period. In the case of Taxes that are payable with respect to a taxable period that begins before and ends after the Closing Date (each such period, a “**Straddle Period**”), the portion of any such Taxes that are treated as Pre-Closing Taxes for purposes of this Agreement shall be:

(a) in the case of Taxes based upon, or related to, income or receipts, deemed equal to the amount which would be payable if the taxable year ended with the Closing Date; and

(b) in the case of other Taxes, deemed to be the amount of such Taxes for the entire period multiplied by a fraction the numerator of which is the number of days in the period ending on the Closing Date and the denominator of which is the number of days in the entire period.

Section 6.05 Contests. Buyer agrees to give written notice to Parent and Seller of the receipt of any written notice by the Company, Buyer or any of Buyer’s Affiliates which involves the assertion of any claim, or the commencement of any Action, in respect of which an indemnity may be sought by Buyer pursuant to this Article VI (a “**Tax Claim**”); provided, that failure to comply with this provision shall not affect Buyer’s right to indemnification hereunder. Buyer shall control the contest or resolution of any Tax Claim; provided, however, that Buyer shall obtain the prior written consent of Parent and Seller (which consent shall not be unreasonably withheld or delayed) before entering into any settlement of a claim or ceasing to defend such claim; and, provided further, that Parent and Seller shall be entitled to participate in the defense of such claim and to employ counsel of their choice for such purpose, the fees and expenses of which separate counsel shall be borne solely by Parent and Seller.

Section 6.06 Cooperation and Exchange of Information. Each of Parent, Seller and Buyer shall provide each other with such cooperation and information as either of them reasonably may request of the other in filing any Tax Return pursuant to this Article VI or in connection with any audit or other proceeding in respect of Taxes of the Company. Such cooperation and information shall include providing copies of relevant Tax Returns or portions thereof, together with accompanying schedules, related work papers and documents relating to rulings or other determinations by tax authorities. Each of Parent, Seller and Buyer shall retain all Tax Returns, schedules and work papers, records and other documents in their possession relating to Tax matters of the Company for any taxable period beginning before the Closing Date until the expiration of the statute of limitations of the taxable periods to which such Tax Returns and other documents relate, without regard to extensions except to the extent notified by the other party in writing of such extensions for the respective Tax periods. Prior to transferring, destroying or discarding any Tax Returns, schedules and work papers, records and other documents in its possession relating to Tax matters of the Company for any taxable period beginning before the Closing Date, each of Parent, Seller and Buyer (as the case may be) shall provide the other party with reasonable written notice and offer the other party the opportunity to take custody of such materials.

Section 6.07 Tax Treatment of Indemnification Payments. Any indemnification payments pursuant to this Article VI shall be treated as an adjustment to the Purchase Price by the parties for Tax purposes, unless otherwise required by Law.

Section 6.08 Survival. Notwithstanding anything in this Agreement to the contrary, the provisions of Section 3.22 and this Article VI shall survive for the full period of all applicable statutes of limitations (giving effect to any waiver, mitigation or extension thereof) plus 60 days.

Section 6.09 Overlap. To the extent that any obligation or responsibility pursuant to Article VIII may overlap with an obligation or responsibility pursuant to this Article VI, the provisions of this Article VI shall govern.

ARTICLE VII

Conditions to closing

Section 7.01 Conditions to Obligations of All Parties. The obligations of each party to consummate the transactions contemplated by this Agreement shall be subject to no Governmental Authority having enacted, issued, promulgated, enforced or entered any Governmental Order which is in effect that has the effect of making the transactions contemplated by this Agreement illegal, otherwise restraining or prohibiting consummation of such transactions or causing any of the transactions contemplated hereunder to be rescinded following completion thereof.

Section 7.02 Conditions to Obligations of Buyer. The obligations of Buyer to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or Buyer's waiver, at or prior to the Closing, of each of the following conditions:

(a) Other than the representations and warranties of Parent and Seller contained in **Section 3.01, Section 3.02, Section 3.03, Section 3.04, Section 3.05, Section 3.06 and Section 3.24**, the representations and warranties of Parent and Seller contained in this Agreement, the other transaction documents and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality or Material Adverse Effect) or in all material respects (in the case of any representation or warranty not qualified by materiality or Material Adverse Effect) on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects). The representations and warranties of Parent and Seller contained in **Section 3.01, Section 3.02, Section 3.03, Section 3.04, Section 3.05, Section 3.06 and Section 3.24** shall be true and correct in all respects on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects).

(b) Seller shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement and each of the other transaction documents to be performed or complied with by it prior to or on the Closing Date.

(c) No Action shall have been commenced against Buyer, Seller or the Company, which would prevent the Closing. No injunction or restraining order shall have been issued by any Governmental Authority, and be in effect, which restrains or prohibits any transaction contemplated hereby.

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

(e) The transaction documents (other than this Agreement) shall have been executed and delivered by the parties thereto and true and complete copies thereof shall have been delivered to Buyer.

(f) Buyer shall have received a certificate, dated the Closing Date and signed by a duly authorized officer of Seller, that each of the conditions set forth in **Section 7.02(a)** and **Section 7.02(b)** have been satisfied.

(g) Buyer shall have received a certificate of the Secretary or an Assistant Secretary (or equivalent officer) of Seller certifying that attached thereto are true and complete copies of all resolutions adopted by the board of directors and stockholders of Seller authorizing the execution, delivery and performance of this Agreement and the other transaction documents and the consummation of the transactions contemplated hereby and thereby, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby.

(h) Buyer shall have received a certificate of the Secretary or an Assistant Secretary (or equivalent officer) of Seller certifying the names and signatures of the officers of Seller authorized to sign this Agreement, the other transaction documents and any other documents to be delivered hereunder and thereunder.

(i) Buyer shall have received resignations of the directors and officers of the Company pursuant to **Section 5.01**.

(j) Seller shall have delivered to Buyer a good standing certificate (or its equivalent) for the Company from the secretary of state or similar Governmental Authority of the jurisdiction under the Laws in which the Company is organized.

(k) Seller shall have delivered, or caused to be delivered, to Buyer stock certificates evidencing the Shares, free and clear of Encumbrances, duly endorsed in blank or accompanied by stock powers, notarial certifications or other instruments of transfer duly executed in blank and with all required stock transfer tax stamps affixed.

(l) Seller shall have delivered, or caused to be delivered, to Buyer the minute books and other records of the proceedings of the board and stockholders of the Company.

(m) Buyer shall have entered into employment, non-competition and non-solicitation agreements with such of the Company's employees as Buyer shall have determined.

(n) Seller shall have delivered to Buyer such other documents or instruments as Buyer reasonably requests and are reasonably necessary to consummate the transactions contemplated by this Agreement.

(o) Seller shall have transferred to the Company all assets owned by Seller or its Affiliates necessary or useful to the operation of the Company's business as currently conducted, and to be conducted, in a form satisfactory to Buyer.

(p) Buyer shall have received from Swiggart & Agin, LLC (U.S. counsel of Parent, Seller and the Company), an opinion of counsel covering such matters as Buyer shall determine in its discretion.

(q) Buyer shall have received from Hogan Lovells International LLP

(Dutch counsel of Buyer) an opinion of counsel covering such matters as Buyer shall determine in its discretion.

(r) Seller shall have delivered to Buyer confirmation, in a form satisfactory to Buyer, that the Parent, Seller and the Company are not subject to any cakup withholding taxes related to the Closing Consideration.

(s) Seller shall have executed and delivered to Buyer a closing statement in a form reasonably satisfactory to Buyer.

Section 7.03 Conditions to Obligations of Seller. The obligations of Seller to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or Seller's waiver, at or prior to the Closing, of each of the following conditions:

(a) Other than the representations and warranties of Buyer contained in **Section 4.01**, the representations and warranties of Buyer contained in this Agreement, the other transaction documents and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality or Material Adverse Effect) or in all material respects (in the case of any representation or warranty not qualified by materiality or Material Adverse Effect) on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects). The representations and warranties of Buyer contained in **Section 4.01** shall be true and correct in all respects on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date.

(b) Buyer shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement and each of the other transaction documents to be performed or complied with by it prior to or on the Closing Date.

(c) No injunction or restraining order shall have been issued by any Governmental Authority, and be in effect, which restrains or prohibits any material transaction contemplated hereby.

(d) The transaction documents (other than this Agreement) shall have been executed and delivered by the parties thereto and true and complete copies thereof shall have been delivered to Seller.

(e) Seller shall have received a certificate, dated the Closing Date and signed by a duly authorized officer of Buyer, that each of the conditions set forth in **Section 7.03(a)** and **Section 7.03(b)** have been satisfied.

(f) Seller shall have received a certificate of the Secretary or an Assistant Secretary (or equivalent officer) of Buyer certifying that attached thereto are true and complete copies of all resolutions adopted by the board of directors of Buyer authorizing the execution, delivery and performance of this Agreement and the other transaction documents and the consummation of the transactions contemplated hereby and thereby, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby.

(g) Seller shall have received a certificate of the Secretary or an Assistant Secretary (or equivalent officer) of Buyer certifying the names and signatures of the officers of Buyer authorized to sign this Agreement, the transaction documents and any other documents to be delivered hereunder and thereunder.

(h) Buyer shall have delivered to Seller the Closing Consideration.

(i) Buyer shall have delivered to Seller such other documents or instruments as Seller reasonably requests and are reasonably necessary to consummate the transactions contemplated by this Agreement.

(j) Buyer shall have executed and delivered to Seller a closing statement in a form reasonably satisfactory to Seller.

ARTICLE VIII
Indemnification

Section 8.01 Survival. Subject to the limitations and other provisions of this Agreement, the representations and warranties contained herein (other than any representations or warranties contained in **Section 3.22** which are subject to **Article VI**) shall survive the Closing and shall remain in full force and effect until the date that is two years from the Closing Date; *provided, that* the representations and warranties in **Section 3.01, Section 3.02, Section 3.03, Section 3.04, Section 3.05, Section 3.19, Section 3.24, Section 4.01** and **Section 4.04** shall survive indefinitely and the representations and warranties in **Section 3.20** and **Section 3.22** shall survive for the full period of all applicable statutes of limitations (giving effect to any waiver, mitigation or extension thereof) plus 60 days. All covenants and agreements of the parties contained herein (other than any covenants or agreements contained in **Article VI** which are subject to **Article VI**) shall survive the Closing indefinitely or for the period explicitly specified therein. Notwithstanding the foregoing, any claims asserted in good faith with reasonable specificity (to the extent known at such time) and in writing by notice from the non-breaching party to the breaching party prior to the expiration date of the applicable survival period shall not thereafter be barred by the expiration of the relevant representation or warranty and such claims shall survive until finally resolved.

Section 8.02 Indemnification By Parent and Seller. Subject to the other terms and conditions of this **Article VIII**, Parent and Seller, jointly and severally, shall indemnify and defend each of Buyer and its Affiliates (including the Company) and their respective Representatives (collectively, the “**Buyer Indemnitees**”) against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Buyer Indemnitees based upon, arising out of, with respect to or by reason of:

(a) any inaccuracy in or breach of any of the representations or warranties of Parent or Seller contained in this Agreement or in any certificate or instrument delivered by or on behalf of Parent or Seller pursuant to this Agreement (other than in respect of **Section 3.22**, it being understood that the sole remedy for any such inaccuracy in or breach thereof shall be pursuant to **Article VI**), as of the date such representation or warranty was made or as if such representation or warranty was made on and as of the Closing Date (except for representations and warranties that expressly relate to a specified date, the inaccuracy in or breach of which will be determined with reference to such specified date); or

(b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by Parent or Seller pursuant to this Agreement (other than any breach or violation of, or failure to fully perform, any covenant, agreement, undertaking or obligation in **Article VI**, it being understood that the sole remedy for any such breach, violation or failure shall be pursuant to **Article VI**).

Section 8.03 Indemnification By Buyer. Subject to the other terms and conditions of this **Article VIII**, Buyer shall indemnify and defend each of Seller and its Affiliates and their respective Representatives (collectively, the “**Seller Indemnitees**”) against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Seller Indemnitees based upon, arising out of, with respect to or by reason of:

(a) any inaccuracy in or breach of any of the representations or warranties of Buyer contained in this Agreement or in any certificate or instrument delivered by or on behalf of Buyer pursuant to this Agreement, as of the date such representation or warranty was made or as if such representation or warranty was made on and as of the Closing Date (except for representations and warranties that expressly relate to a specified date, the inaccuracy in or breach of which will be determined with reference to such specified date); or

(b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by Buyer pursuant to this Agreement (other than **Article VI**, it being understood that the sole remedy for any such breach thereof shall be pursuant to **Article VI**).

Section 8.04 Certain Limitations. The indemnification provided for in **Section 8.02** and **Section 8.03** shall be subject to the following limitations:

(a) Parent and Seller shall not be liable to the Buyer Indemnitees for indemnification under **Section 8.02(a)** (other than with respect to a claim for indemnification based upon, arising out of, with respect to or by reason of any inaccuracy in or breach of any representation or warranty in **Section 3.01**, **Section 3.02**, **Section 3.03**, **Section 3.04**, **Section 3.05**, **Section 3.19**, **Section 3.20** and **Section 3.24**, together being the “**Buyer Basket Exclusions**”), until the aggregate amount of all Losses in respect of indemnification under **Section 8.02(a)** (other than those based upon, arising out of, with respect to or by reason of the Buyer Basket Exclusions) exceeds \$50,000, in which event Parent and Seller, jointly and severally, shall be required to pay or be liable for all such Losses from the first dollar. With respect to Losses relating to any listed item in the Closing Holdback Amount, only Losses in excess of the Closing Holdback Amount for such item shall be counted toward the \$50,000 basket.

(b) Buyer shall not be liable to the Seller Indemnitees for indemnification under **Section 8.03(a)** (other than with respect to a claim for indemnification based upon, arising out of, with respect to or by reason of any inaccuracy in or breach of any representation or warranty in **Section 4.01** and **Section 4.04**, together being the “**Seller Basket Exclusions**”), until the aggregate amount of all Losses in respect of indemnification under **Section 8.03(a)** (other than those based upon, arising out of, with respect to or by reason of the Seller Basket Exclusions) exceeds \$50,000, in which event Buyer shall be required to pay or be liable for all such Losses from the first dollar.

(c) Notwithstanding any other provision hereunder, the total amount of the Seller's indemnification obligations shall be limited to an amount that shall not exceed, in the aggregate, the amount of the Deferred Price Payment.

(d) For purposes of this **Article VIII**, any inaccuracy in or breach of any representation or warranty shall be determined without regard to any materiality, Material Adverse Effect or other similar qualification contained in or otherwise applicable to such representation or warranty.

Section 8.05 Indemnification Procedures. The party making a claim under this **Article VIII** is referred to as the "**Indemnitee**," and the party against whom such claims are asserted under this **Article VIII** is referred to as the "**Indemnifying Party**".

(a) **Third Party Claims.** If any Indemnitee receives notice of the assertion or commencement of any Action made or brought by any Person who is not a party to this Agreement or an Affiliate of a party to this Agreement or a Representative of the foregoing (a "**Third Party Claim**") against such Indemnitee with respect to which the Indemnifying Party is obligated to provide indemnification under this Agreement, the Indemnitee shall give the Indemnifying Party reasonably prompt written notice thereof, but in any event not later than 30 calendar days after receipt of such notice of such Third Party Claim. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defenses by reason of such failure. Such notice by the Indemnitee shall describe the Third Party Claim in reasonable detail, shall include copies of all material written evidence thereof and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnitee. The Indemnifying Party shall have the right to participate in, or by giving written notice to the Indemnitee, to assume the defense of any Third Party Claim at the Indemnifying Party's expense and by the Indemnifying Party's own counsel, and the Indemnitee shall cooperate in good faith in such defense; *provided, that* if the Indemnifying Party is Seller, such Indemnifying Party shall not have the right to defend or direct the defense of any such Third Party Claim that (x) is asserted directly by or on behalf of a Person that is a supplier or customer of the Company, or (y) seeks an injunction or other equitable relief against the Indemnitee. In the event that the Indemnifying Party assumes the defense of any Third Party Claim, subject to **Section 8.05(b)**, it shall have the right to take such action as it deems necessary to avoid, dispute, defend, appeal or make counterclaims pertaining to any such Third Party Claim in the name and on behalf of the Indemnitee. The Indemnitee shall have the right to participate in the defense of any Third Party Claim with counsel selected by it subject to the Indemnifying Party's right to control the defense thereof. The fees and disbursements of such counsel shall be at the expense of the Indemnitee, *provided, that* if in the reasonable opinion of counsel to the Indemnitee, (A) there are legal defenses available to an Indemnitee that are different from or additional to those available to the Indemnifying Party; or (B) there exists a conflict of interest between the Indemnifying Party and the Indemnitee that cannot be waived, the Indemnifying Party shall be liable for the reasonable fees and expenses of counsel to the Indemnitee in each jurisdiction for which the Indemnitee determines counsel is required. If the Indemnifying Party elects not to compromise or defend such Third Party Claim, fails to promptly notify the Indemnitee in writing of its election to defend as provided in this Agreement, or fails to diligently prosecute the defense of such Third Party Claim, the Indemnitee may, subject to **Section 8.05(b)**, pay, compromise, defend such Third Party Claim and seek indemnification for any and all Losses based upon, arising from or relating to such Third Party Claim. Seller and Buyer shall cooperate with each other in all reasonable respects in connection with the defense of any Third Party Claim, including making available (subject to the provisions of **Section 5.02**) records relating to such Third Party Claim and furnishing, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending party, management employees of the non-defending party as may be reasonably necessary for the preparation of the defense of such Third Party Claim.

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

(c) **Direct Claims.** Any Action by an Indemnitee on account of a Loss which does not result from a Third Party Claim (a “**Direct Claim**”) shall be asserted by the Indemnitee giving the Indemnifying Party reasonably prompt written notice thereof, but in any event not later than 30 days after the Indemnitee becomes aware of such Direct Claim. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defenses by reason of such failure. Such notice by the Indemnitee shall describe the Direct Claim in reasonable detail, shall include copies of all material written evidence thereof and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnitee. The Indemnifying Party shall have 30 days after its receipt of such notice to respond in writing to such Direct Claim. The Indemnitee shall allow the Indemnifying Party and its professional advisors to investigate the matter or circumstance alleged to give rise to the Direct Claim, and whether and to what extent any amount is payable in respect of the Direct Claim and the Indemnitee shall assist the Indemnifying Party’s investigation by giving such information and assistance (including access to the Company’s premises and personnel and the right to examine and copy any accounts, documents or records) as the Indemnifying Party or any of its professional advisors may reasonably request. If the Indemnifying Party does not so respond within such 30 day period, the Indemnifying Party shall be deemed to have rejected such claim, in which case the Indemnitee shall be free to pursue such remedies as may be available to the Indemnitee on the terms and subject to the provisions of this Agreement.

(d) **Cooperation.** Upon a reasonable request by the Indemnifying Party, each Indemnitee seeking indemnification hereunder in respect of any Direct Claim, hereby agrees to consult with the Indemnifying Party and act reasonably to take actions reasonably requested by the Indemnifying Party in order to attempt to reduce the amount of Losses in respect of such Direct Claim. Any costs or expenses associated with taking such actions shall be included as Losses hereunder.

(e) **Tax Claims.** Notwithstanding any other provision of this Agreement, the control of any claim, assertion, event or proceeding in respect of Taxes of the Company (including, but not limited to, any such claim in respect of a breach of the representations and warranties in **Section 3.22** hereof or any breach or violation of or failure to fully perform any covenant, agreement, undertaking or obligation in **Article VI**) shall be governed exclusively by **Article VI** hereof.

Section 8.06 Payments; Offset and Holdback from Deferred Purchase Payment. Once a Loss is agreed to by the Indemnifying Party or finally adjudicated to be payable pursuant to this **Article VIII**, the Indemnifying Party shall satisfy its obligations within 15 Business Days of such final, non-appealable adjudication by wire transfer of immediately available funds. The parties hereto agree that should an Indemnifying Party not make full payment of any such obligations within such 15 Business Day period, any amount payable shall accrue interest from and including the date of agreement of the Indemnifying Party or final, non-appealable adjudication to and including the date such payment has been made at a rate per annum equal to 8%. Such interest shall be calculated daily on the basis of a 365 day year and the actual number of days elapsed, without compounding, and the party owing the payment shall be responsible for any costs of collection, including reasonable attorneys' fees. If the Indemnifying Party is the Seller, Buyer may, at its option, elect to offset any amount owing from Seller under this **Article VIII** or under **Article VI** against any unpaid portion of the Deferred Purchase Payment. Further, to the extent that Third Party Claim or Direct Claim, or any matter that is the subject of **Article VI**, pursuant to which Seller is the Indemnifying Party under this **Article VIII** or prospectively obliged to reimburse and/or pay pursuant to **Article VI**, is not resolved prior to the due date of the Deferred Purchase Payment, the Buyer may withhold from the Deferred Purchase Payment such amounts as it reasonably determines will be required to resolve the pending matter. Upon resolution thereof, the Buyer shall promptly remit any remaining portion of the Deferred Purchase Payment to Seller. Notwithstanding the foregoing, in the event that an amount is so withheld after the deadline for the Deferred Purchase Payment, such withheld amount shall be placed in escrow with a third party pursuant to a written agreement whose terms shall be subject to Seller's approval, which approval shall not be unreasonably withheld or delayed.

Section 8.07 Tax Treatment of Indemnification Payments. All indemnification payments made under this Agreement shall be treated by the parties as an adjustment to the Purchase Price for Tax purposes, unless otherwise required by Law.

Section 8.08 Effect of Investigation. The representations, warranties and covenants of the Indemnifying Party, and the Indemnitee's right to indemnification with respect thereto, shall not be affected or deemed waived by reason of any investigation made by or on behalf of the Indemnitee (including by any of its Representatives) or by reason of the fact that the Indemnitee or any of its Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate or by reason of the Indemnitee's waiver of any condition set forth in **Section 7.02** or **Section 7.03**, as the case may be.

Section 8.09 Exclusive Remedies. Subject to **Section 5.03** and Article VI, the parties acknowledge and agree that their sole and exclusive remedy with respect to any and all claims (other than claims arising from fraud, criminal activity or willful misconduct on the part of a party hereto in connection with the transactions contemplated by this Agreement) for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement, shall be pursuant to the indemnification provisions set forth in **Article VI** and this **Article VIII**. In furtherance of the foregoing, each party hereby waives, to the fullest extent permitted under Law, any and all rights, claims and causes of action for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement it may have against the other parties hereto and their Affiliates and each of their respective Representatives arising under or based upon any Law, except pursuant to the indemnification provisions set forth in **Article VI** and this **Article VIII**. Nothing in this **Section 8.09** shall limit any Person's right to seek and obtain any equitable relief to which any Person shall be entitled or to seek any remedy on account of any Person's fraudulent, criminal or intentional misconduct.

ARTICLE IX
Termination

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

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

(b) by Buyer by written notice to Parent and Seller if:

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

(ii) any of the conditions set forth in **Section 7.01** or **Section 7.02** shall not have been, or if it becomes apparent that any of such conditions will not be, fulfilled by July 10, 2012, unless such failure shall be due to the failure of Buyer to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it prior to the Closing;

(c) by Parent and Seller by written notice to Buyer if:

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

(ii) any of the conditions set forth in **Section 7.01** or **Section 7.03** shall not have been, or if it becomes apparent that any of such conditions will not be, fulfilled by July 10, 2012, unless such failure shall be due to the failure of either Buyer or Seller to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it prior to the Closing; or

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

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

- (a) as set forth in this **Article IX** and **Section 5.02** and **Article X**, hereof; and
- (b) that nothing herein shall relieve any party hereto from liability for any willful breach of any provision hereof.

ARTICLE X
Miscellaneous

Section 10.01 Expenses. Except as otherwise expressly provided herein, all costs and expenses, including, without limitation, fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses, whether or not the Closing shall have occurred.

Section 10.02 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this **Section 10.02**):

If to Parent and/or Seller: Meeting Maker-United States, Inc. d/b/a PeopleCube
111 Speen Street, Suite 510
Framingham, Massachusetts 01701
Attention: John T. Anderson, Chief Executive Officer
janderson@peoplecube.com
Fax: (508) 416-3601

with a copy to: Swiggart & Agin, LLC
197 Portland Street, Fourth Floor
Boston, Massachusetts 02114
Attention: William F. Swiggart, Esq.
wfs@swiggartagin.com
Fax: (617) 723-2830

If to Buyer: Asure Software, Inc.
110 Wild Basin Road, Suite 100
Austin, Texas 78746
Attention: Patrick Goepel, President and Chief Executive Officer
pgoepel@asuresoftware.com
Fax: (512) 437-2365

with a copy to: Messerli & Kramer P.A.
100 South Fifth Street, Suite 1400
Minneapolis, Minnesota 55402
Attention: Jeffrey C. Robbins, Esq.
jrobbins@messerlikramer.com
Fax: (612) 672-3777

Section 10.03 Interpretation. For purposes of this Agreement, (a) the words “include,” “includes” and “including” shall be deemed to be followed by the words “without limitation”; (b) the word “or” is not exclusive; and (c) the words “herein,” “hereof,” “hereby,” “hereto” and “hereunder” refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (x) to Articles, Sections, Disclosure Schedule and Exhibits mean the Articles and Sections of, and Disclosure Schedule and Exhibits attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The Disclosure Schedule and Exhibits referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein.

Section 10.04 Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 10.05 Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Except as provided in **Section 5.03(e)**, upon such determination that any term or other provision is invalid, illegal or unenforceable, 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 transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

Section 10.06 Entire Agreement. This Agreement and the other transaction documents constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement and those in the other transaction documents, the Exhibits and Disclosure Schedule (other than an exception expressly set forth as such in the Disclosure Schedule), the statements in the body of this Agreement will control.

Section 10.07 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party may assign its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed; *provided, however*, that prior to the Closing Date, Buyer may, without the prior written consent of Parent or Seller, assign all or any portion of its rights under this Agreement to one or more of its direct or indirect wholly-owned subsidiaries. No assignment shall relieve the assigning party of any of its obligations hereunder.

Section 10.08 No Third-party Beneficiaries. Except as provided in **Section 6.03** and **Article VIII**, this Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 10.09 Amendment and Modification; Waiver. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 10.10 Governing Law; Submission to Jurisdiction; Waiver of Jury Trial.

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

(b) ANY LEGAL SUIT, ACTION OR PROCEEDING ARISING OUT OF OR BASED UPON THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY MUST BE INSTITUTED IN THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA OR THE COURTS OF THE STATE OF TEXAS IN EACH CASE LOCATED IN THE CITY OF AUSTIN AND COUNTY OF TRAVIS OR BOSTON, MA, AND EACH PARTY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF SUCH COURTS IN ANY SUCH SUIT, ACTION OR PROCEEDING. SERVICE OF PROCESS, SUMMONS, NOTICE OR OTHER DOCUMENT BY MAIL TO SUCH PARTY'S ADDRESS SET FORTH HEREIN SHALL BE EFFECTIVE SERVICE OF PROCESS FOR ANY SUIT, ACTION OR OTHER PROCEEDING BROUGHT IN ANY SUCH COURT. THE PARTIES IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY OBJECTION TO THE LAYING OF VENUE OF ANY SUIT, ACTION OR ANY PROCEEDING IN SUCH COURTS AND IRREVOCABLY WAIVE AND AGREE NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(c) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT OR THE OTHER TRANSACTION DOCUMENTS IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY TO THIS AGREEMENT CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION, (B) SUCH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (D) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 10.10(c).

