

EXHIBIT 5

ASSET PURCHASE AGREEMENT

BY AND AMONG

GGW BRANDS, LLC,

**EACH SUBSIDIARY OF GGW BRANDS, LLC
SET FORTH ON THE SIGNATURE PAGES HERETO,¹**

AND

GGW ACQUISITION, LLC

Dated as of February 10, 2014

¹ GGW Direct, LLC, GGW Events, LLC, GGW Magazine, LLC, and GGW Marketing, LLC.

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT, dated as of February 10, 2014 (this “Agreement”), is entered into by and among GGW Brands, LLC, GGW Direct, LLC, GGW Events, LLC, GGW Magazine, LLC, and GGW Marketing, LLC (each a Delaware limited liability company, and collectively, “Sellers”), and GGW Acquisition, LLC, a Delaware limited liability company (“Buyer”).

WITNESSETH:

WHEREAS, GGW Brands, LLC, GGW Direct, LLC, GGW Events, LLC, and GGW Magazine, LLC commenced cases (the “Original Bankruptcy Cases”) under Chapter 11 of Title 11 of the United States Code (as it may be amended from time to time as applicable to the Bankruptcy Cases, the “Bankruptcy Code”) on February 27, 2013 (the “Petition Date”) in the United States Bankruptcy Court for the Central District of California (the “Bankruptcy Court”), which cases are being jointly administered as case number 2:13-bk-15130-SK;

WHEREAS, the Bankruptcy Court appointed R. Todd Neilson as chapter 11 trustee for GGW Brands, LLC, GGW Direct, LLC, GGW Events, LLC, and GGW Magazine, LLC (solely in his capacity as chapter 11 trustee of such entities, the “Trustee”) on April 11, 2013, and the Trustee is authorized under the Bankruptcy Code to continue the operation of those Sellers’ businesses;

WHEREAS, the Trustee caused GGW Marketing, LLC to commence a case under Chapter 11 of Bankruptcy Code (collectively, with the Original Bankruptcy Cases, the “Bankruptcy Cases”) on May 22, 2013 and GGW Marketing, LLC is authorized under the Bankruptcy Code to continue the operation of its business as a debtor-in-possession;

WHEREAS, Sellers desire to sell, transfer and assign to Buyer, and Buyer desires to acquire and assume from Sellers, pursuant to Sections 363 and 365 of the Bankruptcy Code, the Purchased Assets and Assumed Liabilities as more specifically provided herein; and

WHEREAS, certain terms used in this Agreement are defined in Section 1.1.

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements hereinafter contained, the Parties hereby agree as follows:

ARTICLE I **DEFINITIONS**

Section 1.1. Certain Definitions. For purposes of this Agreement, the following terms shall have the meanings specified in this Section 1.1:

“Accounts Receivable” means all accounts, accounts receivable, contract rights to payment, notes, and notes receivable of Sellers related to the Business arising prior to the Closing.

“Affiliate” means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, and 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 such Person, whether through ownership of voting securities, by contract or otherwise.

“Alternative Proposal” has the meaning set forth in Section 7.2.

“Assets” means collectively, the Purchased Assets and the Excluded Assets.

“Assumed Liabilities” shall have the meaning set forth in Section 2.3.

“Auction” shall have the meaning set forth in the Bid Procedures Order.

“Bankruptcy Cases” shall have the meaning set forth in the Recitals.

“Bankruptcy Code” shall have the meaning set forth in the Recitals.

“Bankruptcy Court” shall have the meaning set forth in the Recitals.

“Benefit Plan” means an “employee benefit plans”, as defined in Section 3(3) of ERISA, or any other material employee benefit arrangements, employment agreements or payroll practices maintained by Sellers or to which Sellers contribute or are obligated to contribute thereunder for Employees

“Bid Procedures Order” means an Order of the Bankruptcy Court, in substantially the form attached hereto as Exhibit A, approving the bid procedures with respect to the Auction, the Break-Up Fee and the Initial Minimum Overbid, and providing that if no qualified Competing Bid is received by the bid deadline established in accordance with the Auction, Buyer’s bid shall be determined to be the winning bid for the Purchased Assets.