Section 10.11 Specific Performance. The parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity.

Section 10.12 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

IN WITNESS WHEREOF, the undersigned have hereunto affixed their signatures.

Seller:
Meeting Maker Holding B.V.

Buyer:
Asure Software, Inc.

By: _____
John T. Anderson
U/p/a dtd July 2, 2012

By: _____
Patrick Goepel,
President and Chief Executive Officer

Parent:
PeopleCube Holding B.V.

By: _____
John T. Anderson
U/p/a dtd July 2, 2012

Signature page of Stock Purchase Agreement

EXHIBIT A

LOCK-UP AGREEMENT

This Lockup Agreement (this “**Lockup**”) is dated effective as of July 1, 2012 between Meeting Maker Holding B.V., a besloten vennootschap organized under the laws of the Netherlands (the “**Holder**”), PeopleCube Holding B.V., a besloten vennootschap organized under the laws of the Netherlands and the Parent of Holder (the “**Parent**”), and Asure Software, Inc., a Delaware corporation (the “**Company**”).

RECITALS

WHEREAS, the Holder, the Parent and the Company are parties to that certain Stock Purchase Agreement (the “**Purchase Agreement**”), dated the date hereof, under which the Company is purchasing all of the issued and outstanding shares of common stock (the “**Shares**”) of Meeting Maker – United States, Inc., a Delaware corporation and a wholly owned subsidiary of Holder.

WHEREAS, on the Closing Date, as part of the aggregate purchase price for the Shares, the Company is issuing an aggregate of 255,000 shares of its common stock (the “**Company Stock**”) to the Holder.

WHEREAS, the obligations in the Purchase Agreement are conditioned upon the execution and delivery of this Lockup.

NOW, THEREFORE, the parties hereto agree as follows:

1. **Defined Terms.** All capitalized terms used but not defined in this Lockup have the meaning assigned thereto in the Purchase Agreement.
 2. **Lockup.** The Holder and the Parent shall not sell or otherwise transfer any of the Company Stock (a) with respect to 125,000 shares of the Company Stock, during the one year period after the Closing Date, and (b) with respect to the other 130,000 shares of the Company Stock, during the two year period after the Closing Date.
 3. **Legend.** Each certificate representing the aggregate of 255,000 shares of Company Stock shall be endorsed with the following legend:
-

LOAN AGREEMENT

by and among

ASURE SOFTWARE, INC.

as the Company

ADI SOFTWARE, LLC

ASURE LEGIANT, LLC

MEETING MAKER – UNITED STATES, INC.

AND

THE OTHER BORROWERS FROM TIME TO TIME PARTY HERETO

DEERPATH FUNDING, LP

as Agent

and

THE LENDERS FROM TIME TO TIME PARTY HERETO

July 1, 2012

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LOAN AGREEMENT

THIS LOAN AGREEMENT (this "*Agreement*") is dated effective as of July 1, 2012 (the "*Closing Date*"), by and among Asure Software, Inc., a Delaware corporation (the "*Company*"), ADI Software, LLC, a Delaware limited liability company ("*ADI*"), Asure Legiant, LLC, a Delaware limited liability company ("*Legiant*"), from and after the consummation of the PeopleCube Acquisition, Meeting Maker – United States, Inc., a Delaware corporation doing business as PeopleCube ("*PeopleCube*"), and the other borrowers from time to time party to this Agreement (together with the Company, ADI, Legiant and PeopleCube, each, a "*Borrower*" and collectively, "*Borrowers*"); Deerpath Funding, LP, a Delaware limited partnership ("*Deerpath Funding*"), and the other lenders from time to time party to this Agreement (together with Deerpath, each a "*Lender*", and collectively, the "*Lenders*"); and Deerpath Funding, as administrative agent and collateral agent for itself and the other Lenders (in such capacity, "*Agent*").

RECITALS

A. Borrowers have requested Lenders to make (i) a single advance senior secured term loan on the Closing Date in the amount of \$14,500,000, and (ii) a conditional commitment to provide additional single advance senior secured term loans from time to time following the Closing Date in an aggregate amount not to exceed \$5,000,000.

B. Lenders are willing to make the Loans to Borrowers subject to the terms and conditions in this Agreement.

In consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

Section 1. Definitions and Terms.

1.1. Definitions. As used in the Loan Documents:

9% Subordinated Convertible Notes means those certain 9% subordinated convertible notes dated September 30, 2011, issued by the Company in the aggregate initial principal amount of \$1,500,000 pursuant to a Securities Purchase Agreement dated September 30, 2011, as amended, supplemented and replaced from time to time in accordance with the Convertible Note Subordination Agreement.

15% Subordinated Notes means those certain 15% subordinated notes dated September 30, 2011, issued by the Company in the aggregate initial principal amount of \$1,700,000 pursuant to a Securities Purchase Agreement dated September 30, 2011, as amended, supplemented and replaced from time to time in accordance with the Non-Convertible Note Subordination Agreement.

AAA is defined in *Section 14.11*.

ACH Authorization Agreements means those certain Authorization Agreements for Pre-Authorized Payments (Debit) executed by the Company in favor of each Lender.

Accounting Firm is defined in *Section 8.1(a)(i)*.

Additional Term Loan and *Additional Term Loans* are defined in *Section 2.2*.

Additional Term Loan Commitment means \$5,000,000.

Additional Term Note means individually, and *Additional Term Notes* means collectively, each promissory note executed by Borrowers and made payable to any Lender, evidencing all or any portion of an Additional Term Loan and otherwise in substantially the same form as the Deerpath Funding Initial Term Note.

ADI is defined in the introductory paragraph hereto.

ADI Seller means ADI Time, LLC, a Rhode Island limited liability company.

ADI Seller Note means that certain promissory note dated October 1, 2011, executed by ADI and made payable to ADI Seller in the initial principal amount of \$1,095,392, as amended, supplemented and replaced from time to time in accordance with the ADI Seller Note Subordination Agreement.

ADI Seller Note Subordination Agreement means that certain subordination and intercreditor agreement dated the Closing Date, by and between ADI Seller, as subordinated lender, ADI and the Company, as borrowers, and Deerpath Funding, as agent for the senior lenders, attached hereto as *Exhibit J*, as amended.

Affiliate of a Person means any other Person that directly or indirectly controls, or is controlled by, or is under common control with, that Person, and, with respect to any Person that is a natural Person, such Person's spouse and the siblings, ascendants and descendants of such Person and his or her spouse. For purposes of this definition "control," "controlled by," and "under common control with" mean possession, directly or indirectly, of power to direct (or cause the direction of) management or policies of a Person, whether through ownership of Voting Interests or other ownership interests, by contract, or otherwise; *provided, however*, that any director, executive officer, manager or other Person which owns directly or indirectly five percent (5%) or more of the securities of any other Person having ordinary voting power for the election of directors or managers shall be deemed to control such other Person. Under no circumstances shall Agent or any Lender be deemed to be an Affiliate of any Borrower or any Borrower's Affiliates.

Affiliated Shareholders of a Person means any two or more Shareholders of such Person that are Affiliates of each other.

Agent is defined in the introductory paragraph of this Agreement, and includes any successor Agent appointed pursuant to *Section 13.6*.

Agreement means this Loan Agreement, as amended, restated, supplemented or otherwise modified from time to time.

Anderson means John Anderson.

Annual Excess Cash Flow Prepayment is defined in *Section 2.5(a)(i)*.

Approved Electronic Form is defined in *Section 14.13*.

Approved Electronic Form Notice is defined in *Section 14.13*.

Beneficial Owner has the meaning given such term in Rule 13d-3 under the Securities Exchange Act of 1934, as in effect from time to time.

Board of Directors means, with respect to any Person (other than a natural person), the board of directors, board of managers or similar governing body of such Person. The Board of Directors of a limited partnership shall be the Board of Directors of its general partner. The Board of Directors of any limited liability company that is managed by its sole Equityholder shall be the Board of Directors of such sole Equityholder.

Borrower and *Borrowers* are defined in the introductory paragraph hereto.

Business Day means any day which is not a Saturday, Sunday, or other day on which commercial banks in New York, New York are authorized or obligated to close.

Capital Expenditures means, without duplication, the following: (a) the aggregate amount of Borrowers' expenditures for fixed or capital assets determined in accordance with GAAP (including replacements, capitalized repairs and improvements but excluding any Insurance Proceeds or Eminent Domain Proceeds used to replace fixed assets in accordance with *Section 8.12*, following a casualty event or condemnation with respect thereto), *plus* (b) to the extent not included in *clause (a)*, the aggregate principal portion of all of Borrowers' payments under any Capital Lease required to be capitalized in accordance with GAAP (excluding the portion thereof allocable to interest expense).

Capital Lease means any lease (or sublease or other similar arrangement conveying the right to use) of property, real or personal, which is required to be classified and accounted for as a liability for a capital lease on a balance sheet of such Person under GAAP, and the amount of such lease shall be the capitalized amount thereof determined in accordance with GAAP.

Cash Distributions means a Distribution made in cash.

Cash Equivalents means (i) United States dollars, (ii) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof having maturities of less than one year from the date of acquisition, (iii) certificates of deposit and Eurodollar time deposits with maturities of less than one year from the date of acquisition, bankers' acceptances with maturities of less than one year and overnight bank deposits, in each case with any domestic commercial bank having capital and surplus in excess of \$100,000,000, (iv) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (ii) and (iii) entered into with any financial institution meeting the qualifications specified in clause (iii) immediately above, (v) commercial paper having the highest rating obtainable from Moody's or S&P's Ratings Services and in each case maturing within nine months after the date of acquisition and (vi) interests in money market mutual funds which invest solely in assets and securities of the type described in clauses (i) through (v) immediately above.

Change of Control means, without the prior written consent of the Required Lenders, the occurrence of any of the following, in a single transaction or any series of transactions: (a) the sale, transfer, conveyance, lease or other disposition (other than by way of merger or consolidation) to any Person (other than a Borrower) of all or substantially all of the assets of any Borrower; (b) the adoption of a plan relating to the dissolution, liquidation or winding-up of any Borrower; (c) the consummation of any sale, issuance, exchange, exercise or conversion of Equity Securities of the Company, or any merger, consolidation, recapitalization, reorganization or other transaction involving the Company, which results in (i) any Shareholder or group of Affiliated Shareholders of the Company (other than Red Oak Partners, LLC, Renaissance Technologies, Inc., LLC, PeopleCube Holding, B.V., David Sandberg, Patrick Goepel and their respective Affiliates) owning, directly or indirectly, more than fifty percent (50.00%) of the Equity Securities of the Company (on an as converted into Common Stock basis) in the aggregate, (ii) the Company ceasing to own, directly or indirectly, one hundred percent (100%) of the Equity Securities of each Borrower other than the Company (or, with respect to *clause (i)* or *(ii)*, the Equity Securities of the surviving or resulting company of such merger, consolidation or other transaction that is or immediately becomes a "Borrower" pursuant to such transaction, if the Company, is not the surviving or resulting company), or (iii) any Shareholder or group of Affiliated Shareholders of the Company (other than Red Oak Partners, LLC, Renaissance Technologies, Inc., LLC, PeopleCube Holding, B.V., David Sandberg, Patrick Goepel and their respective Affiliates) having control, by contract, ownership or otherwise, of that percentage of the outstanding Voting Interests of the Company necessary to elect a majority of the Board of Directors and direct the management policies and decisions of the Company, or (d) the consummation of any sale, issuance, exchange, exercise or conversion of Equity Securities of any Borrower other than the Company, or any merger, consolidation, recapitalization, reorganization or similar transaction involving any Borrower other than the Company, which results in the Company ceasing to (i) own, directly or indirectly, one hundred percent (100%) of the Equity Securities of such Borrower (or the Equity Securities of the surviving or resulting company of such merger, consolidation or other transaction that is or immediately becomes a "Borrower" pursuant to such transaction, if such Borrower is not the surviving or resulting company) or (ii) control, by contract, ownership or otherwise, that percentage of the outstanding Voting Interests of such Borrower necessary at all times to elect a majority of the Board of Directors and direct the management policies and decisions of such Borrower. For purposes of this definition of "Change of Control", (x) any transfer of more than fifty percent (50%) of the Voting Interests of an entity that holds Voting Interests of any Person will be deemed to be a transfer of such Voting Interests of such Person, (y) the definition of "Person" shall include two or more Persons acting as a partnership, limited partnership, syndicate, joint venture, co-investing or other group.

Change of Management means, without the prior written consent of the Required Lenders, the occurrence of Goepel ceasing (whether voluntarily or involuntarily or for any other reason) to be employed full-time as the chief executive officer of the Company.

Closing means the closing of the Initial Term Loan and the PeopleCube Acquisition.

Closing Date is defined in the introductory paragraph of this Agreement.

Collateral is defined in **Section 6.1(a)**.

Commitment Letter means that certain conditional commitment letter dated May 23, 2012, addressed to the Company by Deerpath Capital Management, LP, and accepted and agreed to by the Company.

Company is defined in the introductory paragraph hereto.

Compliance Certificate means a certificate substantially in the form of **Exhibit P** signed by a Responsible Officer of the Company.

Convertible Note Subordination Agreement means that certain subordination and intercreditor agreement dated the Closing Date, by and between the holders of the 9% Subordinated Convertible Notes identified therein, as subordinated lenders, the Company, as borrower, and Deerpath Funding, as agent for the senior lenders, attached hereto as **Exhibit I**, as amended.

Copyright Security Agreement means individually, and **Copyright Security Agreements** means collectively, the Copyright Security Agreements dated the Closing Date, by and between Agent, as secured party, and each of the Company, ADI, Legiant and PeopleCube, all of which are attached as **Exhibit D** hereto, as amended.

Current Financials means (a) until the first delivery of consolidated financial statements of Borrowers pursuant to **Section 8.1**, the Financial Statements, and (b) after the first delivery of consolidated financial statements of Borrowers under **Section 8.1**, the consolidated financial statements of the Borrowers most recently delivered to Lenders under **Section 8.1** as of the date of determination.

Debt means (without duplication), with respect to any Borrower, (a) all obligations required by GAAP to be classified upon such Borrower's balance sheet as liabilities, (b) all obligations of such Borrower for borrowed money (whether as a direct obligor on a promissory note, a reimbursement obligor on a letter of credit, a guarantor, or otherwise), excluding the accounting impact of any discount to the GAAP book value of the Debt instrument resulting from the allocation of proceeds from such borrowed money between the Debt instrument and concurrently issued equity interests granted by such Borrower, (c) liabilities to the extent secured (or for which and to the extent the holder of the Debt has an existing right, contingent or otherwise, to be so secured) by any Lien existing on property owned or acquired by such Borrower, (d) Capital Leases and other obligations of such Borrower that have been (or under GAAP should be) capitalized for financial reporting purposes, (e) all obligations of such Borrower to purchase, redeem, retire, defease or otherwise make any payment in respect of Disqualified Stock, and (f) all guaranties, endorsements, and other contingent liabilities with respect to Debt or obligations of others. With respect to Borrowers, Debt means the aggregate of the Debt of the Borrowers.

Debtor Relief Laws means *Title 11 of the United States Code* and all other applicable liquidation, conservatorship, bankruptcy, fraudulent transfer, moratorium, rearrangement, receivership, insolvency, reorganization, suspension of payments, or similar Laws in effect from time to time affecting the rights of creditors generally.

Deed of Trust means, with respect to any real property interest of any Borrower (including but not limited to any fee simple, leasehold or mineral interest), a mortgage, deed of trust or similar instrument in Proper Form executed by any Borrower that grants Agent (for the ratable benefit of Lenders) a Lien on such real property interest to secure the performance and payment in full of the Obligation.

Deerpath Funding is defined in the introductory paragraph hereto.

Deerpath Funding Initial Term Note means that certain promissory note attached hereto as **Exhibit A**, executed by Borrowers on the Closing Date and made payable to Deerpath Funding in an original principal amount equal to Deerpath Funding's Percentage Interest of the Initial Term Loan Commitment, or \$14,500,000.00, and all renewals, increases, modifications, amendments, supplements, restatements and replacements of, or substitutions for, that promissory note.

Default is defined in **Section 11**.

Default Rate is defined in **Section 3.5**.

Deferred Purchase Payment has the meaning given such term in the PeopleCube Purchase Agreement.

Deposit Account Control Agreement means, with respect to each checking, savings or other deposit account utilized by a Borrower, a Deposit Account Control Agreement by and among such Borrower, Agent and the applicable depository bank, in substantially the form of **Exhibit F** (or otherwise in Proper Form as approved in advance by Agent).

Director means any member of a Board of Directors of a Borrower.

Disqualified Stock shall mean any Equity Security that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, (a) matures (excluding any maturity as the result of an optional redemption by the issuer thereof) or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof, in whole or in part, or requires the payment of any cash dividend or any other scheduled payment constituting a return of capital, or (b) is convertible into or exchangeable for (i) Debt securities or (ii) any Equity Security referred to in clause (a) above; *provided, however*, that any Equity Securities that would not constitute Disqualified Stock but for provisions thereof giving holders thereof (or the holders of any security into or for which such Equity Securities are convertible, exchangeable or exercisable) the right to require the issuer thereof to redeem such Equity Securities upon the occurrence of a change in control shall not constitute Disqualified Stock if such Equity Securities provide that the issuer thereof will not redeem any such Equity Securities pursuant to such provisions prior to the repayment in full of the Obligations (other than contingent indemnification obligations) and the termination of all of Lenders' commitments to lend hereunder.

Distribution for any Person means, (a) with respect to any Equity Securities of that Person, (i) the declaration or payment of any dividend or distribution on or with respect to such Equity Securities, (ii) the retirement, redemption, purchase, withdrawal, or other acquisition for value of such Equity Securities (including the purchase of warrants, rights, or other options to acquire such interests), or (iii) any other payment by that Person with respect to such Equity Securities, and (b) any loan or advance by that Person to, or other investment by that Person in, the holder of any Equity Securities of that Person.

Dollar, Dollars or \$ mean lawful money of the United States of America.

EBITDA means, without duplication, for any period, Borrowers' Net Income for such period *plus*:

- (a) GAAP depreciation, amortization, Net Interest Expense and income taxes, *plus (or minus)*
- (b) any GAAP non-cash charges (*or GAAP non-cash income*) as approved by Agent in writing;
- (c) any GAAP non-cash stock compensation;
- (d) any GAAP non-cash effect of purchase accounting hair-cut on PeopleCube deferred revenue;

Notwithstanding the foregoing:

(a) EBITDA for the 12-month period ending September 30, 2012 shall be deemed to be equal to (i) EBITDA for the 3-month period ending September 30, 2012 *multiplied by* (ii) four (4.00) (subject to *clause (e)* below);

(b) EBITDA for the 12-month period ending December 31, 2012 shall be deemed to be equal to (i) EBITDA for the 6-month period ending December 31, 2012 *multiplied by* (ii) two (2.00) (subject to *clause (e)* below);

(c) EBITDA for the 12-month period ending March 31, 2013 shall be deemed to be equal to (i) EBITDA for the 9-month period ending March 31, 2013 *multiplied by* (ii) 1.333 (subject to *clause (e)* below);

(d) EBITDA for the 12-month period ending June 30, 2013 and for all subsequent 12-month periods shall be equal to EBITDA for such 12-month period (subject to *clause (e)* below);

(e) EBITDA for any period shall:

(i) exclude up to an aggregate of \$1,250,000 of fees and expenses over the entire term of the Loan (not \$1,250,000 per quarter) incurred within nine (9) months following the Closing Date relating to the integration of PeopleCube;

(ii) exclude "EBITDA" on a pro forma basis for such period of each Person (or business unit, division or group of such Person) which is sold, transferred or otherwise disposed of by a Borrower during such period;

(iii) exclude any Key Man Life Insurance proceeds; and

(iv) if and when Borrowers acquire any Person (or business unit, division or group of such Person) other than PeopleCube from time to time following the Closing Date, EBITDA will be determined on an annualized basis for the fiscal quarters immediately following such acquisition on a basis consistent with the determination of EBITDA pursuant to subsections (a) through (d) above.

Electronic Form is defined in **Section 14.13**.

Eminent Domain Event means any Governmental Authority or any Person acting under a Governmental Authority institutes proceedings to condemn, seize or appropriate all or part of any asset of a Borrower.

Eminent Domain Proceeds means all amounts received by any Borrower as a result of any Eminent Domain Event.

Employee Plan means an “employee pension benefit plan” (as defined in section 3(2) of ERISA) established, maintained or contributed to by any Borrower.

Environmental and Safety Law means any Law that relates to public health and safety, nuisance, worker health and safety, protection of the environment, pollution or contamination or to standards of conduct and bases of obligations relating to the presence, use, production, generation, handling, transport, treatment, storage, disposal, sale, distribution, labeling, testing, processing, discharge, release, threatened release, control or cleanup of any Hazardous Substances.

Environmental Permits means (a) any statutory or regulatory exemption for which any Borrower qualifies, or (b) any permit, license, confirmation letter, or variance letter issued to or for the benefit of a Borrower (or under which a Borrower operates) by the Environmental Protection Agency, the Texas Commission on Environmental Quality, or any other Governmental Authority in connection with or pursuant to any Environmental and Safety Law.

Equity Securities means, with respect to any Person (other than an individual):

(f) all of such Person’s issued and outstanding capital stock (including but not limited to common stock and preferred stock), partnership interests, membership interests, equity interests, profits interests, warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock or other equity or profits interests of such Person;

(g) all of the (i) securities convertible into or exchangeable for shares of capital stock, partnership interests, membership interests, equity interests or profits interests of such Person, and (ii) warrants, rights or options for the purchase or acquisition from such Person of any such shares or interests; and

(h) all of the other equity or profit interests in such Person, whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

Equity Securities of Borrowers means all of the Equity Securities of all of the Borrowers, collectively.

Equityholder means each of, and **Equityholders** means collectively, with respect to any Person or Persons (other than an individual), the holders of Equity Securities of such Person or Persons, respectively.

ERISA means the *Employee Retirement Income Security Act of 1974*, as amended, and related rules and regulations.

Excess Cash Flow means, for any Excess Cash Flow Period, the sum, without duplication, of:

(a) EBITDA for such Excess Cash Flow Period, *minus*

(b) the sum of:

(i) Borrowers' Taxes paid in cash for such Excess Cash Flow Period;

(ii) the principal amount of all Total Debt paid in cash by Borrowers during such Excess Cash Flow Period;

(iii) Net Interest Expense paid in cash by Borrowers during such Excess Cash Flow Period;

(iv) the cash portion of the purchase consideration for any Permitted Acquisitions (other than PeopleCube) paid during such Excess Cash Flow Period;

(v) any fees and expenses relating to the integration of PeopleCube, to the extent excluded in the calculation of EBITDA pursuant to *clause (e)(i)* of the definition thereof;

(vi) cash Capital Expenditures for such Excess Cash Flow Period; *minus (or plus)*

(c) any increase *(or decrease)* in Borrowers' Net Working Capital for such Excess Cash Flow Period,

all as calculated on an annual basis following completion of Borrowers' certified financial statements provided to Lenders pursuant to **Section 8.1(a)**; *provided, that* if the result of such calculation is a negative amount, then Excess Cash Flow for such Excess Cash Flow Period shall be deemed equal to zero dollars (\$0.00).

Excess Cash Flow Period shall mean (a) the period commencing on the Closing Date and ending on December 31, 2012, and (b) each fiscal year of Borrowers thereafter.

Excluded Cash Collateral Account means that certain account number 010-007-7296208 at JPMorgan Chase Bank and the Certificate of Deposit associated therewith in the amount of \$250,000.

Exhibit means an exhibit attached to this Agreement unless otherwise specified.

Financial Statements is defined in **Section 7.23(a)**.

First Year is defined in **Section 2.5(a)(iv)**.

Fitch means Fitch Ratings and any successor thereto.

Fixed Charge Coverage Ratio means, when determined, the ratio of:

(a) EBITDA for the most recently completed 12-month period *minus* any fees and expenses relating to the integration of PeopleCube, to the extent excluded in the calculation of EBITDA pursuant to *clause (e)(i)* of the definition thereof, to

(b) the sum of (collectively, the “**Fixed Charges**”):

(i) the principal amount of all Total Debt scheduled to be paid during the forward 12-month period, excluding (A) any and all Annual Excess Cash Flow Prepayments and (B) the regularly scheduled principal payment due under the Notes on the Maturity Date;

(ii) Net Interest Expense paid during the most recently completed 12-month period; and

(iii) Capital Expenditures, cash Taxes, any Cash Distributions for the most recently completed 12-month period.

Flow of Funds Memo means that certain Closing Statement dated the Closing Date, executed by Borrowers, Agent and Lenders and attached hereto as **Exhibit N**.

Fully Diluted Basis means, with respect to any Person, the assumption that all options, warrants or other convertible securities or instruments or other rights to acquire existing or future classes of Equity Securities of such Person have been exercised or converted, as applicable, in full, regardless of whether any such options, warrants, convertible securities or instruments or other rights are then vested or exercisable or convertible in accordance with their terms.

GAAP means generally accepted accounting principles in the United States of America, as in effect from time to time, set out in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied.

Goepel means Patrick Goepel.

Governmental Authority means any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, administrative tribunal, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government and includes a private mediation or arbitration board or panel.

Hazardous Substance means (a) any substance the presence of which requires removal, remediation or investigation under any applicable Environmental and Safety Law, (b) any substance that is defined or classified as a hazardous waste, hazardous material, pollutant, contaminant, or toxic or hazardous substance under any applicable Environmental and Safety Law, or (c) petroleum, petroleum products, oil, N.O.R.M. and other radioactive material, chlorides and asbestos.

Immigration Laws means and includes the Immigration Reform and Control Act of 1986 and any and all other federal, state, municipal or other Laws enforced or under the jurisdiction of the U.S. Immigration and Customs Enforcement or otherwise pertaining to or relating to foreign nationals who come to the United States either temporarily or permanently, including (a) the associated legal rights, duties and obligations of aliens and their employers in the United States, (b) employer verification obligations and procedures involved with the employment of foreign nationals, (c) application processes and procedures involved with naturalization of foreign nationals who wish to become United States citizens, and (d) legal issues relating to people who cross U.S. borders by means of fraud or other illegal means, and those who traffic or otherwise illegally transport aliens into the United States, together with any and all regulations promulgated thereunder.

Initial Term Loan is defined in *Section 2.1*.

Initial Term Loan Commitment means \$14,500,000.

Insurance Proceeds means all cash and non-cash proceeds in respect of any insurance policy maintained by any Borrower, including (a) proceeds relating to Collateral, (b) any Key Man Life Insurance proceeds, and (c) any business interruption insurance proceeds.