“Break-Up Fee” means One Hundred Thousand Dollars (\$100,000).

“Business” means the business and operations of Sellers relating to the production and distribution of adult entertainment magazines, videos and clips.

“Business Day” means any day of the year on which national banking institutions in New York are open to the public for conducting business and are not required or authorized to close.

“Buyer” shall have the meaning set forth in the Preamble.

“Buyer Deposit” shall have the meaning set forth in Section 7.4.

“Buyer Documents” shall have the meaning set forth in Section 6.2.

“Cash Payment” shall have the meaning set forth in Section 3.1.

“Closing” shall have the meaning set forth in Section 4.1.

“Closing Date” shall have the meaning set forth in Section 4.1.

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

“Competing Bid” shall have the meaning set forth in Section 7.2.

“Contract” means any contract, indenture, note, bond, lease, real property lease, personal property lease or other agreement (including, without limitation, employment and consulting agreements) to which any Seller is a party, relating to the Business, as set forth on Schedule 1.1(a).

“Cure Amounts” means any and all amounts required, as a condition to assumption or assignment, to be paid to a non-debtor party to a Purchased Contract pursuant to Section 365(b) of the Bankruptcy Code.

“Documents” means all files, documents, instruments, papers, books, reports, records, tapes, microfilms, photographs, letters, budgets, forecasts, ledgers, journals, customer lists, regulatory filings, operating data and plans, marketing documentation, and other similar materials related to the Business and the Purchased Assets, in each case whether or not in electronic form.

“Employee Claim” means any claim, demand, action, cause of action, damage, loss, cost, Liability or expense, including legal costs, made or brought by any Employee, including, but not limited to, any employment claim made pursuant to any applicable Laws relating to employment standards, occupational health and safety, labor relations, workers compensation, pay equity, employment equity, the Americans with Disabilities Act, the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, the Older Workers Benefit Protection Act, the Family and Medical Leave Act or the Fair Labor Standards Act or any other federal, state or local, statutory or decisional Law regarding employment discrimination.

“Employee Obligations” means all wages, bonuses, vacation pay, sick time, pension payments, overtime pay, change of control payments, severance pay and any other termination or severance obligations and any other compensation or obligation which may be due by statute, contract or Law relating to the employment in respect of the Business of the Employees.

“Employees” means all individuals, as of the date hereof, whether or not actively at work as of the date hereof, who are employed by Sellers in connection with the Business, together with individuals who are hired in respect of the Business after the date hereof and prior to the Closing.

“Excluded Assets” shall have the meaning set forth in Section 2.2.

“Excluded Contracts” means all Contracts other than Purchased Contracts.

“Excluded Liabilities” shall have the meaning set forth in Section 2.3.

“Final Allocation” shall have the meaning set forth in Section 11.1.

“Furniture and Equipment” means all furniture, fixtures, furnishings, equipment, vehicles, leasehold improvements, and other tangible personal property owned or leased by Sellers in the conduct of the Business, including all artwork, desks, chairs, tables, computer and computer-related hardware (including, computers, file servers, facsimile servers, scanners, printers, and networks), copiers, telephone lines and numbers, telecopy machines and other telecommunication equipment, cubicles, cash registers, point-of-sale equipment, warehouse equipment, and miscellaneous office furnishings and supplies.

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

“Governmental Body” means any government or governmental or regulatory body thereof, or political subdivision thereof, whether foreign, federal, state, or local, or any agency, instrumentality or authority thereof, or any court or arbitrator (public or private).

“Indebtedness” of any Person means, without duplication, (i) the principal and interest of, and premium (if any) in respect of, (A) indebtedness of such Person for money borrowed and (B) indebtedness evidenced by notes, debentures, bonds or other similar instruments for the payment of which such Person is responsible or liable; (ii) all obligations of such Person issued or assumed as the deferred purchase price of property, all conditional sale obligations of such Person and all obligations of such Person under any title retention agreement (but excluding trade accounts payable and other accrued liabilities arising in the Ordinary Course of Business); (iii) all obligations of such Person under leases required to be capitalized in accordance with GAAP; (iv) all obligations of such Person for the reimbursement of any obligor on any letter of credit, banker’s acceptance or similar credit transaction; (v) all obligations of the type referred to in clauses (i) through (iv) of other Persons for the payment of which such Person is responsible or liable, directly or indirectly, as obligor, guarantor or otherwise, including guarantees of such obligations; and (vi) all obligations of the type referred to in clauses (i) through (v) of other Persons secured by any Lien on any property or asset of such Person (whether or not such obligation is assumed by such Person).