Interest Period means a calendar quarter beginning with the first day of each calendar quarter (i.e., January 1, April 1, July 1 and October 1); *provided however* that for the period from Closing until the beginning of the next calendar quarter, the Interest Period shall commence on the Closing Date.

Joinder Agreement is defined in *Section 8.9*.

JPMorgan Line of Credit means the Company's \$500,000 senior secured line of credit under that certain Credit Agreement dated September 29, 2011, by and between the Company, as borrower, and JPMorgan Chase Bank, N.A., as lender, as amended.

Key Man Life Insurance means (a) the insurance policy(ies) maintained by Borrowers on the lives of Goepel, Anderson, Rodriguez and Scoglio (or any combination of the foregoing as long as it includes Goepel), payable to Borrowers in an aggregate amount at all times at least equal to \$10,000,000, and (b) any other policy of key man life insurance maintained by Borrowers with respect to any other employee or consultant of a Borrower; *provided that*, with respect to all of the foregoing insurance policies, Agent shall have a first priority assignment and security interest (for the ratable benefit of the Lenders) in any proceeds received by Borrowers.

Landlord Subordination of Lien means with respect to any real property leased by a Borrower, a Landlord Subordination of Lien in the form of **Exhibit G** attached hereto or otherwise in Proper Form, by and among Agent, such Borrower and the landlord.

Laws means all applicable statutes, laws, treaties, ordinances, rules, regulations, orders, writs, injunctions, decrees, judgments, and the terms of any license or permit issued by any Governmental Authority.

Legiant is defined in the introductory paragraph hereto.

Legiant Seller means WG Ross Corp., a Texas corporation.

Legiant Seller Notes means:

(a) that certain promissory note dated December 14, 2011, executed by Legiant and made payable to Legiant Seller in the initial principal amount of \$477,536.05, as amended, supplemented and replaced from time to time in accordance with the Legiant Seller Note Subordination Agreement; and

(b) that certain promissory note dated December 14, 2011, executed by Legiant and made payable to Legiant Seller in the initial principal amount of \$1,761,231.97, as amended, supplemented and replaced from time to time in accordance with the Legiant Seller Note Subordination Agreement.

Legiant Seller Note Subordination Agreement means that certain subordination and intercreditor agreement dated the Closing Date, by and between Legiant Seller, as subordinated lender, Legiant and the Company, as borrowers, and Deerpath Funding, as agent for the senior lenders, attached hereto as **Exhibit K**, as amended.

Lender and **Lenders** are defined in the introductory paragraph hereto.

Lender Observer is defined in **Section 8.14(a)**.

LIBOR Rate means the rate determined for the applicable Interest Period by the Agent at approximately 11:00 a.m. (London Time) on the date that is two (2) Business Days prior to the commencement of the Interest Period by reference to the British Bankers' Association Interest Settlement Rates for deposits in U.S. Dollars for a 3-month term (as set forth by Bloomberg or any other market information vendor selected by the Agent and approved by the Company); provided, that in no event shall the LIBOR Rate be less than two percent (2.00%) per annum. The LIBOR Rate will be reset for each Interest Period.

Lien means, with respect to any property, (a) any mortgage, deed of trust, lien (statutory or other), pledge, encumbrance, claim, charge, assignment, hypothecation, security interest or encumbrance of any kind or any filing of any financing statement under the UCC or any other similar notice of Lien under any similar notice or recording statute of any Governmental Authority, including any easement, servitude, right-of-way or other encumbrance on title to real property, in each of the foregoing cases whether voluntary or imposed by law, and any agreement to give any of the foregoing, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such property, and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

Liquidity Event means the occurrence of any one of the following: (a) a firmly underwritten primary public offering of Equity Securities under a registration statement filed by any Borrower under the Securities Act which results in aggregate proceeds to the Borrowers and their Equityholders of at least \$10,000,000 (net of underwriting discounts and commissions), or (b) a Change of Control.

Litigation means, with respect to any Borrower, any claim, action, arbitration, suit, investigation or administrative or other proceeding pending against or affecting such Borrower by or before any court, arbitrator or Governmental Authority.

Loan means individually, and **Loans** means collectively, the Initial Term Loan, any Additional Term Loan and any other amount loaned or advanced to or for the benefit of Borrowers by Lenders under this Agreement.

Loan Date means, with respect to any Loan requested by Borrowers under this Agreement, the date on which the applicable funds are transferred to, or made available to, Borrowers.

Loan Documents means (a) this Agreement, any certificates delivered under this Agreement and the Schedules to this Agreement, (b) the Notes, (c) the Security Documents, (d) the Subordination Agreements, (e) the Noncompetition Letter Agreements, (f) the Small Business Side Letter, (g) the Flow of Funds Memo, (h) any Loan Request, (i) any Compliance Certificate, (j) any Joinder Agreement and (k) all other agreements, documents, and instruments in favor of any Lender from time to time delivered to any Lender in connection with or under this Agreement, and (l) all renewals, extensions, modifications, supplements, restatements, and replacements of, or substitutions for, any of the foregoing.

Loan Request means a request for a Loan substantially in the form of *Exhibit O* signed by a Responsible Officer of the Company.

Management Person means each of Goepel, Anderson, Scoglio and Rodriguez.

Material Adverse Event means any circumstance or event that, individually or collectively with other circumstances or events, may reasonably be expected to result in (a) impairment of the ability of any Borrower to perform any of its payment or other material obligations under any Loan Document, (b) impairment of the ability of Agent or any Lender to enforce any of its respective rights or remedies, or any Borrower's obligations, under any Loan Document, (c) a material and adverse effect on the business, income, operations, prospects, assets, liabilities, property or condition (financial or otherwise) of any Borrower as represented to Agent or Lenders in the initial financial statements delivered to Agent and Lenders (or as otherwise disclosed to Agent or Lenders) on or about the Closing Date, or (d) a material and adverse effect on any part of the Collateral.

Maturity Date means the earliest to occur of the following: (a) the four (4) year anniversary of the Closing Date, (b) the date that is six (6) months prior to the earliest maturity date of any of the Subordinated Debt, as the applicable maturity date of any such Subordinated Debt may be extended from time to time by Borrowers and the applicable holders thereof, (c) the acceleration of the maturity of the Loans pursuant to **Section 12.1** of this Agreement, or (d) the date a Change of Control or other Liquidity Event occurs.

Maximum Rate and **Maximum Amount** respectively mean, for Lenders, the maximum non-usurious rate of interest and the maximum non-usurious amount of interest that, under applicable Law, Lenders are permitted to contract for, charge, take, reserve or receive on the Obligation.

Moody's means Moody's Investor Services, Inc.

Net Income means, for any period, the Borrowers' consolidated net income for such period after taxes (in conformity with GAAP) but before dividends, excluding, without duplication, extraordinary items such as (a) net gain or loss during such period arising from the sale, exchange, or other disposition of capital assets (including fixed assets and capital stock) other than in the ordinary course of business, (b) write-up or write-down of assets, and (c) provision for taxes on any extraordinary item.

Net Interest Expense means, for any period, (a) total interest expense of the Borrowers for such period in respect of all outstanding Debt of the Borrowers, whether paid, accrued, expensed or capitalized, and includes, without limitation, all commissions, discounts, commitment fees and other fees and charges owed in respect of such Debt, including that portion of any lease payment under a Capital Lease which would be treated as interest under GAAP and interest on Debt used to finance working capital, minus (b) Borrowers' aggregate interest income for such period.

Net Proceeds means (a) with respect to any sale, lease, transfer or other disposition of any asset by any Person, the aggregate amount of cash and non-cash proceeds from such transaction received by, or paid to or for the account of, such Person, net of customary and reasonable out-of-pocket costs, fees, and expenses, and (b) with respect to the issuance of Equity Securities, debt securities, Subordinated Debt, or similar instruments, or any other incurrence of Debt, the cash and non-cash proceeds received from such issuance or incurrence, net of attorneys' fees, investment banking fees, accountants fees, underwriting discounts and commissions and other customary fees and expenses actually incurred in connection with such issuance. Non-cash proceeds include any proceeds received by way of deferred payment of principal pursuant to a note, installment receivable, purchase price adjustment receivable, or otherwise, but only as and when received.

Net Working Capital means Borrowers' (a) current assets other than cash and Cash Equivalents, *less* (b) current liabilities (excluding the current portion of long-term Debt), determined on a consolidated basis consistent with GAAP.

Non-Convertible Note Subordination Agreement means that certain subordination and intercreditor agreement dated the Closing Date, by and between the holders of the 15% Subordinated Notes identified therein, as subordinated lenders, the Company, as borrower, and Deerpath Funding, as agent for the senior lenders, attached hereto as **Exhibit H**, as amended.

Noncompetition Letter Agreement means individually, and **Noncompetition Letter Agreements** means collectively, those certain letter agreements dated the Closing Date, by and among Agent, the Company and each of Goepel, Anderson, Scoglio and Rodriguez, in the form attached hereto as **Exhibit L**.

Note means individually, and **Notes** means collectively, the Term Notes and any other promissory note issued to any Lender and evidencing any Loan or all or any other portion of the Obligation, and any promissory notes issued in substitution or replacement thereof.

Obligation means, collectively, (a) the Loans and all Debt, liabilities and obligations (including indemnities), and all renewals, increases and extensions thereof, or any part thereof, now or in the future owed to any Lender or Agent by any Borrower under any Loan Document, *together with* all interest accruing thereon, reasonable fees, costs and expenses (including, without limitation, all reasonable attorneys' fees and expenses incurred in the enforcement or collection thereof) payable under the Loan Documents or in connection with the protection of rights or exercise of remedies under the Loan Documents, and (b) the due and punctual performance of all covenants, agreements, obligations and liabilities of the Borrowers under or pursuant to the Loan Documents, in each case, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising.

Order means any judgment, injunction, judicial or administrative order or decree granted, made, issued or otherwise promulgated by any Governmental Authority.

Other Taxes is defined in **Section 3.1(b)**.

Patent and Trademark Security Agreement means individually, and **Patent and Trademark Security Agreements** means collectively, the Patent and Trademark Security Agreements dated the Closing Date, by and between Agent, as secured party, and each of the Company, ADI, Legiant and PeopleCube, all of which are attached as **Exhibit C** hereto, as amended.

PBGC means the Pension Benefit Guaranty Corporation, or any successor thereof, established under ERISA.

PeopleCube is defined in the introductory paragraph hereto.

PeopleCube Acquisition means the acquisition of PeopleCube by the Company pursuant to the PeopleCube Purchase Agreement.

PeopleCube Acquisition Documents means the PeopleCube Purchase Agreement and the other transaction documents contemplated by the PeopleCube Purchase Agreement.

PeopleCube Purchase Agreement means that certain Stock Purchase Agreement dated the Closing Date, by and between Meeting Maker Holding, B.V., a besloten vennootschap organized under the laws of the Netherlands, as seller, PeopleCube Holding, B.V., a besloten vennootschap organized under the laws of the Netherlands, and the Company, as buyer.

Percentage Interest means, with respect to each Lender, such Lender's percentage interest in the Loans (calculated as of the Closing Date as the percentage of the Initial Term Loan that was funded by such Lender), which percentage interests may be changed by the Lenders at any time. As of the Closing Date, and unless and until changed by Lenders, the Percentage Interest of Deerpath Funding is one hundred percent (100%).

Permitted Acquisition means the acquisition by any Borrower of any other Person whether by purchase of assets or Equity Securities, merger or other transaction or series of transactions; *provided, that* such acquisition is approved in advance in writing by Agent. The PeopleCube Acquisition is a Permitted Acquisition.

Permitted Debt means

- (a) the Obligation;
- (b) Debt arising from endorsing negotiable instruments for collection in the ordinary course of business;
- (c) purchase money Debt and Capital Lease obligations incurred in the ordinary course of business which, in the aggregate, do not exceed \$1,000,000 at any time;
- (d) trade payables and other current liabilities incurred in the ordinary course of business;
- (e) Borrowers' credit card line with JPMorgan Chase Bank in an amount not to exceed \$400,000;
- (f) the 15% Subordinated Notes;
- (g) the 9% Subordinated Convertible Notes;
- (h) the Seller Notes;
- (i) the Deferred Purchase Payment; and
- (j) Debt among the Borrowers.

Permitted Liens means

- (a) Liens securing the Obligation;
- (b) Liens securing the 15% Subordinated Notes and the 9% Subordinated Convertible Notes;
- (c) Liens which secure purchase money Debt and Capital Lease obligations permitted under *clause (c)* of the definition of Permitted Debt and which encumber only the assets acquired with such purchase money Debt or the assets subject to such Capital Lease; *provided, that* the Debt incurred in connection with such acquisition and secured by such Lien shall not exceed one hundred percent (100%) of the amount of the purchase price of such items then being financed;

(d) Pledges, deposits or Liens arising or made to secure payment of workers' compensation, unemployment insurance or other forms of governmental insurance or benefits or to participate in any fund in connection with workers' compensation, unemployment insurance, pensions or other social security programs;

(e) Easements, rights-of-way, encumbrances and other restrictions on the use or value of real property or any other property or asset which do not materially impair the use thereof;

(f) Liens on the Excluded Cash Collateral Account to secure Borrowers' obligations under the credit card line with JPMorgan Chase Bank;

(g) Liens for Taxes and Liens imposed by operation of law (including, without limitation, Liens of mechanics, materialmen, warehousemen, carriers and landlords, and similar Liens) provided that (i) the amount secured is not overdue by more than ten (10) days and no Lien has been filed, or (ii) the validity or amount thereof is being contested in good faith by lawful proceedings diligently conducted, reserve or other provision required by GAAP has been made, levy and execution thereon have been (and continue to be) stayed, or payment is fully covered by insurance (subject to the customary deductible); and

(h) Rights of offset or statutory banker's Liens arising in the ordinary course of business in favor of commercial banks, provided that any such Lien shall only extend to deposits and property in possession of such commercial bank.

Person means any natural person, sole proprietorship, partnership, limited partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, syndicate, Governmental Authority or other entity or organization.

Pledge Agreement means that certain Pledge Agreement dated the Closing Date, by and among the Company and the other pledgors from time to time party thereto, as pledgors, and Agent, as secured party for the ratable benefit of the Lenders, attached hereto as **Exhibit E**.

Potential Default means the occurrence of any event or the existence of any circumstance that would, with the giving of notice or lapse of time or both, become a Default.

Principal Debt means, when determined, the aggregate outstanding principal balance of the Notes (including any accrued and unpaid interest added pursuant to **Section 3.5**).

Projections is defined in **Section 7.23(c)**.

Proper Form means in form and substance satisfactory to Agent, Lenders and their legal counsel.

Registration Rights Agreement means that certain Registration Rights Agreement dated September 30, 2011, by and between the Company and the holders of the 9% Subordinated Convertible Notes, as amended from time to time in accordance with the Convertible Note Subordination Agreement.

Regulatory Problem means with respect to any Lender, (a) a diversion of the proceeds of the financing hereunder from the use thereof reported on SBA Form 1031 delivered as of the date hereof, if such diversion was effected without obtaining the prior written consent of such Lender (which may be withheld in such Lender's sole discretion), (b) a change in the principal business activity of Borrowers to an ineligible business activity (within the meaning of the SBIC Regulations) if such change occurs within one (1) year after the date of any Loan hereunder and without the prior written consent of such Lender, or (c) any set of facts or circumstances wherein it has been asserted by any governmental regulatory agency (or such Lender reasonably believes that there is a substantial risk of such assertion) that such Lender and its Affiliates are not entitled to hold, or exercise any significant right with respect to, the Loans.

Representative means, with respect to any Person, any representative, officer, director, manager, employee, consultant, contractor, attorney or agent of such Person.

Required Lenders means, as of the date of any determination, Lenders holding more than fifty percent (50.0%) of the Percentage Interests.

Responsible Officer of a Person (other than an individual) means the President, a Vice President, Chief Executive Officer, Chief Financial Officer, Treasurer, Comptroller, Chief Accounting Officer, Chief Operating Officer, or Director of such Person.

Rodriguez means Steven Rodriguez.

Sandberg means David Sandberg.

S&P means Standard & Poor's Ratings Group (a division of The McGraw-Hill Companies, Inc.).

SBA means the United States Small Business Administration.

SBA Maximum Rate is defined in **Section 3.8**.

SBIC means a small business investment company licensed under the SBIC Act.

SBIC Act means the Small Business Investment Act of 1958, as amended.

SBIC Regulations means the SBIC Act and the regulations issued by the SBA thereunder, codified at Title 13 of the Code of Federal Regulations, sections 107 and 121, as amended.

Schedule means a schedule attached to this Agreement unless otherwise specified.

Scoglio means David Scoglio.

SEC is defined in **Section 14.16**.

Securities Act means the Securities Act of 1933, as in effect from time to time.

Security Agreement means that certain Security Agreement dated the Closing Date, by and among Borrowers, as debtor and Agent, as secured party for the ratable benefit of the Lenders, pursuant to which Borrowers granted Agent a Lien in the Collateral (as defined therein) to secure the Obligation, attached hereto as **Exhibit B**.

Security Documents means the Security Agreement, the Patent and Trademark Security Agreements, the Copyright Security Agreements, the Pledge Agreement, any Deed of Trust, any Landlord Subordination of Lien, any and all Deposit Account Control Agreements, and all related instruments and documents executed and delivered to Agent or any Lender at the Closing or pursuant to **Section 6** or **Section 8.9**, and all documents and UCC financing statements executed in connection with the foregoing to create or perfect a Lien on the Collateral.

Seller Note means individually, and **Seller Notes** means collectively, each of the ADI Seller Note, the Legiant Seller Notes and any and all other promissory notes issued pursuant to Permitted Acquisitions and subject to Subordination Agreements in Proper Form.

Senior Debt means, without duplication, when determined, the following: (a) the Obligations, *plus* (but without duplication) (b) all purchase money Debt and Capital Lease obligations of the Borrowers.

Senior Debt to EBITDA Ratio means, when determined, the ratio of the Borrowers' (a) Senior Debt to (b) EBITDA for the most recently completed 12-month period.

Small Business Side Letter means that certain Small Business Side Letter dated the Closing Date, executed by the Borrowers and conforming to the SBIC Act, attached hereto as **Exhibit M**.

Solvent means, with respect to any Borrower, that based upon the Borrowers' most recent annual operating plan or the Current Financials as provided under **Section 8.1**, (a) the aggregate fair market value of such Borrower's assets exceeds such Borrower's liabilities, (b) such Borrower has sufficient cash flow to enable it to pay its Debts as they mature, and (c) such Borrower does not have unreasonably small capital to conduct its businesses.

Subordinated Debt means, collectively, the 15% Subordinated Notes, the 9% Subordinated Convertible Notes, the Seller Notes and any other Debt that is contractually subordinated in right of payment, collection, enforcement and lien rights to the prior payment in full of the Obligation pursuant to a Subordination Agreement.

Subordinated Note Security and Intercreditor Agreement means that certain Subordinated Note Security and Intercreditor Agreement dated September 29, 2011, by and among the Company and the holders of the 15% Subordinated Notes and the 9% Subordinated Convertible Notes, as amended from time to time in accordance with this Agreement and the Convertible Note Subordination Agreement.

Subordination Agreement means individually, and **Subordination Agreements** means collectively, each of the Non-Convertible Note Subordination Agreement, the Convertible Note Subordination Agreement, the ADI Seller Note Subordination Agreement, the Legiant Seller Note Subordination Agreement and any other subordination and intercreditor agreement by and among Agent, as agent for the Lenders, any holder of Subordinated Debt, as subordinated lender, and the Borrower(s) who are obligated under such Subordinated Debt, in form and substance satisfactory to Agent.

Subsidiary of any Person means any corporation, partnership or other entity of which such Person is the Beneficial Owner of at least fifty percent (50%) of the Voting Interests.

Tax means, for any Person, any taxes, assessments or other governmental charges or levies imposed upon that Person, its income, or any of its properties, franchises or assets.

Tax Code means the *Internal Revenue Code of 1986*, as amended, and related rules and regulations.

Term Loan means, collectively, the Initial Term Loan and any and all Additional Term Loans.

Term Loan Commitment means the aggregate of the Initial Term Loan Commitment and the Additional Term Loan Commitment.

Term Loan Interest Rate is defined in *Section 3.4(a)*.

Term Loan Principal Debt means, when determined, the aggregate outstanding principal balance of the Term Notes (including any accrued and unpaid interest added pursuant to *Section 3.5*).

Term Note means individually, and **Term Notes** means collectively, each of the Deerpath Funding Initial Term Note, any Additional Term Note and any other promissory note issued to any Lender and evidencing all or any portion of the Term Loan, and any promissory notes issued in substitution or replacement thereof.

Total Debt means, without duplication, when determined, the following: (a) all obligations of the Borrowers for borrowed money (whether as a direct obligor on a promissory note, a reimbursement obligor on a letter of credit, a guarantor, surety or other secondary obligor or otherwise), excluding the accounting impact of any discount to the GAAP book value of the Debt instrument resulting from the allocation of proceeds from such borrowed money between the Debt instrument and concurrently issued equity interests granted by such Person, *plus* (but without duplication) (b) all purchase money Debt and Capital Lease obligations of the Borrowers.

Total Debt to EBITDA Ratio means, when determined, the ratio of the Borrowers' (a) Total Debt to (b) EBITDA for the most recently completed 12-month period.

Tranche A Loan is defined in *Section 2.1*.

Tranche B Loan is defined in *Section 2.2*.

UCC means the Uniform Commercial Code as adopted in New York and as amended from time to time.

Voting Interests of any Person means the shares of capital stock, membership interests, partnership interests or other Equity Securities issued by such Person that have voting power (whether pursuant to applicable Law, such Person's charter, any shareholders, partnership, company or operating agreement or by any other contractual right) for the election, removal or replacement of, or otherwise have the power to designate, (a) the members of such Person's board of directors, board of managers or other governing body performing similar functions, or (b) if such Person is a limited partnership, the general partner of such Person; *provided, that* the "Voting Interests" of any member-managed limited liability company shall be deemed to be the Equity Securities of such limited liability company that are held by its managing member(s).

1.2. Other Interpretive Provisions.

(a) The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms. Words in respect of one gender include each other gender where appropriate.

(b) With reference to this Agreement and each other Loan Document, unless otherwise specified in this Agreement or in such other Loan Documents,

(i) Article, Section, Exhibit and Schedule references are to the Loan Document in which such reference appears;

(ii) the words "*herein*," "*hereto*," "*hereof*" and "*hereunder*" and words of similar import when used in any Loan Document shall refer to such Loan Document as a whole and not to any particular provision thereof;

(iii) the terms "*to the Borrowers' knowledge*" and "*to the knowledge of Borrowers*" and any other references to the knowledge or awareness of Borrowers mean to the knowledge of each Borrower; a Borrower shall be deemed to have "*knowledge*" of a particular fact or matter if any of Goepel, Sandberg or Scoglio or, solely with respect to facts or matters relating to PeopleCube, Anderson, is actually aware of such fact or matter or could be expected to discover or otherwise become aware of such matter in the course of conducting a reasonably comprehensive investigation concerning the existence of such fact or matter;

(iv) any references to equity interests or other interests of "*Lender*" or "*Lenders*" in any entity, property or assets, and any references to things owned by "*Lender*" or "*Lenders*" or obligations owed to "*Lender*" or "*Lenders*", shall include all such equity interests, ownership interests and obligations owned by or owed to all of the Lenders, collectively;

(v) the term "*including*" is by way of example and not limitation;

(vi) the term "*documents*" includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in physical or electronic form; and

(c) In the computation of periods of time from a specified date to a later specified date, the word “*from*” means “*from and including*,” the words “*to*” and “*until*” each mean “*to but excluding*,” and the word “*through*” means “*to and including*.”

(d) Section headings in this Agreement and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

(e) This Agreement and the other Loan Documents are the result of negotiations among and have been reviewed by counsel to Borrowers, Lenders and the other parties thereto and are the products of all parties; accordingly, they shall not be construed against Lenders merely because of Lenders’ involvement in their preparation.

1.3. **Accounting Principles.** All accounting and financial terms used in the Loan Documents will be determined in accordance with GAAP. Unless otherwise indicated, all financial calculations in respect of the Borrowers or any Borrower are on a consolidated basis for the Borrowers and defined terms assume that financial information is prepared or calculated on a consolidated basis for the Borrowers in accordance with GAAP. If any changes in GAAP are hereafter required or permitted and are adopted by Borrowers on a consolidated basis with the agreement of their certified public accountants and such changes result in a change in the method of calculation of any of the financial covenants, restrictions or standards herein or in the related definitions or terms used therein, the parties hereto agree to enter into negotiations to amend such provisions so as to reflect equitably such changes with the desired result that the criteria for evaluating the financial condition of Borrowers on a consolidated basis shall be the same after such changes as if such changes had not been made; *provided, however*, that no change in GAAP that would affect the method of calculation of any of the financial covenants, restrictions or standards or definitions of terms used therein shall be given effect in such calculations until such provisions are amended in a manner reasonably satisfactory to Lenders.

1.4. **Time.** Unless otherwise specified, all references in this Agreement to times of day shall be references to Eastern time (daylight or standard, as applicable).

Section 2. Loan Commitments.

2.1. **Tranche A Loan.** Subject to the terms and conditions of this Agreement, each Lender, severally and not jointly, agrees to make, and shall make, a single advance Loan on a non-revolving basis to Borrowers on the Closing Date, in an amount for such Lender equal to its Percentage Interest of the Initial Term Loan Commitment (the “*Tranche A Loan*” or the “*Initial Term Loan*”).

2.2. **Tranche B Loan.** Subject to the terms and conditions of this Agreement, from time to time after the Closing Date, Lenders may, but shall not be required to, make additional Loans to Borrowers (each, an “*Additional Term Loan*” and collectively, the “*Tranche B Loan*” or the “*Additional Term Loans*”), up to an aggregate additional amount not to exceed the Additional Term Loan Commitment. Except as otherwise mutually agreed among Borrowers and Lenders, (a) Borrowers may request Additional Term Loans (i) in minimum increments of \$500,000 and (ii) for the purpose of (A) funding Permitted Acquisitions and other growth initiatives and/or (B) refinancing Subordinated Debt, and (b) any Additional Term Loans will have terms, amortization, interest rate, and fees consistent with the Initial Term Loan. Any Additional Term Loan by Lenders shall be subject to the conditions set forth in **Section 5.3**.

2.3. Loan Procedure. Subject to compliance with **Section 5** (or waiver by Lenders of any of the terms hereof), Borrowers may request:

(a) the Initial Term Loan by submitting a Loan Request to Lenders on or before the Closing Date; and

(b) any Additional Term Loan by submitting a Loan Request to Lenders at least ten (10) Business Days prior to the proposed Loan Date for such Additional Term Loan, which Loan Request shall include a brief description of the proposed use of proceeds of such Additional Term Loan. Lenders shall evaluate such Loan Request and the proposed use of proceeds and respond, in their sole discretion, with their proposed terms and conditions of such Additional Term Loan, if any.

2.4. Permitted Prepayments.

(a) Borrowers may voluntarily prepay any or all of the Term Loan Principal Debt from time to time as set out below:

(i) Lenders must receive Borrowers' written or telephonic prepayment notice by 10:00 a.m. on the second (2nd) Business Day before the date of the proposed prepayment;

(ii) Borrowers' prepayment notice shall specify the prepayment date; and

(iii) Concurrently with (and as a condition precedent to) any and all prepayments of the Term Loan Principal Debt, Borrowers shall pay in full all accrued and unpaid interest on the Term Loan.

(b) Concurrently with (and in addition to) any and all payments of the Term Loan Principal Debt that are funded on or prior to the third anniversary of the Closing Date other than (x) Annual Excess Cash Flow Prepayments, (y) required quarterly amortization payments pursuant to **Section 3.2(b)**, and (z) as set forth in **Sections 2.5(b)(i), 2.5(b)(iii), 2.5(b)(v), 3.7 and 3.8**, Borrowers shall pay to Lenders a premium in cash, as follows:

(i) five percent (5.00%) of the amount of Term Loan Principal Debt paid if such prepayment occurs on or prior to the first anniversary of the Closing Date;

(ii) four percent (4.00%) of the amount of Term Loan Principal Debt paid if such prepayment occurs after the first anniversary of the Closing Date and on or prior to the second anniversary of the Closing Date; or

(iii) one percent (1.00%) of the amount of Term Loan Principal Debt paid if such prepayment occurs after the second anniversary of the Closing Date and on or prior to the third anniversary of the Closing Date.

Borrowers acknowledge and agree that the foregoing prepayment premiums shall be made regardless of whether the applicable prepayment was made voluntarily or involuntarily, or before or after acceleration of the Obligation, and regardless of whether the payment is made in connection with a Change of Control or Liquidity Event, as liquidated damages and compensation for the costs of making funds available under this Agreement, and as a consequence of a reasonable calculation of the Lenders' lost profits in view of the difficulties and impracticability of determining actual damages resulting from such payment.

(c) From and after the first day immediately after the third anniversary of the Closing Date, Borrowers may make optional prepayments of the Term Loan Principal Debt without premium or penalty, subject to subsection (a) above. Amounts repaid or prepaid in respect of the Term Notes may not be re-borrowed without the Lenders' written consent.

(d) All prepayments of the Term Loan Principal Debt pursuant to this **Section 2.4** shall be applied to reduce the Term Loan Principal Debt in the reverse order of maturity, beginning with the Term Loan Principal Debt due at the Maturity Date.

2.5. Mandatory Repayments and Prepayments.

(a) Excess Cash Flow Sweep.

(i) Borrowers shall make mandatory prepayments of the Principal Debt (not subject to any prepayment penalty or premium) on an annual basis (each, an "**Annual Excess Cash Flow Prepayment**") in an amount equal to seventy-five percent (75%) of Borrowers' Excess Cash Flow for each Excess Cash Flow Period; *provided, that* the Annual Excess Cash Flow Prepayment shall be in an amount equal to fifty percent (50%) of Excess Cash Flow if the Senior Debt to EBITDA Ratio as of the last day of such Excess Cash Flow Period is less than 1.50 to 1.00.

(ii) The amount of each Annual Excess Cash Flow Prepayment shall be calculated promptly following completion of Borrowers' certified annual financial statements provided to Lenders pursuant to **Section 8.1(a)** with respect to Borrowers' fiscal year ending on the last day of the applicable Excess Cash Flow Period, and Borrowers shall fund such Annual Excess Cash Flow Prepayment to Lenders no later than twenty (20) days following delivery of such certified annual financial statements to Lenders; *provided, that* if such certified annual financial statements are not available within 130 days after the last day of such fiscal year, then such Annual Excess Cash Flow Prepayment shall be calculated based on the Borrowers' internal financial statements for such fiscal year and Borrowers shall fund the Annual Excess Cash Flow Prepayment to Lenders no later than the 130th day after the last day of such fiscal year; *provided, further* that Borrowers shall fund the amount of any deficiency, if applicable, in the amount of such Annual Excess Cash Flow Prepayment promptly upon receipt of the certified annual financial statements for such fiscal year, and any excess amount, if applicable, shall be returned to Borrowers promptly.

(iii) All Annual Excess Cash Flow Prepayments shall be applied to reduce the Term Loan Principal Debt in the reverse order of maturity, beginning with the Term Loan Principal Debt due at the Maturity Date.

(iv) Notwithstanding anything in this Agreement to the contrary, during the period commencing on the Closing Date and ending on the first anniversary of the Closing Date (the “*First Year*”), Borrowers shall not be required to make aggregate principal payments (including but not limited to any mandatory amortization payments under *Section 3.2(b)*) and any Annual Excess Cash Flow Prepayment made by Borrowers during the First Year) in respect of (A) the Initial Term Loan in an amount exceeding twenty percent (20.00%) of the initial principal amount of the Initial Term Loan or (B) any Additional Term Loan funded by Lenders during the First Year in an amount exceeding twenty percent (20.00%) of the initial principal amount of such Additional Term Loan.

(b) Mandatory Prepayments of Proceeds. At Agent’s election, the following amounts may either be applied to the Obligation in accordance with *Section 3.3* or retained by the applicable Borrower:

(i) 100% of the proceeds of any post-closing purchase price adjustment received by Borrowers with respect to any Permitted Acquisition;

(ii) all Net Proceeds from the sale, assignment, disposition or other transfer of any asset or Equity Securities by any Borrower whether or not permitted by *Section 9.9* (other than dispositions permitted under *Section 9.9(a), (b), or (c)*);

(iii) all Insurance Proceeds and Eminent Domain Proceeds that relate to any Borrower’s assets and that Lenders are entitled to receive under *Section 8.12* (other than Insurance Proceeds used to restore or replace assets of any Borrower as permitted under *Section 8.12(c)*);

(iv) all Net Proceeds of the issuance of Equity Securities by any Borrower; and

(v) 100% of the proceeds of any of the following received by Borrowers: (A) foreign, United States, state or local tax refunds, (B) judgments, settlements or other consideration of any kind in connection with any cause of action, and (C) indemnity payments.

All mandatory prepayments pursuant to this *Section 2.5(b)* shall be applied to reduce the Term Loan Principal Debt, in reverse order of maturity.

(c) Amounts repaid or prepaid in respect of the Term Notes may not be re-borrowed without the Lenders' written consent.

2.6. Joint and Several Obligations.

(a) The Loans and all other Obligations arising under this Agreement and the other Loan Documents shall constitute the joint and several obligations of Borrowers secured, until their final maturity and payment in full, by all of the Collateral. Notwithstanding the foregoing, at the time the Loans and all other Obligations are paid in full in cash and all commitments by Lenders hereunder have been terminated or expired, Agent shall, at Borrowers' sole cost and expense, take any and all actions reasonably necessary and requested by the Borrowers to release Agent's security interest in and to the Collateral.

(b) Each Borrower acknowledges that: (i) the business operations of the Borrowers are interrelated and complement one another, and that such entities have a common business purpose, (ii) to permit their uninterrupted and continuous operations, Borrowers now require the funds from Lenders as set forth in the Loan Documents, and (iii) each Borrower has determined that the execution, delivery and performance of this Agreement and any other Loan Documents to which such Borrower is a party is within its purpose, will be of direct and indirect benefit to such Borrower, and is in the best interest of such Borrower.

Section 3. Terms Of Payment

3.1. Notes and Payments Generally.

(a) Borrowers' Debt under the Loans shall be evidenced by the Notes. Each Borrower hereby irrevocably authorizes each Lender to make (or cause to be made) appropriate notations on the grids attached to the Notes (or on any continuation of such grids or, at each Lender's option, in its records), which notations, if made, shall evidence, inter alia, the date of and the outstanding principal balance of the portion of the Loan(s) evidenced thereby. Such notations shall be rebuttably presumptive evidence of the subject matter thereof absent manifest error; *provided, however*, that the failure to make any such notations shall not limit or otherwise affect any obligations of any Borrower.

(b) Except as otherwise required by applicable Law, Borrowers must make each payment on the Obligation, without offset, counterclaim or deduction, free and clear of all Taxes (other than Taxes imposed on the net income of Lenders or franchise Taxes) and without any withholding, restriction or condition imposed by any Governmental Authority to Lenders' designated depository accounts or to Lenders' designated principal offices, in funds that will be available for immediate use by Lenders by 11:00 a.m. on the day due. If any Borrower is required by applicable Law to deduct any such amounts from or in respect of any sum payable hereunder to any Lender, then the sum payable hereunder shall be increased as may be necessary so that, after making all required deductions, such Lender receives an amount equal to the sum it would have received had no such deductions been made. Borrowers will pay to the relevant Governmental Authority in accordance with applicable law any current or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies that arise from any payment made hereunder or under any Loan Document, or from the execution, delivery or registration of, or otherwise with respect to, this Agreement or any Loan Document that are or would be applicable to the Lenders ("**Other Taxes**"). Payments received after the time noted in the first sentence of this subsection (b) will be deemed received on the next Business Day. Whenever any payment to be made hereunder shall be stated to be due on a date other than a Business Day, such payment shall be made on the immediately preceding Business Day.

(c) Borrowers jointly and severally agree to indemnify each Lender for the full amount of Taxes (other than Taxes imposed on the net income of Lenders or franchise Taxes) and Other Taxes paid by such Lender (including penalties, interest and reasonable expenses (including reasonable attorney's fees and expenses) arising therefrom or with respect thereto). A certificate as to the amount of such payment or liability prepared by such Lender shall be final conclusive and binding for all purposes, absent manifest error. Such indemnification shall be made within thirty (30) days after the date such Lender makes written demand therefor. The Borrowers shall have the right to receive that portion of the amount of any refund or credit of any Taxes and Other Taxes a Lender receives or becomes entitled to receive for which any Borrower has previously paid any additional amount or indemnified such Lender, net of all reasonable out-of-pocket expenses of such Lender in obtaining such refund or credit. Upon the Borrowers' request, the applicable Lender shall use its commercially reasonable efforts to make any such claim for any refund or credit of any Taxes or Other Taxes; *provided, that* the Borrowers shall reimburse the Lender for any reasonable fees (including legal fees) and expenses incurred in connection with such claim.

3.2. Loan Payments.

(a) Interest Payments. Beginning August 1, 2012 and continuing until the Principal Debt is paid in full, accrued interest on the Loans is due and payable monthly in arrears on the first day of each month.

(b) Mandatory Amortization of Term Loan. Beginning October 1, 2012, and continuing until the Term Loan Principal Debt is paid in full, Borrowers shall make payments of Term Loan Principal Debt on a quarterly basis (on the first day of each fiscal quarter of Borrowers – i.e., on each January 1, April 1, July 1 and October 1) in an amount equal to \$362,500 per fiscal quarter (which is equal to 2.50% of the Initial Term Loan Commitment per fiscal quarter, or 10.00% of the Initial Term Loan Commitment per fiscal year); *provided, that* in the event that one or more Additional Term Loans are made by Lenders to Borrowers, the amount of each subsequent quarterly amortization payment shall be increased by an amount equal to 2.50% of the initial principal amount of each such Additional Term Loan.

(c) Payments at Maturity. All outstanding Principal Debt and all accrued and unpaid interest with respect to the Loans are due and payable on the Maturity Date.

(d) ACH Authorization Agreements. Borrowers shall execute and deliver to each Lender an ACH Authorization Agreement and shall make, or cause to be made, all payments under this **Section 3.2** when due by (i) ACH transfer or automatic debit from Borrowers' accounts into each Lender's respective account as designated on attached **Schedule 1** or such other account(s) as any Lender may designate in writing from time to time, or (ii) wire transfer to each Lender's respective account as designated above, if such Lender requests Borrowers to make such payments by wire transfer.

3.3. Order of Application.

(a) If no Default or Potential Default exists, all payments, permitted prepayments and mandatory prepayments shall be applied as specified in this Agreement, and if not specified, such payments shall be applied among principal, interest, fees, expenses, late charges, collection costs, and other charges under the Loan Documents for which Lenders have not been paid or reimbursed at Agent's sole discretion.

(b) At any time a Default or Potential Default exists, all payments (including the proceeds from the exercise of any rights by Agent, any Lender or Borrower) shall be applied among principal, interest, fees, expenses, late charges, collection costs, and other charges under the Loan Documents for which Lenders have not been paid or reimbursed at Agent's sole discretion.

(c) Unless otherwise agreed to by Lenders, (i) any payment, repayment, permitted prepayment and mandatory prepayment under the Loans shall be applied between the applicable Notes in proportion to the Percentage Interests of the Lenders, and (ii) any repayment or prepayment under the Loans shall be applied to reduce the Borrowers' applicable Principal Debt repayment obligations in the reverse order of maturity, beginning with the Principal Debt due at the Maturity Date.

3.4. Interest Rate.

(a) Term Loan Interest Rate. Except as otherwise provided in this Agreement, the Term Loan Principal Debt shall accrue interest at a floating annual rate equal to LIBOR *plus* eight percent (8.00%) per annum (the "**Term Loan Interest Rate**"). Notwithstanding the foregoing, the Term Loan Interest Rate shall not at any time be (i) less than ten percent (10.00%) per annum nor (ii) greater than the Maximum Rate.

(b) Changes in Maximum Rate. Each change in the Maximum Rate is effective as of the effective date of such change without notice to Borrowers or any other Person.

3.5. Default Rate. To the extent permitted by Law, upon the occurrence and during the continuation of any Default, Term Loan Principal Debt shall accrue interest, payable on demand, at an annual rate equal to the *lesser* of (a) three percent (3.00%) per annum *plus* the Term Loan Interest Rate and (b) the Maximum Rate (such interest rate, the "**Default Rate**"). Subject to **Section 3.7**, Lenders may, to the extent permitted by Law, in their sole discretion, add accrued and unpaid interest to the Term Loan Principal Debt, as applicable, after any such amount is due in accordance with this Agreement, and such amount will accrue interest until paid at the applicable interest rate.

3.6. Interest Calculations. Interest on the Loans and all other amounts due under any Loan Document will be calculated on the basis of actual number of days elapsed (including the first day but excluding the last day) but computed as if each calendar year consisted of 360 days (unless such computation would result in an interest rate in excess of the Maximum Rate or interest in excess of the Maximum Amount, in which event the computation is made on the basis of a year of 365 or 366 days, as the case may be). All interest rate determinations and calculations by Lenders are presumptively correct absent manifest error.

3.7. Maximum Rate. Regardless of any provision in any Loan Document, it is the intention of Borrowers and Lenders that Lenders not (a) contract for, charge, take, reserve, receive, or apply, as interest on all or any part of the Obligation any amount in excess of the Maximum Rate or the Maximum Amount or (b) receive any unearned interest, in violation of any applicable Law. If any acceleration of the maturity of the Notes or any payment under the Loan Documents produces a rate in excess of the Maximum Rate, or if Lenders shall for any reason receive any such unearned interest, or if any transaction contemplated hereby or by any other Loan Document would otherwise be usurious under applicable Law, then (i) the aggregate of all interest under applicable usury laws that is contracted for, charged, taken, reserved, received or applied under this Agreement, or under any of the other Loan Documents or otherwise shall under no circumstances exceed the Maximum Amount, (ii) no Borrower nor any other Person shall be obligated to pay the amount of such interest to the extent that it is in excess of the Maximum Amount, (iii) any excess or unearned interest shall be deemed to be and shall be treated as a partial prepayment or repayment of principal (not subject to any prepayment premium under *Section 2.4*) and any remaining excess or unearned interest will be refunded to Borrowers, and (iv) the provisions of this Agreement, the Notes and the other Loan Documents immediately shall be deemed reformed, without the necessity of the execution of any new document or instrument, so as to comply with all applicable usury laws. In determining whether interest paid or payable exceeds the Maximum Rate or the Maximum Amount, Borrowers and Lenders shall, to the maximum extent permitted under applicable Law (w) treat all Loans as a single extension of credit (Lenders and Borrowers agree that such is the case), (x) characterize any non-principal payment as an expense, fee or premium rather than as interest, (y) exclude voluntary prepayments or repayments and their effects, and (z) amortize, prorate, allocate and spread the total amount of interest throughout the entire contemplated term of the Obligation. However, if the Obligation is paid in full before the end of its full contemplated term, and if the interest received for its actual period of existence exceeds the Maximum Rate or the Maximum Amount, Lenders shall refund any excess (and Lenders may not, to the extent permitted by Law, be subject to any penalties provided by any Laws for contracting for, charging, taking, reserving or receiving interest in excess of the Maximum Amount). If the applicable Law is amended in the future to allow a greater rate of interest to be charged under this Agreement than is presently allowed by applicable Law, then the “*Maximum Rate*” shall be increased to the maximum rate of interest allowed by applicable Law as amended, which increase shall be effective hereunder on the effective date of such amendment, to the extent permitted by applicable Law.

3.8. Cost of Money Ceiling. If the “cost of money” (including interest and certain prepayment penalties and other consideration, as more fully defined in 13 C.F.R. §107.855) payable on the Loans is in excess of the maximum permissible rate (the “*SBA Maximum Rate*”) permitted under 13 C.F.R. §107.855, that is the greater of nineteen percent or the cost of money ceiling calculated pursuant to that section, then at the election of any Lender (a) any “cost of money” payable on the Loans in excess of that SBA Maximum Rate shall be treated as a repayment of principal (not subject to any prepayment premium under *Section 2.4*), (b) any remaining cost of money will be refunded to Borrowers, and (c) the provisions of this Agreement, the Notes and the other Loan Documents immediately shall be deemed reformed, without the necessity of the execution of any new document or instrument, so as to comply with 13 C.F.R. §107.855.

Section 4. Fees and Expenses.

4.1. Treatment of Fees and Expenses. To the extent permitted by Law, the fees and expenses described in this **Section 4** (a) do not constitute compensation for the use, detention, or forbearance of money, (b) are in addition to, and not in lieu of, interest and expenses otherwise described in this Agreement, (c) are payable in accordance with **Section 3.1(b)**, (d) are non-refundable, (e) accrue interest, if not paid when due, at the Default Rate for the Term Loan Principal Debt, and (f) are calculated on the basis of actual number of days elapsed (including the first day but excluding the last day), but computed as if each calendar year consisted of 360 days (unless computation would result in an interest rate in excess of the Maximum Rate or interest in excess of the Maximum Amount, in which event the computation is made on the basis of a year of 365 or 366 days, as the case may be); *provided, that* the fees described in this **Section 4** are in all events subject to the provisions of **Sections 3.7** and **3.8**.

4.2. Structuring and Closing Fees.

(a) Tranche A Loan. On the Closing Date, Borrowers shall pay to Lenders (i) a structuring fee with respect to the Tranche A Loan in an amount equal to \$145,000.00, which is equal to one percent (1.00%) of the Initial Term Loan Commitment, and (ii) a closing fee with respect to the Tranche A Loan in an amount equal to \$290,000.00, which is equal to two percent (2.00%) of the Initial Term Loan Commitment.

(b) Tranche B Loan. On the Loan Date for any Additional Term Loan, Borrowers shall pay to Lenders (i) a structuring fee with respect to such Additional Term Loan in an amount equal to one percent (1.00%) of such Additional Term Loan, and (ii) a closing fee with respect to such Additional Term Loan in an amount equal to two percent (2.00%) of such Additional Term Loan.

(c) Other Fees and Expenses. On the date of each advance of a Loan to Borrowers, Borrowers shall pay in cash to Lenders any other fees and expenses provided for in **Section 8.11** hereof (net of any expense deposit).

(d) Payment. The fees and expenses payable by Borrowers to Lenders under this **Section 4.2** shall be paid in cash or netted against the proceeds of the Loans, at the sole discretion of Lenders.

Section 5. Conditions Precedent.

5.1. To Closing. This Agreement will become effective once all parties have executed and delivered this Agreement.

5.2. To Initial Term Loan. The obligation of Lenders to make the Initial Term Loan on the Closing Date pursuant to **Section 2.1** is, in addition to the conditions precedent specified in **Section 5.1**, subject to the following conditions precedent, each of which shall be satisfactory in all respects to Agent, Lenders and their counsel:

(a) Lenders have received all of the following items, each fully executed and in Proper Form:

- (i) this Agreement;
- (ii) the Deerpath Funding Initial Term Note;
- (iii) the Security Agreement;
- (iv) the Patent and Trademark Security Agreements;
- (v) the Copyright Security Agreements;
- (vi) the Pledge Agreement;
- (vii) Deposit Account Control Agreements with respect to all of Borrowers' bank accounts and other similar accounts;
- (viii) the Non-Convertible Note Subordination Agreement;
- (ix) the Convertible Note Subordination Agreement;
- (x) the ADI Seller Note Subordination Agreement;
- (xi) the Legiant Seller Note Subordination Agreement;
- (xii) Landlord Subordination of Lien's for all of Borrowers' leased real property;
- (xiii) the Loan Request for the Initial Term Loan;
- (xiv) the Small Business Side Letter;
- (xv) the Flow of Funds Memo;
- (xvi) the ACH Authorization Agreement in favor of Deerpath Funding;
- (xvii) the Noncompetition Letter Agreements;
- (xviii) audited consolidated financial statements for the Borrowers for Borrowers' fiscal year ended December 31, 2011;
- (xix) evidence satisfactory to Agent and Lenders that:

(A) Borrowers' trailing 12-month pro forma EBITDA is greater than or equal to \$6,000,000 as of the Closing Date, and reasonable basis for projected EBITDA of \$6,121,000 for the fiscal year ending December 31, 2012;

(B) the amount of the Initial Term Loan does not exceed 2.50 *times* Borrowers' pro forma EBITDA on the Closing Date; and

(C) Borrowers have aggregate cash on hand of \$500,000 as of the Closing;

(xx) executed copies of the PeopleCube Purchase Agreement and the other PeopleCube Acquisition Documents, and evidence satisfactory to Agent and Lenders that the closing of the PeopleCube Acquisition has been consummated or will be consummated simultaneously with the closing of the Initial Term Loan on the Closing Date;

(xxi) a certificate of the secretary of the Company, certifying as to the certificate of incorporation and bylaws of the Company, the incumbency of its officers executing Loan Documents and their specimen signatures and resolutions adopted by its board of directors authorizing the Loan Documents to which it is a party at the Closing;

(xxii) SBA Forms 480, 652 and 1031, together with a written certification from Borrowers regarding their intended use of the proceeds of the Term Loan;

(xxiii) evidence that all material consents, permits and approvals (governmental or otherwise) required for the execution, delivery and performance by Borrowers of the Loan Documents have been duly obtained and are in full force and effect; and

(xxiv) evidence that all agreements executed by the Borrowers and/or their Equityholders between themselves or with third parties prior to the date hereof have been amended, supplemented, or terminated to the extent necessary (and such amended agreements are in Proper Form) so as to not be in contravention of or conflict with the provisions of any such agreement, any Loan Document or any other agreement executed in connection herewith or therewith.

(b) Lenders have received each of the following in Proper Form:

(i) UCC-1 Financing Statements with respect to the Collateral referenced in the Security Documents;

(ii) Lien search reports from the state and county UCC records, tax lien records, bankruptcy records for each of the jurisdictions where any Borrower is organized, which show no Liens on the Collateral other than Permitted Liens, including from the Delaware Secretary of State;

(iii) Certificates of Existence and Good Standing from Delaware and Texas for the Company, ADI, and Legiant, and from Delaware and Massachusetts for PeopleCube;

(iv) Certificates of Insurance or other proof, satisfactory to Lenders, that Borrowers have the insurance coverage required by **Section 8.8**;

(v) all collateral assignments of insurance policies required by **Section 8.8**;

(vi) appropriate collateral filings with respect to registered intellectual property;

(vii) all certificates representing the Equity Securities pledged pursuant to the Pledge Agreement, together with appropriate security transfer powers duly executed in blank for all such Equity Securities, and

(viii) such other certificates, documents and agreements as Agent or Lenders may reasonably request.

(c) Each of the following has been completed, satisfied, or is true and correct as of the date of such funding:

(i) at the sole discretion of Lenders, completion of Lenders' due diligence regarding the Borrowers and the PeopleCube Acquisition, including but not limited to the following with respect to each Borrower: Litigation, Taxes, accounting, labor, insurance, pension liabilities, real estate leases, material contracts, Debt agreements, property ownership, and contingent liabilities, the results of which are satisfactory to Lenders in their sole discretion;

(ii) all of the representations and warranties of the Borrowers in the Loan Documents are true and correct in all material respects (except to the extent that the representations and warranties speak to a specific date, in which case they shall be true and correct in all respects as of such specific date);

(iii) no Material Adverse Event exists;

(iv) no material Litigation exists;

(v) no Default or Potential Default exists; and

(vi) Borrowers have paid the fees under **Section 4.2** and the fees and expenses under **Section 8.11**.

(d) Borrowers' delivery to Lenders of the Loan Request for the Initial Term Loan constitutes a representation and warranty by the Borrowers to Lenders that the statements in this **Section 5.2** are true and correct in all respects.

5.3. To Additional Term Loans. In addition to the conditions precedent specified in *Section 5.1*, the obligation of Lenders to make any Additional Term Loan pursuant to *Section 2.2* shall be subject to (i) Lenders' approval of such Additional Term Loan in their sole discretion, which approval may be withheld by Lenders for any reason or for no reason, and (ii) the following terms and conditions precedent, each of which shall be satisfactory in all respects to Agent, Lenders and their counsel:

(a) Such Additional Term Loan shall be in an amount greater than or equal to \$500,000.

(b) Lenders have received all of the following items, each fully executed and in Proper Form:

(i) the Loan Request for such Additional Term Loan;

(ii) a certificate of the secretary of each Borrower, certifying as to the certificate of incorporation and bylaws (or other organizational documents, as applicable) of such Borrower, the incumbency of its officers executing Loan Documents on such Loan Date and their specimen signatures and resolutions adopted by its board of directors authorizing the Additional Term Loan; and

(iii) such other certificates, documents and agreements as Lenders may reasonably request.

(c) Lenders have received, if requested, each of the following in Proper Form:

(i) Lien search reports from the state and county UCC records, tax lien records, bankruptcy records for each of the jurisdictions where any Borrower is organized, which shows no Liens on the Collateral other than Permitted Liens, including from the Delaware Secretary of State;

(ii) Certificates of Existence and Good Standing from Delaware and Texas for the Company, ADI, and Legiant, and from Delaware, Massachusetts, and Texas for PeopleCube;

(iii) Certificates of Insurance or other proof, satisfactory to Lenders, that Borrowers have the insurance coverage required by *Section 8.8*.

(d) Each of the following has been completed, satisfied, or is true and correct as of the applicable Loan Date:

(i) all of the representations and warranties of the Borrowers in the Loan Documents are true and correct in all material respects (except to the extent that the representations and warranties speak to a specific date, in which case they are true and correct in all material respects as of such specific date);

(ii) no Material Adverse Event exists;

(iii) no material Litigation exists;

(iv) no Default or Potential Default exists; and

(v) Borrowers have paid the fees under *Section 4.2* and the fees and expenses under *Section 8.11*.

Borrowers' delivery of the Loan Request for such Additional Term Loan to Lenders shall constitute a representation and warranty by the Borrowers to Lenders that the statements in this *Section 5.3* are true and correct in all respects.

5.4. No Waiver. Each condition precedent in this Agreement is material to the transactions contemplated by this Agreement, and time is of the essence with respect to each condition precedent.

Section 6. Security.

6.1. Collateral; After-Acquired Property.

(a) The complete payment and performance of the Obligation shall be secured by all of the items and types of property of each Borrower (collectively, the "*Collateral*") described as collateral or otherwise secured in the Security Documents, including, without limitation, (i) all personal property, real property interests (including all ownership, leasehold, mineral or other interests), equity interests, accounts receivable, notes receivable, accounts (other than the Excluded Cash Collateral Account), contracts, intellectual property, general intangibles, inventory, equipment and after-acquired property of each Borrower, and (ii) all Equity Securities of any Person owned by each Borrower, including but not limited to the Equity Securities pledged pursuant to the Pledge Agreement. Each Borrower shall execute all applicable Security Documents necessary or appropriate to perfect Agent's Liens in all of the Collateral it owns.

(b) Within five (5) Business Days after any Borrower creates any Subsidiary or acquires any Equity Securities of any Person after the Closing Date, such Borrower shall grant a security interest in and pledge to Agent (for the ratable benefit of the Lenders), pursuant to a pledge agreement in Proper Form, one hundred percent (100%) of its ownership in the Equity Securities of such Person.

(c) Each Borrower shall notify Agent within five (5) Business Days after such Borrower's acquisition or purchase of any ownership, leasehold, mineral or other interest in any real property after the Closing Date, and, upon Agent's request, such Borrower shall execute, deliver, record and file any Deed of Trust, Landlord Subordination of Lien (and shall cause the applicable landlord to execute any such Landlord Subordination of Lien) and/or any other instruments or documents (in Proper Form) that are necessary to provide Agent (for the ratable benefit of the Lenders) a first priority Lien on such real property interest. Borrowers acknowledge that the execution of such Deeds of Trust, Landlord Subordinations of Liens and other instruments and documents is a part of the bargained-for exchange between Lenders and Borrowers and constitutes a part of the consideration for the Loans.

(d) Within five (5) Business Days after any Borrower opens or acquires any deposit account after the Closing Date, such Borrower shall execute and deliver to Agent (for the ratable benefit of the Lenders) a Deposit Account Control Agreement in Proper Form with respect to such deposit account.

6.2. Financing Statements. Borrowers hereby authorize Agent to execute or otherwise authenticate and file any financing statements, continuation statements, and termination statements recording Agent's security interest in the Collateral, and Borrowers shall take such other actions as are reasonably requested by Agent relating to the Collateral, including, without limitation, initiating any Lien search reasonably required by Agent.

6.3. Priority. Except for Liens described in *clause (c)* of the definition of Permitted Liens, Agent shall have a first priority Lien on the Collateral.

Section 7. Representations And Warranties.

Each Borrower jointly and severally represents and warrants to Lenders on the Closing Date, after giving effect to the closing and effectiveness of the PeopleCube Acquisition, as follows:

7.1. Existence, Good Standing, and Authority to do Business. Each Borrower is a business entity duly organized, validly existing and in good standing under the Laws of the jurisdiction of its organization, as set forth on **Schedule 7.1**. Each Borrower is duly qualified to transact business and is in good standing as a foreign entity in each jurisdiction where the nature and extent of its business and properties require due qualification and good standing, all of which jurisdictions are set forth on **Schedule 7.1**. Except where the failure to do so is not a Material Adverse Event, each Borrower possesses all requisite authority, power, licenses, permits, and franchises (a) to own and operate its properties and assets and (b) to conduct its business as presently conducted and as presently planned to be conducted.

7.2. Subsidiaries; other Equity Interests. No Borrower has any Subsidiaries or owns any Equity Securities of any Person except as set forth on **Schedule 7.2**. **Schedule 7.2** lists the jurisdiction of organization of each such Subsidiary or other Person.

7.3. Authorization, Compliance, and No Default. The execution and delivery by each Borrower of the Loan Documents to which it is a party and each Borrower's performance of its obligations under the Loan Documents (a) are within its corporate, company or partnership power, (b) have been duly authorized by all necessary corporate, company or partnership action, (c), except as set forth on **Schedule 7.3**, do not require action by, or filing with, any Governmental Authority or any action by any other Person (*other than* (i) any action taken or filing made on or before the Closing Date, or (ii) any filing by the Company with the Securities and Exchange Commission disclosing the closing of the PeopleCube Acquisition, the Loans and all transactions and/or documents associated therewith), (d) do not violate any provision of such Borrower's organizational documents, (e) to the knowledge of Borrowers, do not violate any material provision of Law or any order of any Governmental Authority, in each case applicable to such Borrower, (f) do not materially violate, or constitute a material breach of, any material agreements to which it is a party (and no default exists on the part of such Borrower under any agreement to which it is a party), and (g) will not result in the creation or imposition of any Lien on any asset of any Borrower other than Liens in favor of Agent. Except as set forth on **Schedule 7.3**, prior to the date hereof, no Borrower or Equityholder of a Borrower has been required to amend, supplement or terminate any agreement to which such Borrower or Equityholder of a Borrower is a party so as to not be in contravention of or conflict with the provisions of any such agreement, any Loan Document or any other agreement executed in connection herewith or therewith.

7.4. Binding Effect. Each Loan Document (a) has been duly executed and delivered by each Borrower which is a party to it, (b) constitutes the legal, valid and binding obligation of each Borrower which is a party to it, and (c) is enforceable against each Borrower which is a party to it in accordance with its respective terms, except as enforceability may be limited by applicable Debtor Relief Laws and general principles of equity.

7.5. Litigation.

(a) Except as disclosed on *Schedule 7.5(a)*, no Borrower is subject to, or has knowledge of the threat of, (i) any Litigation involving any Borrower or any assets of any Borrower, or (ii) any pending or, to the knowledge of Borrowers, asserted or threatened claims for liability arising out of products sold or services rendered on or prior to the Closing Date. No Borrower knows of any valid basis for any such Litigation or liabilities involving any Borrower, any Borrower's assets or any products sold or services rendered by any Borrower.

(b) Except as disclosed on *Schedule 7.5(b)*, there are no outstanding judgments, orders, injunctions, decrees, citations, stipulations or awards (whether rendered by a court, administrative agency, arbitral body or Governmental Authority) against or pertaining to any Borrower or any assets of any Borrower.

7.6. Taxes. All Tax returns required to be filed by each Borrower have been filed (or extensions have been granted) before delinquency, and all Taxes imposed upon any Borrower that are due and payable have been paid before delinquency, *other than* Taxes disclosed on *Schedule 7.6*, which are being contested in good faith by lawful proceedings diligently conducted, against which reserve or other provision required by GAAP has been made.

7.7. Environmental Matters. Except as disclosed on *Schedule 7.7*, no Borrower has any environmental condition or circumstance adversely affecting its assets, properties, or operations that could reasonably be expected to result in a Material Adverse Event. Except as disclosed on *Schedule 7.7* (other than correspondence, notices and reports given and received (i) in the ordinary course of business in respect of environmental matters previously disclosed on *Schedule 7.7*, and (ii) in respect of procedural matters relating to the periodic renewal of, and application for, Environmental Permits), (a) no Borrower has received written notice or report of, or written inquiry regarding, or is otherwise subject to or bound by any obligation to remedy any violation of any Environmental and Safety Law, and (b) no Borrower has received written notice or report of, or written inquiry regarding, or is otherwise subject to any liability under any Environmental and Safety Law arising out of or directly affecting the properties or operations of any Borrower or any obligation of any Borrower to remedy any violation of any Environmental and Safety Law. For each Borrower, each Environmental Permit necessary to conduct its operations is currently in effect, and such Borrower's conduct of its operations is in full compliance with the terms and restrictions of each such Environmental Permit. No Borrower knows or has received notice that any such Environmental Permit has been terminated. No facility of any Borrower is used for, or to the knowledge of any Borrower has been used for, storage, treatment, or disposal of any Hazardous Substance in violation of any applicable Environmental and Safety Law, *other than* violations that individually or collectively would not constitute a Material Adverse Event.

7.8. Ownership of Assets: Intellectual Property. Except as disclosed on *Schedule 7.8*, no Borrower has any ownership, leasehold or other interest in any real property. Each Borrower has (a) indefeasible title to its owned real property, (b) a vested leasehold interest in all of its leased real property, and (c) good and marketable title to all of its personal property, all as reflected on the Current Financials (except for property that has been disposed of as permitted by *Section 9.9*). All assets material to the Borrowers' operations are owned by a Borrower or are leased or licensed from a Person which is not an Affiliate of any Borrower, other than as disclosed on *Schedule 7.18*. Each Borrower owns or has the right to use and assign all material licenses, patents, patent applications, copyrights, service marks, trademarks, trademark applications, trade names, software licenses and other intellectual property rights necessary to continue to conduct its businesses as presently conducted by it and as proposed to be conducted by it immediately after the Closing Date. Each Borrower is conducting its business without infringement or claim of infringement of any license, patent, copyright, service mark, trademark, trade name, trade secret or other intellectual property right of any other Person, *other than* any infringements or claims that, if successfully asserted against or determined adversely to any Borrower, would not, individually or collectively, constitute a Material Adverse Event. To the knowledge of the Borrowers, no infringement or claim of infringement by any other Person of any material license, patent, copyright, service mark, trademark, trade name, trade secret or other intellectual property of any Borrower exists.

7.9. Debt. No Borrower is an obligor on any Debt other than Permitted Debt.

7.10. Liens. No Lien exists on any asset of any Borrower other than Permitted Liens.

7.11. Insurance. *Schedule 7.11* contains a list of all of the insurance policies covering the assets, businesses, operations, product liability, employees, officers, managers and directors of Borrowers. Borrowers maintain insurance at all times with financially sound, responsible and reputable insurance companies or associations (or, as to workers' compensation or similar insurance, with an insurance fund or by self insurance authorized by the jurisdictions in which it operates) that possess a minimum A.M. Best Financial Strength Rating of B+ or better. Borrowers maintain insurance concerning each Borrower's assets, businesses, operations, product liability, employees, officers, managers and directors, against such damages, losses, casualties, liabilities and contingencies and of the types and in the amounts (and with co-insurance and deductibles) as are reasonable and customary for Borrowers' businesses.

7.12. Full Disclosure. Each material fact or condition relating to the Loan Documents and the Borrowers' financial condition, obligations, liabilities, business, operations, assets, property or prospects has been disclosed to Lenders in writing. All such information (a) is true and accurate in all material respects and does not fail to state any fact the omission of which would otherwise make any such information materially misleading, and (b) in the case of projections and financial information, is based on reasonable estimates on the date the information is stated or certified and does not fail to state any fact the omission of which would otherwise make any such information materially misleading.

7.13. Place of Business. The location of each principal executive office or other material place of business of each Borrower is set out on **Schedule 7.13**. The books and records of each Borrower concerning accounts and accounts receivable are located at one or more of the locations set forth on **Schedule 7.13**. All of each Borrower's inventory (other than inventory on consignment, in transit, or in the possession of a Person under the terms of a contract with a Borrower) is in its possession and, together with its other material assets, are located (until disposed of in the ordinary course of business), at one or more of the locations set out on **Schedule 7.13**.

7.14. Use of Proceeds.

(a) Tranche A Loan. Borrowers will use the proceeds of the Initial Term Loan as follows:

(i) to fund a portion of the cash purchase consideration for the PeopleCube Acquisition;

(ii) to refinance existing indebtedness of Borrowers, including but not limited to the following: (A) the JPMorgan Line of Credit, (B) a portion of the 15% Subordinated Notes, (B) a portion of the 9% Subordinated Convertible Notes, (C) a portion of the Seller Notes, and (D) Debt of PeopleCube owing to Bridge Bank; and

(iii) to fund the transaction costs, fees and expenses of the Initial Term Loan, the PeopleCube Acquisition and the other transactions contemplated by this Agreement.

(b) Tranche B Loan. Except as otherwise agreed to in writing by Lenders in connection with any Additional Term Loan, Borrowers shall use the proceeds of any and all Additional Term Loans for the purpose of funding (i) Permitted Acquisitions and/or other growth initiatives, (ii) refinancing Subordinated Debt, and (iii) the transaction costs, fees and expenses of such Additional Term Loans (and Permitted Acquisitions, if applicable).

(c) Prohibited Uses of Proceeds. No Borrower is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying any "margin stock" within the meaning of *Regulation U* of the Board of Governors of the Federal Reserve System, as amended. No part of the proceeds of the Loans will be used, directly or indirectly, for a purpose that violates any Law, including without limitation, the provisions of *Regulation U* or *Regulation X* of the Board of Governors of the Federal Reserve System. Each Borrower represents and warrants that no portion of the Loans shall be used directly or indirectly to purchase ineligible securities, as defined by applicable regulations of the Federal Reserve Board, underwritten by any Affiliate of a Lender during the underwriting period and for thirty (30) days thereafter.

7.15. Employee Benefits.

(a) **Schedule 7.15(a)** contains a list of all of Borrowers' Employee Plans. Except where occurrence or existence is not a Material Adverse Event, (i) Borrowers are in compliance with ERISA and the terms and conditions of each Employee Plan, (ii) no Employee Plan has incurred an "accumulated funding deficiency" (as defined in section 302 of ERISA or section 412 of the Tax Code), (iii) no Borrower has incurred liability under ERISA to the PBGC in connection with any Employee Plan (*other than* required insurance premiums, all of which have been paid), (iv) no Borrower has withdrawn in whole or in part from participation in a "multiemployer plan" (as defined in Section 3(37) of ERISA), (v) no Borrower has engaged in any "prohibited transaction" (as defined in Section 406 of ERISA or section 4975 of the Tax Code), and (vi) no "reportable event" (as defined in Section 4043 of ERISA) has occurred, excluding events for which the notice requirement is waived under applicable PBGC regulations.

(b) All payments due from any Borrower for employee health and welfare insurance have been paid or accrued as a liability in its Current Financials, *other than* any nonpayments that are not, individually or collectively, a Material Adverse Event.

7.16. Laws Relating to Employment.

(a) Except as set forth in **Schedule 7.16(a)**, Borrowers are not currently subject to any complaints, charges, claims, consent decrees, judgments, arbitration awards, or Orders from any Governmental Authority concerning any federal, state or local Laws regarding employment and employment practices, the terms and conditions of employment, non-discrimination, equal employment opportunity, affirmative action, collective bargaining, payment of social security, occupational safety and health, wages and hours, plant closings, family and medical leave, workers compensation and any and all of the employment Laws, regulations or statutes cited below.

(b) Borrowers and their respective facilities, businesses, operations, assets and property have been in material compliance for the past three (3) years and are currently in compliance with all applicable Laws and Orders regarding employment and employment practices, the terms and conditions of employment, non-discrimination, equal employment opportunity, affirmative action, collective bargaining, payment of social security, occupational safety and health, wages and hours, plant closing, family and medical leave and workers compensation, including but not limited to the Immigration Reform and Control Act, Title VII of the Civil Rights Act of 1964, the Fair Labor Standards Act, the Federal Occupational Safety and Health Act, the Age Discrimination in Employment Act, the Worker Adjustment and Retraining Notification Act of 1988, the Americans with Disabilities Act, the Family and Medical Leave Act, the National Labor Relations Act, the labor codes promulgated by the States and regulations promulgated thereunder or any other federal or state statute, ordinance or regulation governing, touching upon or concerning the employment relationship, in each case as amended and in effect as of the Closing Date. Borrowers have not engaged at any time during the past three (3) years, and are currently not engaging, in any unfair labor practice. There are not any pending or, to the knowledge of Borrowers, threatened charges, claims, complaints, administrative complaints, or lawsuits against any Borrower alleging (i) breach of an employment contract (whether in fact, expressed or implied), (ii) a claim for workers' compensation, (iii) any tort such as invasion of privacy, defamation, or intentional infliction of emotional distress, or (iv) any violation of any employment Law, regulation or statute, including, but not limited to, those cited in this **Section 7.16**.

(c) Borrowers are and have always been in compliance with all applicable Immigration Laws. Borrowers' employees and contractors have verified their legal right to work in the United States of America through Form I-9s or similar documents consistent with applicable Immigration Laws.

7.17. Trade Names. No Borrower has used or transacted business under any other corporate or trade name in the five-year period preceding the Closing Date, except as disclosed on **Schedule 7.17**. **Schedule 7.17** includes the names of all Persons with which any Borrower has merged or consolidated, or from which any Borrower has acquired all or substantially all of such Person's assets, in each case in the five-year period preceding the Closing Date.

7.18. Transactions with Affiliates.

(a) Except as disclosed on **Schedule 7.18(a)**, no Borrower is a party to any material contract, agreement, arrangement or transaction, whether written or oral, with any of the following: (i) any director, manager, officer or key employee of a Borrower, (ii) any spouse or immediate family member or Affiliate of any of its directors, managers, officers or key employees or (iii) any Equityholder of a Borrower or any Affiliate of an Equityholder of a Borrower, *other than* (A) the Noncompetition Letter Agreements and any other written employment, noncompetition and confidentiality agreements disclosed on **Schedule 7.25**, (B) at-will employment arrangements with employees who are not related (by blood or marriage) to any director, manager, officer or key employee of a Borrower, and (C) any partnership agreement, company agreement, operating agreement, shareholders agreement or other similar governing agreement for such Borrower, an executed copy of which has been provided to Lenders prior to the Closing Date, (D) the Registration Rights Agreement, and (E) the 15% Subordinated Notes, the 9% Subordinated Convertible Notes and the Subordinated Note Security and Intercreditor Agreement.

(b) Except as disclosed on **Schedule 7.18(b)**, each contract, agreement, arrangement or transaction listed or required to be listed on **Schedule 7.18(a)** was entered into in the ordinary course of business and upon fair and reasonable terms not materially less favorable than the applicable Borrower could obtain or could become entitled to in an arm's-length transaction with a Person that was not one of its Affiliates, directors, managers, officers or key employees or one of their spouses or immediate family members or Affiliates.

(c) For purposes of this **Section 7.18**, a contract, agreement, arrangement or transaction is "*material*" if it requires any Borrower to pay or provide products or services of more than \$25,000 during the term of the governing agreement.

7.19. Government Regulation.

(a) No Borrower is an "*investment company*" or a company "*controlled*" by an "*investment company*" or a "*subsidiary*" of an "*investment company*", within the meaning of the Investment Company Act of 1940.

(b) No Borrower is a “*holding company*”, or a “*subsidiary company*” of a “*holding company*”, or an “*affiliate*” of a “*holding company*” or of a “*subsidiary company*” of a “*holding company*”, within the meaning of the Public Utility Holding Company Act of 1935 or any other federal or state statute that restricts or limits any Borrower’s ability to incur Debt or to perform any Borrower’s obligations hereunder or under any other Loan Document.

(c) No Borrower is subject to regulation as a “*common carrier*” or “*contract carrier*” or any similar classification by the Interstate Commerce Commission or under the laws of any state, or is subject to regulation under any other federal, state or local statute which limits its ability to incur Debt.

(d) The making of the Loans by Lenders to Borrowers, the application of the proceeds thereof and repayment thereof will not violate any provision of any statute or any rule, regulation or order issued by the SEC.

(e) Each Borrower acknowledges that Deerpath Funding is a federally licensed SBIC and is subject to the SBIC Regulations. Borrowers, together with their “*affiliates*” (as defined in 13 CFR § 121.103), are a “*small business concern*” within the meaning of the SBIC Regulations. The information set forth in SBA Forms 480, 652 and Section A of Form 1031 regarding Borrowers, which have been prepared with information provided by Borrowers, is accurate and complete. Copies of such forms have been completed and executed by Borrowers. Borrowers do not presently engage in, and will not engage in, any activities, and will not use directly or indirectly the proceeds from the Loans for any purposes for which an SBIC is prohibited from providing funds by the SBIC Regulations.

At least fifty-one percent (51%) of the employees of Borrowers are located within the United States and at least fifty-one percent (51%) of the tangible assets of Borrowers are located within the United States. The proceeds of the Loans are intended for use and shall primarily be used for specific domestic purposes within the United States including, for example, payroll for employees located within the United States or acquiring assets for use solely within the United States, and no portion of such proceeds shall be used, directly or indirectly: (i) to purchase stock in or provide capital to an SBIC; (ii) to acquire farm land; or (iii) for any purpose contrary to the public interest, including activities which are in violation of Law or inconsistent with free competitive enterprise.

7.20. Capitalization.

(a) **Schedule 7.20(a)** lists the owners of all authorized and outstanding Equity Securities of each Borrower (other than the Company) and each owner of the Company’s authorized and outstanding Equity Securities as of May 24, 2012, including options and other equity equivalents of the Company and each other Borrower, as of (and after giving effect to) the Closing, together with the amount and percentage of such Equity Securities held by each such owner. All of the outstanding Equity Securities of each Borrower are validly authorized and issued, fully paid and nonassessable, and free and clear of any and all Liens (other than Liens in favor of Agent pursuant to the Security Documents).

(b) Except as contemplated by the PeopleCube Acquisition and as set forth on **Schedule 7.20(b)**: (i) there are no outstanding or any present plans to issue any shares of capital stock or other Equity Securities, securities, rights, warrants or options convertible or exchangeable into or exercisable for any shares of capital stock or other Equity Securities, stock appreciation rights or phantom stock of any Borrower; *provided, that*, nothing contained in this **Section 7.20** shall restrict any Borrower from granting equity options to its managers or directors pursuant to an equity incentive or equity compensation plan adopted by such Borrower's Board of Directors, (ii) no Borrower is under any obligation, contingent or otherwise, to (A) redeem or otherwise acquire any shares of its capital stock or other Equity Securities or any securities, rights or options to acquire such capital stock, Equity Securities, stock appreciation rights or phantom stock or (B) make any capital contributions to, or investments in, any Person, and (iii) there are no agreements (other than any applicable Loan Documents) between any Persons, Equityholders, or managers or directors of any Borrower with respect to the voting or transfer of any Equity Securities of any Borrower owned or controlled by such parties or with respect to any other aspect of their affairs concerning any Borrower.

(c) Except as set forth on **Schedule 7.20(c)**, (i) there are no statutory or contractual shareholders' or Equityholders' preemptive rights with respect to the Equity Securities of any Borrower, (ii) no Borrower has violated any applicable federal or state securities laws in connection with the offer, sale or issuance of any of its Equity Securities, and (iii) there are no agreements granting registration rights to any Person with respect to any Equity Securities of any Borrower.

(d) None of the items, agreements, arrangements or other disclosures set forth on **Schedule 7.20(b)** or **Schedule 7.20(c)** conflicts with the rights granted to Agent or any Lender in the Loan Documents or any related agreements executed simultaneously herewith.

(e) Except as set forth on **Schedule 7.20(e)**, no Equity Securities of any Borrower that are issued and outstanding, or are authorized but unissued, as of the Closing Date constitute Disqualified Stock.

7.21. **Compliance with Laws; Certain Operations.** Each Borrower and, with respect to the business of Borrowers, each of the officers, directors, managers and employees of each Borrower have complied in all material respects with all applicable Laws and all applicable requirements of any Governmental Authority or self-regulatory organization. No notices, citations, claims or orders have been filed or granted against any Borrower alleging or finding violation of, or liability or responsibility under, any such Law which have not been heretofore settled.

7.22. **Solvency.** Each Borrower is Solvent prior to, and after giving effect to, the transactions contemplated hereby. No transfer of property is being made and no obligation is being incurred in connection with such transactions with actual intent to hinder, delay or defraud any present or future creditors of any Borrower.

7.23. Financials.

(a) Attached as *Schedule 7.23(a)* hereto are (i) the audited consolidated balance sheet of the Borrowers as of December 31, 2009, 2010 and 2011, and the related audited consolidated statements of income, cash flows and stockholders' equity for the fiscal years then ended, and (ii) the unaudited consolidated balance sheet of the Borrowers as of March 31, 2012, and the related unaudited consolidated statements of income, cash flows and stockholders' equity for the three (3) month period then ended (collectively, the "*Financial Statements*").

(b) Except as set forth on *Schedule 7.23(b)*, the Financial Statements (i) were prepared in accordance with GAAP and the Borrowers' past accounting practices and (ii) present fairly the consolidated financial position of the Borrowers as of the dates thereof and the consolidated results of the Borrowers' operations for the periods then ended. Since December 31, 2011, the Borrowers' businesses have been operated in the ordinary course thereof consistent with past practices and there has not occurred, and no event, occurrence or condition exists, which was or could reasonably be determined to be a Material Adverse Event. The Borrowers maintain and will continue to maintain a system of internal controls sufficient to provide reasonable assurance that (i) transactions are executed with management's general or specific authorizations; and (ii) transactions are recorded as necessary to permit preparation of financial statements of Borrowers and to maintain accountability for assets.

(c) Borrowers have also delivered to Lenders certain projections of profits and losses (the "*Projections*") of Borrowers' consolidated profit and loss statement for fiscal years 2012 through 2017. The Projections represent estimates of Borrowers' future consolidated financial performance for the periods set forth therein, and Borrowers believe such estimates are fair and reasonable in light of the current and reasonably foreseeable future conditions.

7.24. Absence of Undisclosed Liabilities. There are no liabilities or any facts or circumstances that could give rise to liabilities, whether accrued, known, due or to become due, contingent, absolute, determined, determinable or otherwise, and regardless of when asserted, of any Borrower *other than* (i) liabilities set forth in the Current Financials, and (ii) other liabilities that could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Event.

7.25. Employee Matters.

(a) Attached hereto as *Schedule 7.25(a)* is an accurate and complete list of all employment and compensation contracts (including all retirement benefit agreements), consulting agreements, non-competition agreements and management services agreements to which any Borrower is a party. Borrowers have delivered true, correct and complete copies of all such agreements to Agent.

(b) Except as set forth on *Schedule 7.25(b)*:

(i) no officer, executive or other key employee of any Borrower has within the ninety (90) day period prior to the Closing Date advised a Borrower (orally or in writing) that he or she intends to terminate employment with such Borrower;

(ii) no employee of a Borrower is currently represented by any labor union, no Borrower is a party to any collective bargaining agreement, and there is no organizational effort presently being made or threatened by or on behalf of any labor unions with respect to employees of any Borrower;

(iii) there is no unfair labor practice complaint against any Borrower pending before the National Labor Relations Board;

(iv) there is no labor strike, dispute, slow down, walkout, work stoppage, representation campaign other concerted interruption of operations pending or, to the knowledge of Borrowers, threatened by the employees of any Borrower or otherwise against any Borrower;

(v) there has been no change in the compensation of any employee of the Borrowers since December 31, 2011, other than increases in the ordinary course of business that are reflected or accounted for in the Projections; *provided, however*, any and all changes since such date in the compensation of any employee who is also an Equityholder of a Borrower are disclosed on **Schedule 7.25(b)**; and

(vi) to the best of Borrowers' knowledge, no officer or employee of the Borrowers has entered into any agreement which is now in effect with any person, corporation, partnership or business organization other than Borrowers requiring such person to assign any interest in any invention or trade secrets or to keep confidential any trade secrets or other proprietary information or containing any prohibition or restriction on competition or solicitation of customers.

Section 8. Affirmative Covenants.

Each Borrower covenants jointly and severally that, except with the prior written consent of Agent, for so long as all or any portion of the Loans or any other Obligation remains outstanding and until all commitments of Lenders hereunder have been terminated or expired:

8.1. Items to be Furnished. Borrowers shall cause the following to be furnished to each Lender at its respective principal office, as designated by each Lender to Borrowers from time to time:

(a) Promptly after preparation, and no later than one hundred twenty (120) days after the last day of each fiscal year of Borrowers, audited financial statements (including statements of income, cash flows and stockholders' equity, a balance sheet, a consolidating statement of income and a consolidating balance sheet detailing the statement of income and balance sheet for each individual Borrower and the adjustments required to eliminate any intercompany transactions, if applicable, key operating statistics and a summary of accounting policies and detailed notes) showing the consolidated financial condition and results of operations of the Borrowers as of, and for the year ended on, that last day, accompanied by:

(i) the unqualified opinion of a firm of independent certified public accountants acceptable to Lenders (the “*Accounting Firm*”), based on an audit using generally accepted auditing standards, that the financial statements were prepared in accordance with GAAP and present fairly, in all material respects, the consolidated financial condition and results of operations of the Borrowers; and

(ii) a Compliance Certificate with respect to such financial statements certifying (A) as to the Borrowers’ compliance with the financial covenants set forth in *Section 10* of this Agreement and (B) that such financial statements were prepared in accordance with GAAP and present fairly, in all material respects, the consolidated financial condition and results of operations of the Borrowers.

(b) Promptly after preparation, and no later than thirty (30) days after the last day of each calendar month of Borrowers, internally-certified unaudited financial statements (including statements of income and cash flows, a balance sheet, a consolidating statement of income and a consolidating balance sheet detailing the statement of income and balance sheet for each individual Borrower and the adjustments required to eliminate any intercompany transactions, if applicable, key operating statistics and detailed notes) showing the consolidated financial condition and results of operations of the Borrowers as of, and for the month, year-to-date and, if applicable, quarter period ended on, that last day. The Borrowers’ certificate included with the unaudited financial statements will, at a minimum, include a statement that such financial statements (i) were prepared in accordance with GAAP and on a basis consistent with Borrowers’ historical financial statements and (ii) present fairly, in all material respects, the consolidated financial condition and results of operations of the Borrowers.

(c) Promptly after preparation, and no later than thirty (30) days after the last day of each fiscal quarter of Borrowers, Borrowers shall deliver the following to Lenders:

(i) a management discussion and analysis that includes a discussion and explanation of (A) the comparison of the Borrowers’ actual operating results to budget for such fiscal quarter and for the year to date period then ended, (B) the comparison of the Borrowers’ operating results for such fiscal quarter and for the year to date period then ended to the corresponding periods in the prior year, (C) a comparison of Borrowers’ operating results for such fiscal quarter to the immediately preceding fiscal quarter, and (D) the Borrowers’ current financial position in comparison to (I) the prior quarter, (II) the prior year-end, and (III) the budget for such period then ended; and

(ii) a Compliance Certificate with respect to such financial statements certifying (A) as to the Borrower’s compliance with the financial covenants set forth in *Section 10* of this Agreement, and (B) that such financial statements (I) were prepared in accordance with GAAP and on a basis consistent with Borrowers’ historical financial statements and (II) present fairly, in all material respects, the consolidated financial condition and results of operations of the Borrowers.

(d) Promptly after preparation, and no later than the last day of January of each year (assuming a fiscal year end of December 31), an annual operating plan (with a level of detail consistent with the Projections) for Borrowers on a consolidated and consolidating (by location) basis, approved by the Board of Directors of the Company, for the current fiscal year (if delivered in January of such year), that (i) includes a statement of all of the material assumptions on which such plan is based, (ii) includes budgeted monthly balance sheets, income statements and statements of cash flows for such fiscal year, as well as comparisons of such items to the corresponding months in the prior fiscal year, and (iii) integrates sales, gross profits, operating expenses, operating profit and cash flow projections, all prepared on the same basis and in similar detail as that on which operating results are reported (and in the case of cash flow projections, representing management's good faith estimates of future financial performance based on historical performance), and including plans for personnel, Capital Expenditures and facilities.

(e) Promptly after preparation, and no later than the earlier to occur of (i) 120 days after the end of each fiscal year of Borrowers or (ii) five (5) Business Days after Borrowers' federal income tax return has been filed, copies of each federal income tax return (and Form K-1's, if applicable) and related tax reporting information for each Borrower for the prior fiscal year.

(i) Promptly after receipt, a copy of each interim or special audit report and management letter issued by independent accountants with respect to any Borrower or its financial records.

(f) Notice, promptly after any Borrower receives notice of, or otherwise becomes aware of, (i) the institution of any Litigation involving any Borrower which, if adversely determined, could reasonably be expected to result in a Material Adverse Event, (ii) any other event which could reasonably be expected to cause a Material Adverse Event, (iii) the obligation of any Borrower to remedy any violation of Environmental and Safety Law, (iv) any liability or alleged liability under any Environmental and Safety Law arising out of, or directly affecting, the properties or operations of such Borrower, (v) any violation or alleged violation by any Borrower of ERISA or any Law with respect to an Employee Plan, or (vi) any Default or Potential Default, specifying the nature thereof and what action each Borrower has taken and is taking or proposes to take.

(g) Promptly upon reasonable request by any Lender, information and documents not otherwise required to be furnished under the Loan Documents respecting the business affairs, assets and liabilities of the Borrowers.

8.2. Books and Records. Each Borrower shall maintain books, records, and accounts necessary to prepare the financial statements required by *Section 8.1.*

8.3. Inspections. Upon reasonable notice, each Borrower shall allow Agent or any Lender (or its Representatives) during business hours or at other reasonable times to inspect any of its properties, to review reports, files, books, accounts and other records, to make and take away copies, and, to discuss, from time to time, any of such Borrower's affairs, conditions and finances with its directors, managers, officers, and certified public accountants.

8.4. Taxes. Each Borrower will promptly pay and discharge when due any and all of its Taxes, *other than* Taxes that are being contested in good faith by lawful proceedings diligently conducted, against which reserves or other provisions required by GAAP have been made, and in respect of which levy and execution of any Lien are stayed. Each Borrower will file all Tax returns that it is required to file, and if any Borrower becomes aware that it has failed to timely file any Tax return, such Borrower shall promptly file such Tax return and pay and discharge any delinquent Taxes associated therewith.

8.5. Payment of Obligations and Compliance with Contracts. Each Borrower (i) will pay and perform all of the Obligations as the same become due and payable or enforceable and (ii) will promptly pay and perform (or renew and extend) all of its other material obligations as they become due (unless such obligations are being contested in good faith by lawful proceedings diligently conducted, against which reserves or other provisions required by GAAP have been made). Each Borrower will use its best efforts to comply with the terms of, and to perform its obligations under, the Loan Documents and each contract with its customers.

8.6. Indemnification.

(a) EACH BORROWER AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS EACH INDEMNIFIED PARTY (AS DEFINED HEREIN) FROM AND AGAINST (AND WILL REIMBURSE EACH INDEMNIFIED PARTY AS THE SAME ARE INCURRED) ALL CLAIMS ARISING OUT OF OR IN CONNECTION WITH OR BY REASON OF (INCLUDING, WITHOUT LIMITATION, IN CONNECTION WITH ANY INVESTIGATION, LITIGATION OR PROCEEDING OR PREPARATION OF A DEFENSE IN CONNECTION THEREWITH) (I) THE LOANS, THE LOAN DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED BY THE LOAN DOCUMENTS, (II) THE PEOPLECUBE ACQUISITION, THE PEOPLECUBE ACQUISITION DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED BY THE PEOPLECUBE ACQUISITION DOCUMENTS, (III) THE ACTUAL OR PROPOSED USE OF THE PROCEEDS OF THE LOANS, (IV) ANY ACT ARISING OUT OF OR IN CONNECTION WITH AGENT'S OR ANY LENDER'S REPRESENTATION ON, OR VISITATION AND OBSERVER RIGHTS WITH RESPECT TO, THE BOARD OF DIRECTORS OF ANY BORROWER (TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW), (V) THE DIRECT OR INDIRECT RESULT OF THE VIOLATION BY ANY BORROWER OF ANY LAW, (VI) ANY BORROWER'S GENERATION, MANUFACTURE, PRODUCTION, STORAGE, RELEASE, THREATENED RELEASE, DISCHARGE, DISPOSAL OR PRESENCE OF A HAZARDOUS SUBSTANCE AT, TO OR FROM ANY OF ITS PROPERTIES, (VII) ANY PERSONAL INJURY TO AGENT'S, ANY LENDER'S OR ANY BORROWER'S RESPECTIVE REPRESENTATIVES, INVITEES, OR LICENSEES, AND (VIII) ANY DAMAGE TO ANY BORROWER'S ASSETS.

(b) BORROWERS AGREE NOT TO ASSERT ANY CLAIM AGAINST ANY INDEMNIFIED PARTY ON ANY THEORY OF LIABILITY FOR SPECIAL, INDIRECT, CONSEQUENTIAL, OR PUNITIVE DAMAGES ARISING OUT OF OR OTHERWISE RELATING TO THE LOAN DOCUMENTS, ANY OF THE TRANSACTIONS CONTEMPLATED BY THE LOAN DOCUMENTS OR THE ACTUAL OR PROPOSED USE OF THE PROCEEDS OF THE LOANS.

(c) EACH INDEMNIFIED PARTY SHALL BE INDEMNIFIED UNDER THE TERMS OF THE LOAN DOCUMENTS FOR ITS OWN ORDINARY NEGLIGENCE; HOWEVER, NO BORROWER IS OBLIGATED TO INDEMNIFY ANY INDEMNIFIED PARTY UNDER THE LOAN DOCUMENTS TO THE EXTENT A CLAIM IS FOUND IN A FINAL, NON-APPEALABLE JUDGMENT BY A COURT OF COMPETENT JURISDICTION TO HAVE RESULTED PRIMARILY FROM ANY INDEMNIFIED PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

(d) FOR PURPOSES OF THIS SECTION, (I) "INDEMNIFIED PARTY" MEANS EACH LENDER AND AGENT AND THEIR RESPECTIVE AFFILIATES, PARTNERS, OFFICERS, MEMBERS OR OTHER EQUITYHOLDERS, MANAGERS, DIRECTORS, EMPLOYEES, AGENTS, REPRESENTATIVES, ADVISORS, SUCCESSORS AND ASSIGNS, AND (II) "CLAIM" MEANS ANY AND ALL CLAIMS, DAMAGES, LOSSES, LIABILITIES, PENALTIES, COSTS, OBLIGATIONS, ACTIONS, JUDGMENTS, LITIGATION, INVESTIGATIONS, ORDERS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' AND PARALEGAL FEES AND EXPENSES, WHETHER OR NOT SUIT IS FILED) INCURRED BY, ASSERTED AGAINST, OR AWARDED AGAINST ANY INDEMNIFIED PARTY.

(e) IN THE CASE OF ANY INVESTIGATION, LITIGATION OR PROCEEDING TO WHICH THE INDEMNITY PROVIDED FOR IN THIS SECTION 8.6 APPLIES, SUCH INDEMNITY SHALL BE EFFECTIVE WHETHER OR NOT SUCH INVESTIGATION, LITIGATION OR PROCEEDING IS BROUGHT BY ANY BORROWER, ANY BORROWER'S EQUITYHOLDERS OR CREDITORS OR ANY INDEMNIFIED PARTY AND WHETHER OR NOT THE LOANS ARE CONSUMMATED OR, IF CONSUMMATED, HAVE BEEN REPAYED. EACH BORROWER AGREES THAT NO INDEMNIFIED PARTY SHALL HAVE ANY LIABILITY TO ANY BORROWER OR ANY BORROWER'S SUBSIDIARIES OR AFFILIATES OR TO ANY BORROWER'S EQUITYHOLDERS OR CREDITORS OR THE EQUITYHOLDERS OR CREDITORS OF ANY BORROWER'S SUBSIDIARIES FOR ANY INDIRECT OR CONSEQUENTIAL DAMAGES ARISING OUT OF, RELATED TO OR IN CONJUNCTION WITH THE LOANS, THE LOAN DOCUMENTS, THE PEOPLECUBE ACQUISITION OR THE PEOPLECUBE ACQUISITION DOCUMENTS.

(f) ALL COVENANTS, AGREEMENTS, REPRESENTATIONS AND WARRANTIES MADE IN THIS AGREEMENT SHALL SURVIVE AND CONTINUE IN EFFECT AFTER THE CLOSING DATE. THE INDEMNITY SET OUT IN THIS SECTION AND ITS TERMS AND PROVISIONS SHALL SURVIVE THE SATISFACTION AND PAYMENT OF THE OBLIGATION AND THE TERMINATION OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS.

(g) AMOUNTS PAYABLE UNDER THIS SECTION SHALL BE A PART OF THE OBLIGATION AND, IF NOT PAID UPON DEMAND, SHALL BEAR INTEREST AT THE DEFAULT RATE FOR THE TERM LOAN PRINCIPAL DEBT UNTIL PAID.

8.7. Maintenance of Existence, Assets, and Business. Except as otherwise permitted by *Section 9.6*, each Borrower will (a) preserve and maintain its existence and good standing in its jurisdiction of organization and its authority to transact business and good standing in all other jurisdictions where the nature and extent of its business and properties require due qualification and good standing; (b) maintain all licenses, permits and franchises necessary for its business where failure to do so is a Material Adverse Event; and (c) keep all of its assets that are useful in and necessary to its business in good working order and condition (ordinary wear and tear excepted) and make all necessary repairs and replacements. Each Borrower shall (i) perform all of such Borrower's duties under and in connection with each transaction to which any of its accounts receivable, accounts, or contracts relates, so that the amounts thereof (net of any reserves established in the ordinary course of business in respect of such accounts receivable, accounts, or contracts) shall actually become payable in their entirety to such Borrower, (ii) maintain and store all its inventory with reasonable care, skill, and caution and repair and otherwise keep the same in good condition, and (iii) not relocate such Borrower's chief executive office (or the location of such Borrower's books and records related to accounts) or any of such Borrower's inventory, to a county, parish, or state other than those listed on *Schedule 7.13* unless such Borrower gives Lenders thirty (30) days prior written notice of such proposed relocation (such notice to include the address with the name of the county or parish and state of the new location).

8.8. Insurance.

(a) Borrowers shall maintain insurance with financially sound, responsible and reputable insurance companies or associations (or, as to workers' compensation or similar insurance, with an insurance fund or by self insurance authorized by the jurisdictions in which it operates) in such amounts and against such risks as is (i) required by all applicable Laws, (ii) customarily maintained by similar businesses operating in the same geographic region, and (iii) with respect to the Collateral, reasonably acceptable to Agent.

(b) At a minimum, Borrowers' insurance must include (i) the Key Man Life Insurance, (ii) business interruption insurance, (iii) fire, property damage and extended coverage insurance covering all assets and naming Agent as mortgagee or loss payee, as applicable, (iv) workers compensation insurance and (v) public liability insurance naming Agent as an additional insured as its interest may appear, and, with respect to each such insurance policy, providing for at least thirty (30) days prior notice to Agent of any cancellation thereof. Satisfactory evidence of such insurance must be supplied to Agent on the Closing Date and at least five (5) days prior to each policy renewal at Agent's request. All such insurance policies shall be primary, and not excess or contributory, to any policies of insurance that are maintained by Lenders.

(c) Borrowers shall execute and deliver to Agent collateral assignments, in form and substance satisfactory to Agent, of each business interruption insurance policy maintained by Borrowers. With regard to workers' compensation insurance, nothing contained in this **Section 8.8** shall prohibit Borrowers from becoming a non-subscriber with the prior written consent of Agent.

(d) Unless the Borrowers provide Agent with evidence of the continuing insurance coverage required by this Agreement, Agent may purchase insurance at the Borrowers' expense to protect Agent's interests in the Collateral. This insurance may, but need not, protect the Borrowers' interests. The coverage that Agent purchases may, but need not, pay any claim that is made against any Borrower in connection with the Collateral. Borrowers may later cancel any insurance purchased by Agent, but only after providing Agent with evidence that Borrowers have obtained the insurance coverage required by this Agreement. If Agent purchases insurance for the Collateral as set forth above, Borrowers will be responsible for the costs of that insurance, including interest and any other charges that may be imposed with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance, and the costs of the insurance may be added to the principal amount of the Loans owing hereunder.

8.9. Further Assurances.

(a) Each Borrower shall cause each of its Subsidiaries created or acquired after the Closing Date, within five (5) days of such Subsidiary's creation or acquisition by such Borrower, to execute and deliver to Agent and Lenders a joinder to this Agreement, substantially in the form of **Exhibit Q** hereto, agreeing to become a Borrower under this Agreement, a "Debtor" under the Security Agreement and a "Maker" under the Notes (a "**Joinder Agreement**").

(b) Each Borrower shall take such action as Agent or any Lender may reasonably request to carry out more effectively the terms of **Section 6** and all other terms of the Loan Documents, including executing, acknowledging, delivering and recording or filing additional instruments or documents. Each Borrower will promptly execute and deliver, or cause the execution and delivery of, all applications, certificates, instruments, registration statements and all other documents and papers Agent or any Lender reasonably requests in connection with the obtaining of any consent, approval, registration, qualification, permit, license or authorization of any Governmental Authority or other Person necessary or appropriate for the effective exercise of any rights under the Loan Documents. Because Borrowers agree that Agent's and the Lenders' remedies at Law for failure of Borrowers to comply with the provisions of this section would be inadequate and that failure would not be adequately compensable in damages, Borrowers agree that the covenants of this **Section 8.9** may be specifically enforced.

(c) Within ten (10) days following the Closing Date, Borrowers shall deliver to Agent:

(i) the Convertible Note Subordination Agreement, duly executed by each Subordinated Lender (as defined therein) and the Company;

(ii) an executed Stock Certificate No. 3 representing sixty-five (65) shares of Meeting Maker Limited (UK) issued to PeopleCube;

(iii) a Landlord Subordination of Lien with respect to Borrowers' leased property in Travers City, Michigan;

(iv) a Landlord Subordination of Lien with respect to the Company's leased property in Warwick, Rhode Island;

and

(v) a Landlord Subordination of Lien with respect to PeopleCube's leased property in Framingham, Massachusetts.

(d) Within fifteen (15) days following the Closing Date, Borrowers shall deliver to Agent, evidence of filing of UCC-3 termination statements with the applicable Governmental Authority to terminate all UCC financing statements in favor of Bridge Bank, National Association, with respect to Borrowers;

(e) Within ninety (90) days following the Closing Date, Borrowers shall obtain Key Man Life Insurance and deliver proof of the same to Agent.

8.10. Compliance with Laws. Each Borrower shall conduct its business so as to comply with all applicable Laws and shall promptly take corrective action to remedy any violation of any Law (including any Environmental and Safety Law of which it is aware), and shall immediately notify Lender of any claims or demands by any Governmental Authority or Person with respect to any material violation of Law (including any Environmental and Safety Law) or Hazardous Substance.

8.11. Expenses. In addition to the pre-closing out-of-pocket expenses set forth in the Commitment Letter and the fees set forth in **Section 4**, Borrowers shall promptly pay upon demand (a) all reasonable costs, fees and expenses paid or incurred by Agent or any Lender in connection with the arrangement, syndication and negotiation of the credit facilities evidenced by the Loan Documents and the negotiation, preparation, delivery and execution of the Loan Documents (including those incurred under **Section 6**) and any related or subsequent amendment, waiver, or consent (including in each case, without limitation, the reasonable fees and expenses of Agent's and each Lender's counsel), (b) all reasonable due diligence, closing, and post-closing costs including filing fees, recording costs, lien searches, corporate due diligence, third-party expenses, appraisals, title insurance, environmental surveys, and other related due diligence, closing and post-closing costs and expenses, (c) all costs, fees and expenses of Agent and each Lender incurred in connection with the interpretation and enforcement of the obligations of the Borrowers arising under the Loan Documents or the exercise of any rights arising under the Loan Documents (including without limitation, reasonable attorneys' fees, expenses and costs paid or incurred in connection with any negotiation, workout, or restructure and any action taken in connection with any Debtor Relief Laws), (d) all costs, fees and expenses incurred by Agent and each Lender or any of their respective designees in the exercise of their visitation and observer rights with respect to the Board of Directors of any Borrower as specified in **Section 8.14**, and (e) all stamp or other similar documentary or recording Taxes which may be payable in connection with this Agreement and the other Loan Documents or the performance of any transactions contemplated hereby or thereby, all of which shall be a part of the Obligation and shall accrue interest, if not paid upon demand, at the Default Rate for the Term Loan Principal Debt until repaid. All Obligations provided for in this **Section 8.11** shall survive repayment of the Loans, cancellation of the Notes and termination of this Agreement.

8.12. Application of Insurance Proceeds, Eminent Domain, Proceeds and Conditions to Disbursement.

(a) Agent, Lenders and each Borrower agree that all Insurance Proceeds shall, except as otherwise provided in *subsections (b) and (c)* below, be paid by the insurers directly to Agent (as loss payee or additional insured, as applicable) for the ratable benefit of the Lenders. Each Borrower shall cause all Eminent Domain Proceeds to be paid by the condemning Governmental Authority directly to Agent for the ratable benefit of the Lenders. Except as otherwise provided in *subsections (b) and (c)* below, if any Insurance Proceeds or Eminent Domain Proceeds are paid to any Borrower, such Insurance Proceeds or Eminent Domain Proceeds shall be received only in trust for Agent, shall be segregated from other funds of the Borrowers and shall promptly be paid over to Agent in the same form as received (with any necessary endorsement).

(b) Unless a Default exists, any business interruption insurance proceeds received by Agent shall be paid to Borrowers.

(c) If the Insurance Proceeds payable for any single loss, damage or destruction of any asset of any Borrower do not exceed \$100,000, such Insurance Proceeds shall be paid to Borrowers and applied to the payment of the cost of the repair or restoration of such loss, damage or destruction, which repair or restoration shall be undertaken promptly by such Borrower and completed within a commercially reasonable time period.

(d) Agent, Lenders and each Borrower agree that, to the extent not prohibited by applicable Law and subject to **Section 3.3**, all Insurance Proceeds and all Eminent Domain Proceeds received by Agent (or which Agent is entitled to receive) shall be applied in accordance with **Section 2.5**.

8.13. Use of Proceeds. Borrowers shall use the proceeds of the Loans only for the purposes represented in **Section 7.14** or otherwise in this Agreement.

8.14. Board of Directors. For so long as all or any portion of the Loans or any other Obligation remains outstanding and until all commitments of Lenders hereunder have been terminated or expired:

(a) Agent shall have the right to designate one (1) representative of Lenders (the "**Lender Observer**") to attend all meetings of the Board of Directors (and all committees thereof) of each Borrower as a non-voting observer.

(b) The Borrowers shall (i) give the Lender Observer notice, at the same time as furnished to the Directors, of all meetings of the Board of Directors (or any committee thereof) of each Borrower, (ii) provide to the Lender Observer all notices, documents and information furnished to the Directors of each Borrower whether at or in anticipation of a meeting, an action by written consents or otherwise, at the same time as furnished to the Directors, (iii) notify the Lender Observer by telephone of, and permit the Lender Observer to attend by telephone, emergency meetings of the Board of Directors (and all committees thereof) of each Borrower, and (iv) provide the Lender Observer copies of the minutes of all such meetings at the time such minutes are furnished to the Directors of any Borrower;

(c) The Lender Observer will be reimbursed for his or her reasonable out of pocket expenses incurred in connection with the exercise of his or her rights under this **Section 8.14**; and

(d) At a minimum, the Board of Directors of each Borrower shall meet within forty-five (45) days after the end of each calendar quarter. The meetings of the Board of Directors may be held in person or telephonically; *provided, that* at least one (1) meeting of the Board of Directors of each Borrower shall be held in person in each fiscal year of the Borrowers.

8.15. Special SBIC Covenants.

(a) On the date hereof and for the one year period hereafter, Borrowers hereby covenant and agree that at least fifty-one percent (51%) of the employees of each Borrower are and will remain located within the United States and at least fifty-one percent (51%) of the tangible assets of each Borrower are and will remain located within the United States.

(b) The proceeds of the Loans shall primarily be used for specific domestic purposes within the United States including, for example, payroll for employees located within the United States or acquiring assets for use solely in the United States.

(c) Borrowers shall within five (5) Business Days after the end of each fiscal quarter of Borrowers, or upon any Lender's request, provide to such Lender a written certificate, signed by the chief executive officer or the chief financial officer of the Company, stating that Borrowers are in compliance with the covenants described above in *subsections (a) and (b)* and describing in reasonable detail the use of the proceeds received from the Loans by Borrowers.

(d) Within forty-five (45) days after the end of each calendar year and at such other times as any Lender may reasonably request, Borrowers shall deliver to Lenders a written assessment, in form and substance reasonably satisfactory to Lenders, in order to permit Lenders to file SBA Form 468, of the economic impact of Lenders' financing specifying the full-time equivalent jobs created or retained in connection with such investment, and the impact of the financing on Borrowers' businesses in terms of profits and on taxes paid by Borrowers and their employees. Upon request, Borrowers shall promptly (and in any event within twenty (20) days of such request) furnish to Lenders all information reasonably requested by Lenders in order for Lenders to comply with the requirements of 13 C.F.R. Section 107.620 or to prepare and file SBA Form 468 and any other information requested or required by the SBA or any other similar Governmental Authority asserting jurisdiction over a Lender. Borrowers shall afford to representatives of the SBA reasonable access to their books, records and properties in accordance with 13 C.F.R. Section 107.620(c). Any submission of any financial information under this paragraph shall include a certificate of the Company's president, chief executive officer, treasurer or chief financial officer.

(e) In the event that any Lender determines in its good faith judgment that it has a Regulatory Problem, such Lender shall have the right to transfer its rights and obligations hereunder, without regard to any restrictions on transfer set forth herein or in any other agreement, and Borrowers shall take all such actions as are reasonably requested by such Lender in order to (i) effectuate and facilitate any transfer by such Lender to any permitted Person designated by such Lender, and (ii) cooperate with such Lender in connection with other regulatory matters. Such cooperation shall include cooperation in making any required filings with any Governmental Authority, including the filing of a certificate or plan of divestiture.

(f) Borrowers shall comply with the Small Business Side Letter.

Section 9. Negative Covenants.

Each Borrower covenants jointly and severally that, except with the prior written consent of Agent, for so long as all or any portion of the Loans or any other Obligation remains outstanding and until all commitments of Lenders hereunder have been terminated or expired:

9.1. Debt; Disqualified Stock. No Borrower may create, incur, assume, guarantee or be or remain liable for, contingently or otherwise, or suffer to exist any Debt, *except* Permitted Debt. No Borrower may issue or sell any Disqualified Stock to any Person without Agent's prior written consent.

9.2. Liens. No Borrower may create, assume, incur or suffer to be created any Lien upon any of its now owned or hereafter acquired assets (including any other Borrower's Equity Securities that are owned by such Borrower), *except* Permitted Liens.

9.3. Compliance with Laws and Documents. No Borrower may violate the provisions of any Laws applicable to it, any agreement to which it is a party, or the provisions of its organizational documents, if such violations individually or collectively could reasonably be expected to cause a Material Adverse Event.

9.4. Loans, Advances, and Investments. No Borrower may (i) make any loan, advance, extension of credit (other than in the ordinary course of business), or capital contribution to, (ii) make any investment in, or purchase or commit to purchase any stock or other securities of or interests in, or (iii) enter into any joint venture, partnership, or other similar arrangement with, any Person, *other than*

(a) marketable obligations issued or unconditionally guaranteed by the United States government or issued by any of its agencies and backed by the full faith and credit of the United States of America (and investments in mutual funds investing primarily in those obligations);

(b) marketable obligations issued by any state of the United States of America or any political subdivision of any such state or any public instrumentality thereof and rated “Aa2” or better by Moody’s or “AA” by S&P (and investments in mutual funds investing primarily in those obligations);

(c) certificates of deposit or banker’s acceptances that are fully insured by the Federal Deposit Insurance Corporation or are issued by commercial banks having combined capital, surplus, and undivided profits of not less than \$250,000,000 (as shown on its most recently published statement of condition (and investments in mutual funds investing primarily in those certificates of deposit or banker’s acceptances));

(d) commercial paper and similar obligations rated “P-2” or better by Moody’s, or “A-2” or better by S&P (and investments in mutual funds investing primarily in those obligations);

(e) checking and demand deposit accounts maintained in the ordinary course of business (provided an executed Deposit Account Control Agreement has been delivered to Lenders in Proper Form);

(f) expense accounts or loans or advances to its directors, managers, officers or employees in the ordinary course of business which may not, in the aggregate, at any time exceed \$25,000;

(g) investments in securities purchased by any Borrower under repurchase obligations pursuant to which arrangements are made with selling financial institutions (being a financial institution having unimpaired capital and surplus of not less than \$500,000,000 and with a rating of “A-1” by S&P or “P-1” by Moody’s) for such financial institutions to repurchase such securities within thirty (30) days from the date of purchase by such Borrower, and other similar short term investments made in connection with the Borrower’s cash management practices;

(h) non-cash proceeds from dispositions permitted under **Section 9.9**;

(i) investments by any Borrower in any other Borrower;

(j) cash and Cash Equivalents;

(k) prepaid expenses incurred in the ordinary course of business; and

(l) accounts receivable created in the ordinary course of business.

9.5. Distributions. No Borrower may declare, make, or pay any Distribution, *other than* (a) dividends declared, made or paid by such Borrower wholly in the form of its Equity Securities, and (b) dividends by one Borrower to another Borrower.

9.6. Acquisitions, Mergers and Dissolutions.

(a) Except for Permitted Acquisitions and except as provided in this **Section 9.6**, no Borrower may (i) acquire all or any substantial portion of the Equity Securities or assets of any other Person, (ii) merge or consolidate with any other Person, or (iii) liquidate, wind up or dissolve (or suffer any liquidation or dissolution).

(b) Any Borrower may merge or consolidate with or acquire the Equity Securities or assets of another Borrower (and, in the case of such merger or consolidation or, in the case of the conveyance or distribution of all of such assets, the non-surviving or selling entity, as the case may be, may be liquidated, wound up or dissolved); *provided, that* if the Company is a party to such transaction, the Company must be the surviving entity.

(c) Notwithstanding the foregoing, the Borrowers may consummate the PeopleCube Acquisition.

9.7. Assignment. No Borrower may assign or transfer any of its rights, duties, or obligations under any of the Loan Documents.

9.8. Fiscal Year and Accounting Methods. No Borrower may change its fiscal year or its method of accounting (*other than* immaterial changes in methods or as required by GAAP).

9.9. Sale of Assets. No Borrower may sell, assign, lease, transfer, or otherwise dispose of any of its assets (including but not limited to any Equity Securities of any Person that are held by such Borrower), *other than* (a) sales of inventory in the ordinary course of business, (b) the sale, discount, or transfer of its delinquent accounts receivable in the ordinary course of business for purposes of collection, (c) dispositions of assets from one Borrower to another, (d) occasional dispositions of immaterial assets for consideration not less than fair market value, and dispositions of assets that are worn-out, surplus or obsolete, (e) to the extent permitted by **Section 9.6**, and (f) non-exclusive licensing of software and/or source code by a Borrower to third parties in the ordinary course of business. All dispositions by a Borrower of its assets, whether or not permitted by this **Section 9.9**, are subject to **Section 2.5**. All Net Proceeds shall be cash Net Proceeds unless approved by Agent in advance. The non-cash portion of all Net Proceeds shall be pledged to Agent as Collateral concurrently with the applicable disposition.

9.10. New Businesses. No Borrower may engage in any business *except* the business in which it is engaged as of the Closing Date.

9.11. Employee Plans. No Borrower may suffer or permit any of the events or circumstances described in **Section 7.15** to occur.

9.12. Transactions with Affiliates. No Borrower may enter into any material transaction with any of its or any other Borrower's officers, directors, managers, employees, Equityholders or any of their respective Affiliates other than transactions in the ordinary course of business which are (a) disclosed in advance to Lenders and (b) upon fair and reasonable terms not materially less favorable than such Borrower could obtain or could become entitled to in an arm's-length transaction with a Person that is not one of such Borrower's officers, directors, managers, employees, Equityholders or Affiliates. For purposes of this section, a transaction or series of transactions, in the aggregate, is "material" if it requires any Borrower to pay or provide products or services of more than \$25,000 during the term of the agreement covering such transaction.

9.13. Taxes. No Borrower may use any portion of the proceeds of the Loans to pay the wages of employees, unless a timely payment to or deposit with the appropriate Governmental Authority of all amounts of Tax required to be deducted and withheld with respect to such wages is also made.

9.14. Prepayment of Debt: Subordinated Debt.

(a) No Borrower may voluntarily prepay, redeem, defease, repurchase, acquire for value or make any sinking fund payment or other voluntary or optional payment with respect to any principal of, or interest on, any Debt *other than* the Obligation and the Subordinated Debt.

(b) Except as expressly permitted by the applicable Subordination Agreement, no Borrower may pay, prepay, redeem, defease, repurchase, acquire for value or make any sinking fund payment or other payment (including scheduled and required payments) with respect to any Subordinated Debt without the prior written consent of Agent.

9.15. Lease Obligations. No Borrower shall enter into any lease arrangement for real or personal property (unless capitalized and permitted under **Section 9.16**) if, after giving effect thereto, the aggregate amount of all rental and other payments under such lease and all other leases of Borrowers then in effect would exceed for any fiscal year an amount equal to \$250,000, unless otherwise approved in writing in advance by Agent.

9.16. Capital Expenditures. No Borrower shall make or incur any Capital Expenditures if, after giving effect thereto:

(a) the aggregate amount of all Capital Expenditures made by Borrowers from during the period commencing on the Closing Date and ending on the first anniversary of the Closing Date would exceed \$1,000,000; *provided, that* no more than \$500,000 in the aggregate of such Capital Expenditures shall be financed through Capital Leases and purchase money Debt, or

(b) the aggregate amount of all Capital Expenditures made by Borrowers from the day after the first anniversary of the Closing Date to the second anniversary of the Closing Date, or for any succeeding one (1) year period, would exceed \$500,000.

9.17. Available Cash. The aggregate cash available in Borrowers' deposit accounts shall not be less than \$500,000 at any time.

9.18. Amendments or Changes in Agreements. No Borrower shall:

(a) alter, amend or modify (i) any documents which create, evidence, secure or guaranty any Subordinated Debt in a manner which is prohibited by the applicable Subordination Agreement, or (ii) any documents which create, evidence, secure or guaranty any other Debt which is permitted hereby in a manner which would (A) increase the maximum amount which any Borrower is permitted to borrow thereunder, (B) lengthen or shorten the term of the applicable Debt or change the amortization thereof, (C) increase the interest rate with respect to the applicable Debt or any fees payable in connection therewith, (D) require any additional security for the applicable Debt, (E) add any additional covenants, or change any existing covenant so as to make it more difficult for the Obligors to comply or (F) prohibit or restrict payment of the Obligations; or

(b) modify, alter, supplement, extend, amend or waive any of its rights under any of its respective organizational documents, in a manner that (i) is materially adverse to any Lender; (ii) diminishes Agent's or any Lender's rights granted hereunder or under any other Loan Document; or (iii) otherwise violates the terms of this Agreement.

9.19. Compensation. Borrowers shall not increase the compensation paid to any Management Person, including but not limited to salaries, bonuses or other forms of compensation, if a Default or Potential Default exists or would result from such increase.

9.20. PeopleCube Acquisition. Borrowers have furnished Lenders and Agent true and correct copies of the material PeopleCube Acquisition Documents. The Company and, to the knowledge of Borrowers, each other party to the PeopleCube Acquisition Documents, has duly taken all necessary organizational action to authorize the execution, delivery and performance of the PeopleCube Acquisition Documents and the consummation of the transactions contemplated thereby. As of the closing date under the PeopleCube Acquisition Documents, the PeopleCube Acquisition will have been consummated in accordance with the terms of the PeopleCube Acquisition Documents. The PeopleCube Acquisition complies and will comply with all applicable legal requirements, and all necessary governmental, regulatory, creditor, shareholder, member, partner, director, manager and other material consents, approvals and exemptions required to be obtained by a Borrower and, to the Borrowers' knowledge, each other party to the PeopleCube Acquisition Documents in connection with the PeopleCube Acquisition have been or will by the closing thereof be duly obtained and are or will be by the closing thereof in full force and effect to the extent required by the PeopleCube Acquisition Documents. The execution and delivery of the PeopleCube Acquisition Documents did not and will not, and the consummation of the PeopleCube Acquisition does not and will not, violate any statute or regulation of the United States (including any securities law) or of any state or other applicable jurisdiction, or any order, judgment or decree of any court or governmental body binding on any Borrower or, to Borrowers' knowledge, any other party to the PeopleCube Acquisition Documents, or result in a breach of, or constitute a default under, any material agreement, indenture, instrument or other document, or any judgment, order or decree, to which any Borrower is a party or by which any Borrower is bound or, to the Borrowers' knowledge, to which any other party to the PeopleCube Acquisition Documents is a party or by which any such party is bound except to the extent such violation, breach or default would not reasonably be expected to result in a Material Adverse Effect.

9.21. Bank Accounts. No Borrower shall open any new bank account without the execution and delivery of a Deposit Account Control Agreement relating to such account(s) to Agent in Proper Form.

9.22. Negative Pledge.

(a) No Borrower will, or will permit any of its Subsidiaries to, create, incur, assume or suffer to exist any contract, agreement or understanding (other than this Agreement and the other Loan Documents) which in any way prohibits or restricts the granting, conveying, creation or imposition of any Lien on any of its property in favor of Agent or Lenders to secure the Obligation or which restricts any Borrower or any Subsidiary of a Borrower from paying dividends or making distributions to the Company or any other Borrower, or which requires the consent of or notice to other Persons in connection therewith.

(b) No Borrower will create, incur, assume or suffer to exist any Lien on the Equity Securities of such Borrower or any other Borrower other than Liens in favor of Agent.

Section 10. Financial Covenants.

Each Borrower covenants jointly and severally that, except with the prior written consent of Agent, for so long as all or any portion of the Loans or any other Obligation remains outstanding and until all commitments of Lenders hereunder have been terminated or expired:

10.1. Minimum EBITDA. Borrowers' EBITDA shall not be less than the amount set forth below as of any of the following testing dates:

(a) September 30, 2012	\$5,650,000
(b) December 31, 2012	\$6,500,000
(c) March 31, 2013	\$7,000,000
(d) June 30, 2013	\$7,500,000
(e) September 30, 2013	\$8,000,000
(f) December 31, 2013	\$8,000,000
(g) March 31, 2014	\$8,500,000
(h) June 30, 2014	\$8,500,000
(i) September 30, 2014	\$9,000,000
(j) December 31, 2014	\$9,000,000
(k) The last day of each fiscal quarter thereafter	\$10,000,000

10.2. Total Debt to EBITDA Ratio. The Total Debt to EBITDA Ratio may not exceed the ratio set out below as of any of the following testing dates:

(a) September 30, 2012	3.75 to 1.00
(b) December 31, 2012	3.50 to 1.00
(c) March 31, 2013	3.25 to 1.00

(d) June 30, 2013	3.00 to 1.00
(e) September 30, 2013	2.75 to 1.00
(f) December 31, 2013	2.50 to 1.00
(g) March 31, 2014	2.25 to 1.00
(h) The last day of each fiscal quarter thereafter	2.25 to 1.00

10.3. Senior Debt to EBITDA Ratio. The Senior Debt to EBITDA Ratio may not exceed the ratio set out below as of any of the following testing dates:

(a) September 30, 2012	2.75 to 1.00
(b) December 31, 2012	2.50 to 1.00
(c) March 31, 2013	2.25 to 1.00
(d) June 30, 2013	2.00 to 1.00
(e) September 30, 2013	1.75 to 1.00
(f) December 31, 2013	1.75 to 1.00
(g) March 31, 2014	1.50 to 1.00
(h) June 30, 2014	1.50 to 1.00
(i) September 30, 2014	1.25 to 1.00
(j) December 31, 2014	1.00 to 1.00
(k) The last day of each fiscal quarter thereafter	1.00 to 1.00

10.4. Fixed Charge Coverage Ratio. The Fixed Charge Coverage Ratio may not be less than the ratio set out below as of any of the following testing dates:

(a) September 30, 2012	0.60 to 1.00
(b) December 31, 2012	1.25 to 1.00
(c) March 31, 2013	1.50 to 1.00
(d) June 30, 2013	1.50 to 1.00
(e) September 30, 2013	1.75 to 1.00
(f) December 31, 2013	1.75 to 1.00

(g) March 31, 2014	2.00 to 1.00
(h) June 30, 2014	2.00 to 1.00
(i) September 30, 2014	2.25 to 1.00
(j) December 31, 2014	2.25 to 1.00
(k) March 31, 2015	2.50 to 1.00
(l) June 30, 2015	2.50 to 1.00
(m) The last day of each fiscal quarter thereafter	3.00 to 1.00

Each of the covenants in this **Section 10** shall be tested on a quarterly basis, as of the last day of each fiscal quarter of Borrowers, commencing with the fiscal quarter ending September 30, 2012.

Section 11. Default.

The occurrence of any one or more of the following events shall constitute a “**Default**” hereunder:

11.1. Payment of Obligation. The failure of any Borrower to pay (a) the Principal Debt on the Maturity Date, (b) any mandatory payment or prepayment of principal or interest (including but not limited to any Annual Excess Cash Flow Prepayment, any other mandatory prepayment pursuant to **Section 2.5** and any mandatory amortization payment pursuant to **Section 3.2(b)**) on the date such payment is due and payable under any Loan Document, (c) any scheduled interest payment within three (3) days of its due date under any Loan Document, or (d) any other portion of the Obligation, including any fees payable to Lenders under **Section 4**, within two (2) days of the date when it becomes due and payable under any Loan Document.

11.2. Covenants. The failure of any Borrower to punctually and properly perform, observe and comply with:

(a) Any covenant, agreement, or condition contained in **Section 8.13, Section 8.14, Section 9** or **Section 10**; or

(b) Any other covenant, agreement, or condition contained in any Loan Document (*other than* the covenants to pay the Obligation and the covenants in *clause (a)* preceding), and such failure continues for twenty (20) days after the earlier of (i) delivery by Agent or any Lender to any Borrower of notice of such non-compliance or (ii) a Responsible Officer of any Borrower becoming aware of such failure.

11.3. Debtor Relief. Any Borrower (a) voluntarily seeks, consents to, or acquiesces in the benefit of any Debtor Relief Law, other than a voluntary liquidation or dissolution permitted by **Section 9.6**, (b) becomes a party to or is made the subject of any proceeding provided for by any Debtor Relief Law (*other than* as a creditor, claimant, purchaser, or party making a bid to purchase assets), and (i) the petition is not controverted within ten (10) days and is not dismissed within sixty (60) days, or (ii) an order for relief is entered under Title 11 of the United States Code, (c) makes an assignment for the benefit of creditors, (d) fails (or admits in writing its inability) to pay its debts generally as they become due, or (e) is not Solvent.

11.4. Judgments and Attachments. Any Borrower fails, within twenty (20) days after entry, to pay, bond or otherwise discharge any judgment or order for the payment of money in excess of \$50,000 (individually or in the aggregate and net of applicable insurance if the insurer has accepted coverage) or any warrant of attachment, sequestration or similar proceeding against any Borrower's assets that is not (a) stayed on appeal or (b) diligently contested in good faith by appropriate proceedings with adequate reserves being set aside on its books in accordance with GAAP.

11.5. Misrepresentation. Any representation or warranty made to any Lender (or its Representatives) by any Borrower or contained in any Loan Document at any time proves to have been incorrect in any material respect when made (excluding clerical, typographical or other similar scrivener errors); *provided, that*, with respect to the representations in **Sections 7.6** and **7.8**, the Borrowers shall have twenty (20) days to cure any such misrepresentation after the first to occur of (a) written notice of such misrepresentation has been given to any Borrower by Agent or any Lender, and (b) any Borrower knows of such misrepresentation.

11.6. Default Under Other Agreements.

(a) Except for trade accounts payable in the ordinary course of business, any Borrower fails to pay when due (after lapse of any applicable grace period) any amount (individually or in the aggregate) of Debt in an amount equal to \$100,000 or more, or any default exists under any agreement which permits any Person to cause an amount (individually or in the aggregate) of Debt in an amount equal to \$100,000 or more to become due and payable by any Borrower before its stated maturity.

(b) Any Borrower breaches or defaults under any term, condition, provision, representation or warranty contained in any agreement and the effect of such breach or default could reasonably be expected to result in a Material Adverse Event.

(c) A default occurs under any Subordinated Debt.

11.7. Validity and Enforceability of Loan Documents. Except in accordance with its terms or as otherwise expressly permitted by this Agreement, any Loan Document at any time after its execution and delivery ceases to be in full force and effect in any material respect or is declared by a Governmental Authority to be null and void or its validity or enforceability is contested by any Borrower or any Borrower denies that it has any further liability or obligations under any Loan Document, unless such Borrower does not have any further liability or obligations under such Loan Document as a result of a transaction permitted by this Agreement.

11.8. Change of Control or Change of Management. A Change of Control or a Change of Management occurs.

11.9. Ownership of Other Borrowers. Any Borrower (other than the Company) ceases to be owned, beneficially and of record, with power to vote at least fifty-one percent (51%) of its issued and outstanding shares of capital stock, partnership or membership interests or other equity interests, by the Company or any other Borrower (*except* as a result of a transaction permitted by this Agreement or otherwise consented to in advance by Agent).

11.10. Subordination Agreements. There shall occur and be continuing any material breach under any Subordination Agreement by any party thereto other than Agent or any Lender, or any Subordination Agreement shall terminate, cease to be effective or cease to be legally valid, binding and enforceable against any holder of the applicable Subordinated Debt (except for any such termination upon payment in full of, and termination of any commitments to extend further credit under, such Subordinated Debt).

11.11. Material Adverse Event. A Material Adverse Event occurs.

Section 12. Rights And Remedies

12.1. Remedies Upon Default

(a) If a Default exists under **Section 11.3**, the entire unpaid balance of the Obligation automatically becomes due and payable without any action of any kind.

(b) If a Default exists, Agent and Lenders may do any one or more of the following: (i) if the maturity of the Obligation has not already been accelerated under **Section 12.1(a)**, declare the entire unpaid balance of all or any part of the Obligation immediately due and payable; (ii) reduce any claim to judgment; and (iii) exercise any and all other legal or equitable rights afforded by the Loan Documents, the Laws of the State of New York or the Laws of any other applicable jurisdiction.

12.2. Borrower Waivers. To the fullest extent permitted by applicable Law, each Borrower waives diligence, presentment and demand for payment, protest, notice of intent to accelerate, notice of acceleration and notice of protest, demand, dishonor and nonpayment, and agrees that its liability with respect to all or any part of the Obligation is not affected by any renewal or extension in the time of payment of all or any part of the Obligation, by any indulgence, or by any release or change in any security for the payment of all or any part of the Obligation.

12.3. Performance by Agent. If any covenant, duty or agreement of any Borrower is not performed in accordance with the terms of the Loan Documents, Agent may, while a Default or Potential Default exists, at its option, perform or attempt to perform that covenant, duty or agreement on behalf of that Borrower (and any amount reasonably expended by Agent in its performance or attempted performance is payable by the Borrowers, jointly and severally, to Agent on demand, becomes part of the Obligation, and bears interest at the Default Rate for the Term Loan Principal Debt from the date of Agent's expenditure until paid). However, Agent does not assume, except by its express written consent, any liability or responsibility for the performance of any covenant, duty or agreement of any Borrower.

12.4. Not in Control. None of the covenants or other provisions contained in any Loan Document shall, or shall be deemed to, give Agent or any Lender the right to exercise control over the assets (including, without limitation, real property), affairs, or management of any Borrower (other than control for Lien perfection purposes); the power of Agent and Lenders is limited to the right to exercise the remedies provided in this **Section 12**.

12.5. Course of Dealing. The acceptance by Agent or any Lender of any partial payment on the Obligation shall not be deemed to be a waiver of any Default then existing. No waiver by Agent or any Lender of any Default shall be deemed to be a waiver of any other then-existing or subsequent Default or Potential Default. No delay or omission by Agent or any Lender in exercising any right under the Loan Documents will impair that right or be construed as a waiver thereof or any acquiescence therein, nor will any single or partial exercise of any right preclude other or further exercise thereof or the exercise of any other right.

12.6. Cumulative Rights. All rights available to Agent and Lenders under the Loan Documents are cumulative of and in addition to all other rights granted to Agent and Lenders at law or in equity, whether or not the Obligation is due and payable and whether or not Agent or any Lender has instituted any suit for collection, foreclosure, or other action in connection with the Loan Documents.

12.7. Application of Proceeds. Any and all proceeds received by Agent or Lenders from the exercise of any rights and remedies pertaining to the Obligation shall be applied to the Obligation in accordance with **Section 3.3**.

12.8. Diminution in Value of Collateral. Neither Agent nor any Lender shall have any liability or responsibility for any diminution in or loss of value of any Collateral now or hereafter securing payment or performance of all or any part of the Obligation.

Section 13. Agent

13.1. Appointment and Authorization of Agent.

(a) Each of the Lenders hereby appoints Deerpath Funding to act on its behalf as Agent hereunder and under the other Loan Documents and authorizes Agent to take such actions on its behalf and to exercise such powers as are delegated to Agent by the terms hereof and thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this **Section 13** are solely for the benefit of Agent and any Lender, and no Borrower shall have rights as a third party beneficiary of any of such provisions.

(b) Except as set forth in **Section 14.8(a)** or otherwise specified in this Agreement:

(i) subject to *subsection (ii)* below, the exercise of any right or remedy; the grant of any waiver, consent, agreement, approval, authorization or acceptance; the execution and delivery of any document, agreement or instrument; the making of any request, election, designation or requirement; the receipt of notice of any event or of delivery of any document; and the taking of any other action by or on behalf of "Lender" or "Lenders" under this Agreement or any other Loan Document shall require only the action or approval of the Agent, and Borrowers shall be entitled to rely on any of the foregoing actions and approvals by Agent as being the valid action or approval of Agent on behalf of Lenders; and

(ii) except as set forth in **Section 13.10** (with respect to certain Collateral matters), Agent shall not take any discretionary action or exercise any discretionary powers without the consent or approval of Required Lenders.

13.2. **Rights as a Lender.** The Person serving as Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not Agent and the term “Lender” or “Lenders” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, make equity investments in, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with Borrowers or any Subsidiary or other Affiliate thereof as if such Person were not Agent hereunder and without any duty to account therefor to Lenders.

13.3. **Exculpatory Provisions.** Agent shall not have any duties or obligations except those expressly set out herein and in the other Loan Documents. Without limiting the generality of the foregoing, Agent:

(a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or Potential Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers;

(c) shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose Agent to liability or that is contrary to any Loan Document or applicable Law;

(d) shall not, except as expressly set out herein and in the other Loan Documents, be liable for the failure to disclose any information relating to any Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as Agent or any of its Affiliates in any capacity; and

(e) shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Lenders or (ii) in the absence of its own gross negligence or willful misconduct. Agent shall be deemed not to have knowledge of any Default or Potential Default unless and until written notice describing such Default or Potential Default is given to Agent by Borrowers or a Lender. Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set out herein or therein or the occurrence of any Default or Potential Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set out in **Section 5** or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to Agent.

13.4. Reliance by Agent. Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan that by its terms must be fulfilled to the satisfaction of a Lender, Agent may presume that such condition is satisfactory to such Lender unless Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. Agent may consult with legal counsel (who may be counsel for one or more Borrowers), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

13.5. Delegation of Duties. Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by Agent. Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Affiliates. The exculpatory provisions of this **Section 13** shall apply to any such sub-agent and to the Affiliates of Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Agent.

13.6. Resignation; Removal of Agent.

(a) Agent may at any time give written notice of its resignation to Lenders. Agent may also be removed at any time, with or without cause, by the affirmative vote of Lenders holding a majority of the Percentage Interests.

(b) Upon the resignation or removal of Agent pursuant to this **Section 13.6**, Lenders shall have the right, in consultation with Borrowers, to appoint, by vote of a majority of the Percentage Interests, a successor, which may be any other Lender or any other Person selected by vote of Lenders holding majority of the Percentage Interests. If no such successor shall have been so appointed by the Lenders and shall have accepted such appointment within 30 days after the resignation or removal of the Agent, then the resigning or removed Agent (the "**Retiring Agent**") may, on behalf of Lenders, appoint a successor Agent meeting the qualifications set out above; *provided that* if Agent shall notify a Borrower and the Lenders that no qualifying Person has accepted such appointment, then such resignation or removal shall nonetheless become effective in accordance with such notice and (i) the Retiring Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Retiring Agent on behalf of the Lenders under any of the Loan Documents, the Retiring Agent shall continue to hold such collateral security until such time as a successor Agent is appointed) and (ii) all payments, communications and determinations provided to be made by, to or through Agent shall instead be made by or to each Lender directly, until such time as the Lenders appoint a successor Agent as provided for above in this Section.

(c) Upon the acceptance of a successor's appointment as Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the "Agent", under this Agreement and the other Loan Documents, and the Retiring Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). After the Retiring Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this **Section 13** and **Section 8.6** shall continue in effect for the benefit of such Retiring Agent, its sub-agents and their respective Affiliates in respect of any actions taken or omitted to be taken by any of them while the Retiring Agent was acting as Agent.

13.7. Non-Reliance on Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon Agent or any other Lender or any of their respective Affiliates and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon Agent or any other Lender or any of their respective Affiliates and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

13.8. No Other Duties, Etc. Anything herein to the contrary notwithstanding, no Lender shall have any duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as Agent, Lender or both.

13.9. Agent May File Proofs of Claim. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to any Borrower, Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether Agent shall have made any demand on any Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of Lenders and Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of Lenders and Agent and their respective agents and counsel and all other amounts due Lenders and Agent under **Sections 8.6** and **8.11**) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to Agent and to pay to Agent any amount due for the reasonable compensation, expenses, disbursements and advances of Agent and its agents and counsel, and any other amounts due Agent under **Sections 8.6** and **8.11**. Nothing contained herein shall be deemed to authorize Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligation or the rights of any Lender or to authorize Agent to vote in respect of the claim of any Lender in any such proceeding.

13.10. Collateral Matters.

(a) Each Lender hereby authorizes and directs Agent to enter into the Security Documents, the ADI Seller Note Subordination Agreement, the Legiant Seller Note Subordination Agreement and the Convertible Note Subordination Agreement for the benefit of such Lender. Each Lender also authorizes Agent to enter into Subordination Agreements with respect to any other Subordinated Debt, whether in existence as of the Closing Date or created, incurred or assumed at any time following the Closing Date. Each Lender hereby agrees, and each holder of any Note by the acceptance thereof will be deemed to agree, that, except as otherwise set out in **Section 14.8(a)**, any action taken by the Agent, in accordance with the provisions of this Agreement, the Security Documents and any Subordination Agreement, and the exercise by the Agent of the powers set out herein or therein, together with such other powers as are reasonably incidental thereto, shall be authorized and binding upon all of the Lenders. Agent is hereby authorized (but not obligated) on behalf of all of the Lenders, without the necessity of any notice to or further consent from any Lender from time to time, to take any action with respect to any Collateral, the Security Documents or any Subordination Agreement which may be necessary to (i) perfect and maintain perfected the Liens upon the Collateral granted pursuant to the Security Documents, (ii) subordinate any Subordinated Debt (and any Liens securing any such Subordinated Debt) to the Obligations (and the Liens securing the Obligations), and (iii) exercise Agent's rights and remedies and enforce the covenants and obligations of any Borrower or any holder of Subordinated Debt under any Subordination Agreement.

(b) Each Lender hereby authorizes Agent, at its option and in its discretion, to release any Lien on any property granted to or held by Agent under any Loan Document (i) upon payment in full of the Loans and all other Obligations (other than contingent indemnification obligations) and termination of the Term Loan Commitment and any other commitment by Lenders hereunder, (ii) that is sold or to be sold as part of or in connection with any sale permitted hereunder or under any other Loan Document, (iii) subject to **Section 14.8(a)**, if approved, authorized or ratified in writing by the Lenders, or (iv) in connection with any foreclosure sale or other disposition of Collateral after the occurrence of a Default. Upon request by Agent at any time, each Lender will confirm in writing Agent's authority to release its interest in particular types or items of Collateral pursuant to this **Section 13.10**.

(c) Subject to *subsection (b)* above, Agent shall (and is hereby authorized by each Lender to) execute such documents as may be necessary to evidence the release of the Liens granted to Agent for the benefit of Agent and Lenders herein or pursuant to this Agreement upon the applicable Collateral; *provided that* (i) Agent shall not be required to execute any such document on terms which, in Agent's opinion, would expose Agent to or create any liability or entail any consequence other than the release or subordination of such Liens without recourse or warranty and (ii) such release shall not in any manner discharge, affect or impair the Obligation or any Liens upon any interests retained by Borrowers or any other Person, including the proceeds of the sale, all of which shall continue to constitute part of the Collateral. In the event of any sale or transfer of Collateral, or any foreclosure with respect to any of the Collateral, Agent shall be authorized to deduct all expenses reasonably incurred by Agent from the proceeds of any such sale, transfer or foreclosure.

(d) Agent shall have no obligation whatsoever to any Lender or any other Person to ensure that the Collateral exists or is owned by a Borrower or any other Person or is cared for, protected or insured or that the Liens granted to Agent herein or in any of the Security Documents or pursuant to this Agreement or thereto have been properly or sufficiently or lawfully created, perfected, protected or enforced or are entitled to any particular priority, or to exercise or to continue exercising at all or in any manner or under any duty of care, disclosure or fidelity any of the rights, authorities and powers granted or available to Agent in this **Section 13.10** or in any of the Security Documents, it being understood and agreed that in respect of the Collateral, or any act, omission or event related thereto, Agent may act in any manner it may deem appropriate, in its sole discretion, given Agent's own interest in the Collateral as one of the Lenders and that Agent shall have no duty or liability whatsoever to the Lenders.

(e) Each Lender hereby appoints Agent and each other Lender as agent for the purpose of perfecting such Lender's security interest in assets which, in accordance with Article 9 of the UCC can be perfected only by possession. Should any Lender (other than Agent) obtain possession of any such Collateral, such Lender shall notify Agent thereof and, promptly upon Agent's request therefor, shall deliver such Collateral to Agent or in accordance with Agent's instructions.

Section 14. Miscellaneous.

14.1. Headings. The headings and captions used in the Loan Documents are for convenience only and will not be deemed to limit, amplify or modify the terms of the Loan Documents.

14.2. Non-Business Days. Any payment or action that is due under any Loan Document on a non-Business Day may be delayed until the next-succeeding Business Day, but interest shall continue to accrue on any applicable payment until payment is made.

14.3. Communications. Unless otherwise provided, any consent, notice, or other communication under or in connection with any Loan Document must be in writing to be effective and shall be deemed to have been given (a) if by telecopy, when transmitted to the appropriate telecopy number, (b) if by mail, on the third Business Day after it is enclosed in an envelope and properly addressed, stamped, sealed, certified return receipt requested, and deposited in the appropriate official postal service, or (c) if by electronic mail or any other means, when actually received or delivered (with respect to electronic mail, each party giving such notice shall be responsible for keeping records acceptable to Lenders regarding all such notices). Until changed by notice pursuant to this Agreement, the address (and telecopy number) for each party is as follows:

If to Borrowers:

Asure Software, Inc.
110 Wild Basin Road, Suite 100
Austin, Texas 78746
Attention: Patrick Goepel
Fax No.: (512) 437-2718
Tel. No.: (512) 437-2600

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

Messerli & Kramer P.A.
1400 Fifth Street Towers
100 South Fifth Street
Minneapolis, MN 55402-1217
Attention: David L. Weigman
Fax No.: (612) 672-3777
Tel. No.: (612) 672-3610

If to Agent or Lenders:

Deerpath Funding, LP
405 Lexington Avenue, 71st Floor
New York, NY 10174
Attention: James H. Kirby
Fax No.: (646) 417-7095
Tel. No.: (646) 786-1022

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

Porter Hedges LLP
1000 Main Street, 36th Floor
Houston, Texas 77002
Fax No.: (713) 226-6240
Tel. No.: (713) 226-6640
Attention: Andrew C. Fertitta

14.4. Survival. Unless otherwise provided, all covenants, agreements, representations and warranties made in this Agreement and any of the other Loan Documents shall survive and continue in effect as long as any Loan or other Obligation is outstanding or any commitment by Lenders hereunder is in effect; *provided, that* the indemnities set out in **Section 8.6** and their terms and provisions shall survive the satisfaction and payment of the Obligation and the termination of this Agreement and Lenders' commitments hereunder.

14.5. Governing Law. This Agreement and each Loan Document shall be a contract made under and governed by the internal laws of the State of New York applicable to contracts made and to be performed entirely within such state, without regard to conflict of law principles.

14.6. Invalid Provisions. If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic and legal effect of which comes as close as possible to the intent of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

14.7. Multiple Counterparts.

(a) Each Loan Document may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument, and shall become effective when counterparts have been signed by each of the parties and delivered to the other parties; it being understood that all parties need not sign the same counterpart.

(b) The exchange of copies of any Loan Document and of signature pages to any Loan Document by facsimile transmission (whether directly from one facsimile device to another by means of a dial-up connection or whether mediated by the worldwide web), by electronic mail in "portable document format" (".pdf") form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, or by combination of such means, shall constitute effective execution and delivery of such Loan Document as to the parties thereto and may be used in lieu of the original Loan Document for all purposes. Signatures of the parties transmitted by facsimile, .pdf or other electronic transmission shall be deemed to be their original signatures for all purposes.

14.8. Amendments; Assignments and Participations.

(a) The Loan Documents may be amended, modified, supplemented or be the subject of a waiver only by a writing executed by Agent, Required Lenders and Borrowers. Any conflict or ambiguity between this Agreement and any other Loan Document is controlled by the terms and provisions of this Agreement. This Agreement is binding upon, and inures to the benefit of, the parties hereto and their respective successors and permitted assigns.

(b) Upon ten (10) days prior written notice to the Borrowers, from time to time any Lender may sell, assign or transfer, or sell one or more participations in, all or any portion of its Notes and its other rights and obligations under the Loans, this Agreement and the other Loan Documents, to one or more Persons.

(c) Any Lender may furnish any information concerning the Borrowers in its possession from time to time to assignees and participants (including prospective assignees and participants); *provided, that* any Lender furnishing any information concerning the Borrowers pursuant to the foregoing shall restrict disclosure to only those employees, officers, directors, attorneys and advisors of current or prospective assignees or participants required to monitor Borrowers' performance and/or evaluate Borrowers' credit worthiness, as applicable. Prior to disclosure, all employees, officers, directors, attorneys and advisors provided with information pertaining to Borrowers shall be made aware of the confidential nature of the information so provided.

(d) To facilitate any assignment or participation pursuant to this **Section 14.8**, Borrowers shall, from time to time promptly upon the request of any Lender, execute and deliver to such Lender or to such party or parties as such Lender may designate, any and all replacement Notes, consents, acknowledgements and other instruments and agreements as may in the reasonable opinion of such Lender be necessary or advisable to give full force and effect to such assignment or participation.

(e) No Borrower may assign or transfer its rights or obligations hereunder or any interest herein or delegate its duties or obligations hereunder without the prior written consent of Agent and each of the Lenders.

14.9. **Term.** This Agreement will stay in effect until, and all obligations under this Agreement shall terminate (except for any provisions thereof, such as indemnification provisions, which by their terms survive termination), upon the later to occur of (a) all Principal Debt and accrued interest under the Loans and all other Obligations have been repaid in full and no Loan or other Obligation remains outstanding, and (b) all commitments of Lenders hereunder have been terminated or expired.

14.10. **Marshaling; Discharge Only Upon Payment in Full; Reinstatement in Certain Circumstances.** Neither Agent nor any Lender shall be under any obligation to marshal any assets in favor of any Borrower or any other Person or against or in payment of any or all of the Obligations hereunder. Except as otherwise provided herein, each Borrower's Obligations under the Loan Documents remain in full force and effect until the Obligations are paid in full (except for provisions under the Loan Documents which by their terms expressly survive payment of the Obligations and termination of the Loan Documents). If at any time any payment of the principal of or interest on any Loan or any other amount payable by any Borrower or any other obligor on the Obligations under any Loan Document is rescinded or must be restored or returned upon the insolvency, bankruptcy or reorganization of any Borrower or otherwise, the Obligations of each Borrower under the Loan Documents with respect to that payment shall be reinstated as though the payment had been due but not made at that time.

14.11. **Arbitration.** Agent, each Lender, and each Borrower agree that all disputes, claims, and controversies between them, whether individual, joint, or class in nature, arising from this Agreement, the Loan Documents, or otherwise, including without limitation contract disputes and tort claims, shall be resolved by binding arbitration pursuant to the Commercial Rules of the American Arbitration Association ("AAA"). Any arbitration proceeding held pursuant to this arbitration provision shall be conducted in New York, New York, or at any other place selected by mutual agreement of the parties. No act to take or dispose of any Collateral shall constitute a waiver of this **Section 14.11** agreement or be prohibited by this **Section 14.11**. This arbitration provision shall not limit the right of either party during any dispute, claim or controversy to seek, use, and employ ancillary or preliminary rights and/or remedies, judicial or otherwise, for the purposes of realizing upon, preserving, protecting, foreclosing upon or proceeding under forcible entry and detainer for possession of, any real or personal property, and any such action shall not be deemed an election of remedies. Such remedies include, without limitation, obtaining injunctive relief or a temporary restraining order, invoking a power of sale under any deed of trust or mortgage, obtaining a writ of attachment or imposition of a receivership, or exercising any rights relating to personal property, including exercising the right of set-off, or taking or disposing of such property with or without judicial process pursuant to the UCC. Any disputes, claims or controversies concerning the lawfulness or reasonableness of an act, or exercise of any right or remedy concerning any Collateral, including any claim to rescind, reform, or otherwise modify any agreement relating to the Collateral, shall also be resolved by binding arbitration pursuant to this **Section 14.11**; provided that, no arbitrator shall have the right or the power to enjoin or restrain any act of either party. Judgment upon any award rendered by any arbitrator may be entered in any court having jurisdiction. The statute of limitations, estoppel, waiver, laches and similar doctrines which would otherwise be applicable in an action brought by a party shall be applicable in any arbitration proceeding, and the commencement of an arbitration proceeding shall be deemed the commencement of any action for these purposes. The Federal Arbitration Act (Title 9 of the United States Code) shall apply to the construction, interpretation, and enforcement of this arbitration provision.

14.12. No Implied Waivers; Cumulative Remedies; Writing Required. No delay or failure of Agent or any Lender in exercising any right, power or remedy hereunder shall affect or operate as a waiver thereof, nor shall any single or partial exercise thereof or any abandonment or discontinuance of steps to enforce such a right, power or remedy preclude any further exercise thereof or any other right, power or remedy. The rights and remedies hereunder of Agent and the Lenders are cumulative and not exclusive of any rights or remedies which they would otherwise have. Any waiver, permit, consent or approval of any kind or character on the part of Agent or any Lender of any breach or default under this Agreement or any such waiver of any provision or condition of this Agreement must be in writing and shall be effective only to the extent specifically set forth in such writing.

14.13. Electronic Submissions. Upon not less than thirty (30) days' prior written notice (the "**Approved Electronic Form Notice**"), Agent or Lenders may permit or require that any of the documents, certificates, forms, deliveries or other communications, authorized, required or contemplated by this Agreement or the other Loan Documents be submitted to Lenders in Approved Electronic Form (as hereafter defined), subject to any reasonable terms, conditions and requirements in the applicable Approved Electronic Forms Notice. For purposes hereof "**Electronic Form**" means e-mail, e-mail attachments, data submitted on web-based forms or any other communication method that delivers machine readable data or information to Lenders, and "**Approved Electronic Form**" means an Electronic Form that has been approved in writing by Lenders (which approval has not been revoked or modified by Lenders) and sent to Borrowers in an Approved Electronic Form Notice. Except as otherwise specifically provided in the applicable Approved Electronic Form Notice, any submissions made in an applicable Approved Electronic Form shall have the same force and effect that the same submissions would have had if they had been submitted in any other applicable form authorized, required or contemplated by this Agreement or the other Loan Documents.

14.14. Jury Waiver. **AGENT, LENDERS AND BORROWERS HEREBY VOLUNTARILY, KNOWINGLY, IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) BETWEEN AGENT, LENDERS (OR ANY LENDER) AND BORROWERS (OR ANY BORROWER) ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT OR ANY LOAN DOCUMENT, OR ANY RELATIONSHIP BETWEEN AGENT, ANY LENDER AND ANY BORROWER. THIS PROVISION IS A MATERIAL INDUCEMENT TO AGENT AND LENDERS TO PROVIDE THE FINANCING DESCRIBED IN THIS AGREEMENT.**

14.15. Venue and Service of Process. SUBJECT TO THE ARBITRATION PROVISIONS SET FORTH IN SECTION 14.11, EACH PARTY TO ANY LOAN DOCUMENT, IN EACH CASE FOR ITSELF, ITS SUCCESSORS AND ASSIGNS, (A) IRREVOCABLY SUBMITS AND CONSENTS TO THE EXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS OF THE STATE OF NEW YORK (AND OF THE APPROPRIATE APPELLATE COURTS THEREFROM), (B) IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY LITIGATION ARISING OUT OF OR IN CONNECTION WITH THE LOAN DOCUMENTS AND THE OBLIGATION BROUGHT IN THE DISTRICT COURT OF NEW YORK COUNTY, NEW YORK, OR IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, (C) IRREVOCABLY WAIVES ANY CLAIMS THAT ANY LITIGATION BROUGHT IN ANY OF THE AFOREMENTIONED COURTS HAS BEEN BROUGHT IN AN INCONVENIENT FORUM, (D) IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OUT OF ANY OF THOSE COURTS IN ANY LITIGATION BY THE MAILING OF COPIES THEREOF BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, POSTAGE PREPAID, BY HAND-DELIVERY, OR BY DELIVERY BY A NATIONALLY RECOGNIZED COURIER SERVICE, AND SERVICE SHALL BE DEEMED COMPLETE UPON DELIVERY OF THE LEGAL PROCESS AT ITS ADDRESS SET OUT IN THIS AGREEMENT, AND (E) IRREVOCABLY AGREES THAT ANY LEGAL PROCEEDING AGAINST ANY PARTY TO ANY LOAN DOCUMENT ARISING OUT OF OR IN CONNECTION WITH THE LOAN DOCUMENTS OR THE OBLIGATION MAY BE BROUGHT IN ONE OF THE AFOREMENTIONED COURTS. THE SCOPE OF EACH OF THE FOREGOING CONSENTS AND WAIVERS IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH BORROWER ACKNOWLEDGES THAT THESE CONSENTS AND WAIVERS ARE A MATERIAL INDUCEMENT TO LENDERS' AGREEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT AGENT AND LENDERS HAVE ALREADY RELIED ON THESE CONSENTS AND WAIVERS IN ENTERING INTO THIS AGREEMENT, AND THAT AGENT AND LENDERS WILL CONTINUE TO RELY ON EACH OF THESE CONSENTS AND WAIVERS IN RELATED FUTURE DEALINGS. EACH BORROWER FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THESE CONSENTS AND WAIVERS WITH ITS LEGAL COUNSEL, AND THAT IT KNOWINGLY AND VOLUNTARILY AGREES TO EACH CONSENT AND WAIVER FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

The consents and waivers in this Section 14.15 are irrevocable, meaning that they may not be modified either orally or in writing, and these consents and waivers shall apply to any subsequent amendments, supplements, or replacements to or of this or any other Loan Document. In the event of Litigation, this Agreement may be filed as a written consent to a trial by the court.

14.16. Marketing and Disclosure Rights of Lenders. Each Borrower hereby grants Agent and each Lender the right to divulge such Borrower's name and a brief description of the transactions contemplated by this Agreement and the other Loan Documents, including such information as is normally and customarily provided in tombstone advertisements, on Agent's or any Lender's internet website, in Agent's or any Lender's newsletter or in any of Agent's or any Lender's other marketing materials; *provided, that* neither Agent nor any Lender shall divulge any non-public information about the financial condition of the Borrowers in any such advertisements. Each Borrower also grants Agent and each Lender the right to divulge information about the Borrowers and all material aspects of the transactions contemplated by this Agreement and the other Loan Documents to (x) the SBA, (y) Agent's and each Lender's current and prospective lenders, partners, affiliates, investors, co-investors, co-lenders and other financing sources, or any trustee or agent therefor or counsel thereto, and (z) S&P, Moody's, Fitch and/or other ratings agency or counsel thereto, subject to Agent's and Lenders' obligations to instruct such Persons to maintain the confidentiality of such information. Each Borrower further understands and acknowledges that Agent and each Lender and one or more of their respective members and affiliates (including Deerpath Capital, LP, a Delaware limited partnership, Deerpath Capital Management, LP a Delaware limited partnership, Deerpath Capital General Partner, LLC, a Delaware limited liability company, Deerpath Funding General Partner, Inc. a Delaware corporation, Deerpath Capital II, LP, a Delaware limited partnership, and Deerpath Capital II General Partner, LLC, a Delaware limited liability company) may have certain regulatory requirements in order to maintain compliance with the rules and regulations of the Securities and Exchange Commission (the "**SEC**") and as such Borrowers approve and consent to the disclosure of the transactions contemplated by this Agreement for such purposes.

14.17. Managerial Assistance by Lenders. Each Borrower acknowledges that Lenders have offered and continue to offer to make available managerial, consulting or other assistance upon such Borrower's request.

14.18. Entirety. **THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE AGENT, LENDERS AND BORROWERS AND SUPERSEDE ANY AND ALL PREVIOUS AGREEMENTS AND UNDERSTANDINGS, ORAL OR WRITTEN, RELATING TO THE SUBJECT MATTER HEREOF, INCLUDING WITHOUT LIMITATION THE COMMITMENT LETTER AND ANY TERM SHEET ENTERED INTO BY ANY LENDER AND ANY BORROWER. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS BY THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.**

*[The remainder of this page has been intentionally left blank
Signatures are on the following page.]*

IN WITNESS WHEREOF, the parties have executed and delivered this Loan Agreement as of the date first written above.

AGENT:

Deerpath Funding, LP
a Delaware limited partnership,
as Agent

By: Deerpath Funding General Partner, Inc.
its general partner

By: /s/ Anish Bahl
Name: Anish Bahl
Title: Chief Financial Officer

[Signature Page 1 of 3 to Loan Agreement]

LENDERS:

Deerpath Funding, LP

a Delaware limited partnership,
as Lender

By: Deerpath Funding General Partner, Inc.
its general partner

By: /s/ Anish Bahl

Name: Anish Bahl

Title: Chief Financial Officer

[Signature Page 2 of 3 to Loan Agreement]

BORROWERS:

Asure Software, Inc.
a Delaware corporation

By: /s/ Patrick Goepel
Name: Patrick Goepel
Title: Chief Executive Officer

ADI Software, LLC
a Delaware limited liability company

By: /s/ Patrick Goepel
Name: Patrick Goepel
Title: Chief Executive Officer

Asure Legiant, LLC
a Delaware limited liability company

By: /s/ Patrick Goepel
Name: Patrick Goepel
Title: Chief Executive Officer

Meeting Maker – United States, Inc.
a Delaware corporation

By: /s/ Patrick Goepel
Name: Patrick Goepel
Title: Chief Executive Officer

Asure Software Announces Acquisition of PeopleCube**Acquisition solidifies Asure's portfolio and position as leading global provider of workspace and workforce management solutions**

Expects Q2 2012 results (pre-acquisition) to be at upper end of revenue and EBITDA (ex one-time items) guidance

Increases Q3 and Q4 2012 revenue guidance to \$6.9 M – \$7.1M and \$7.8M – \$8.1M, respectively (primarily as a result of the acquisition)

Increases Q3 and Q4 EBITDA guidance (ex one-time items) to \$1.1M - \$1.3M and \$1.9M - \$2.2M, respectively (primarily as a result of the acquisition)

Issues 2013 guidance of \$31M revenue, \$9M EBITDA, and \$7M (\$1.30 per share) of free cash flow

AUSTIN, Texas (July 5, 2012) -- Asure Software, Inc. (NASDAQ-CM: ASUR), a leading provider of workplace management software, today announced that it has acquired PeopleCube, of Framingham, MA. PeopleCube has enabled the deployment of a high-quality, flexible workplace and the ability to plan, schedule, measure and analyze space and resource utilization to attain new levels of effectiveness and efficiency. One of the leaders in providing intelligent on-demand workplace management solutions that help customers manage their facilities, PeopleCube solutions minimize real estate, meeting services, travel, and energy costs based on actual workspace usage. PeopleCube supports 7,500 Clients in small, medium, and large enterprises around the world. With this acquisition, Asure becomes the leading global provider of workspace management solutions.

On July 3, 2012, Asure Software entered into a stock purchase agreement to acquire PeopleCube for a combination of cash and stock. The purchase price was composed of \$9.8 million cash paid at closing; a \$3 million, two-year seller's note; and the issuance of 255,000 shares of common stock, representing just under five percent of Asure's outstanding shares. Asure financed the deal via a new debt financing facility with further details of the acquisition and financing facility to be detailed in Asure's 8K (to be filed shortly). In addition to funding the acquisition, the new facility allowed Asure to re-finance certain of its existing debt.

"PeopleCube's product suite of workplace management solutions helps companies improve efficiencies in workplaces every day, and is directly in line with the Asure Software strategy," said Pat Goepel, Asure's Chief Executive Officer. "We are excited to integrate best practices of the PeopleCube product line to the Asure solution set. The enterprise service model will greatly improve our ability to bring solutions to companies of all sizes in a much larger marketplace."

"This acquisition creates a global leader in providing solutions that manage workspace environments," said John Anderson, former President and Chief Executive Officer of PeopleCube who will remain at the company. "The overall suite of available products and services extends Asure's reach to the workspace management needs of organizations around the world." PeopleCube's Resource Scheduler, Workspace Manager, PeopleCounter, Workplace Business Intelligence, and Energy Management solutions will be carried forward and will be incorporated into the newly formed AsureSpace business line which will be led by Anderson.

"The financial synergies from the acquisition are readily identifiable and implementation is already underway," said Asure's Chief Financial Officer, David Scoglio. "Efficiencies will come in the form of savings through consolidation, streamlining of deployment and adoption activities, reducing duplicative costs, and leveraging our hosting infrastructure across the larger company. We expect the PeopleCube acquisition to increase the cash generation of the business, and we anticipate realizing significant synergies in the near-term."

“Given the product and business synergies between PeopleCube and Asure Software, this acquisition is a win-win for clients of both organizations,” added Steven Rodriguez, Chief Operating Officer for Asure. “We have the ability to enhance our customer offering in existing verticals while expanding into additional key vertical markets ranging from small business to enterprise clients on a global scale. No other company has the ability to serve that market potential. Our value proposition is powerful, and we are excited to push our new capabilities to our clients now exceeding over 11,000 combined.”

“We have rebuilt Asure into a larger, more agile company with a predictable recurring revenue stream and strong organic cloud bookings growth, with high incremental margins on that growth,” added Mr. Goepel. “The integration of PeopleCube completely fits into this strategy. We have tripled the size of our company in the past three years, and this acquisition will further improve our ability to deliver significant new bookings growth. We believe we are on the right path to enhancing shareholder value, and hope to report further progress as we move forward.”

About Asure Software

Asure Software, Inc. (NASDAQ-CM: ASUR), headquartered in Austin, Texas, offers intuitive and innovative technologies that enable companies of all sizes and complexities to operate more efficiently. The company ensures a high-performing work environment by integrating its “keep it simple” solutions and expertise to more than 3,500 clients worldwide. Asure Software’s suite of solutions range from time and attendance workforce management solutions to asset optimization and meeting room management. For more information, please visit www.asuresoftware.com.

For more information contact:

David Scoglio, CFO
Asure Software, Inc.
512-437-2732
dscoglio@asuresoftware.com

Jon Cunningham
RedChip Companies, Inc.
Tel: +1-800-733-2447, Ext. 107
info@redchip.com
<http://www.redchip.com>