“Initial Minimum Overbid” means the amount of One Hundred Thousand Dollars (\$100,000) over and above the aggregate of the Purchase Price and the Break-Up Fee.

“Intellectual Property” means all worldwide intellectual property rights used or useful by Sellers in connection with the Purchased Assets, including all (i) patents, patent applications and inventions, (ii) trademarks, service marks, trade names and trade dress, which expressly includes the goodwill and any common law rights associated with the foregoing, (iii) domain names, websites and mobile device applications, (iv) copyrights, including copyrights in videos, clips and/or computer software, (v) confidential and proprietary information, including trade secrets and know-how (“Trade Secrets”), (vi) licenses relating to any of the foregoing and (vi) registrations and applications for registration of the foregoing.

“Inventory” means all of Sellers’ now owned or hereafter acquired inventory and goods, wherever located, relating to the Business including, without limitation, all inventory and goods that (a) are held by such Seller for sale, or (b) consist of work in process, finished goods or material used in connection with the Business.

“Knowledge” means (i) with respect to Sellers, as to a particular matter, the actual knowledge as of the date of inquiry or verification, following reasonable investigation, of Mandy Isaac (the Sellers’ Controller) and Amy Johnson (the Sellers’ Director of HR & Legal Affairs), and (ii) with respect to the Trustee, as to a particular matter, the actual knowledge as of the date of inquiry or verification, and without independent verification or investigation, of the Trustee.

“Law” means any federal, state, local or foreign law, statute, code, ordinance, rule or regulation or Order.

“Legal Proceeding” means any judicial, administrative or arbitral actions, suits, proceedings (public or private) or claims or any proceedings by or before a Governmental Body.

“Liability” means any debt, liability or obligation (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, or due or to become due), and including all costs and expenses relating thereto.

“Lien” means any lien, encumbrance, pledge, mortgage, deed of trust, security interest, claim, lease, option, right of first refusal, easement, servitude, proxy, voting trust or agreement, or transfer restriction under any shareholder or similar agreement or encumbrance; provided, however, that Assumed Liabilities which pertain to particular Purchased Assets shall not constitute Liens.

“Material Adverse Effect” means (i) a material adverse effect on the Business or the Purchased Assets (except for the Bankruptcy Cases), or (ii) a material adverse effect on the ability of Sellers to consummate the transactions contemplated by this Agreement or perform their obligations under this Agreement, other than (a) the effect of any change resulting from any action taken by Buyer or its Affiliates with respect to the transactions contemplated hereby or with respect to Sellers or any of Sellers’ customers or suppliers, or any effect resulting from the filing of the Bankruptcy Cases or any actions of the Bankruptcy Court; (b) a generally applicable change in applicable Law or GAAP or interpretation thereof; (c) the execution, pendency or any public announcement of the transactions contemplated by this Agreement; (d) any actions or inactions by Sellers in accordance with this Agreement; (e) acts of war, natural calamities, political conditions, sabotage or terrorism, military action or escalation threat; (f) changes generally affecting the industries or markets in which Sellers operate; or (g) general economic, political or financial market conditions.

“Order” means any order, injunction, judgment, decree, ruling, writ, assessment or arbitration award of a Governmental Body.

“Original Bankruptcy Cases” shall have the meaning set forth in the Recitals.

“Ordinary Course of Business” means the ordinary and usual course of normal day-to-day operations of the Business consistent with the past practice of the Business through the date hereof, subject to any duties and restrictions imposed on Sellers under the Bankruptcy Code.

“Parties” means Sellers and Buyer.

“Permits” means any approvals, authorizations, consents, licenses, permits or certifications of a Governmental Body.

“Person” means any individual, corporation, partnership, limited liability company, firm, joint venture, association, joint-stock company, trust, unincorporated organization, Governmental Body or other entity.

“Petition Date” shall have the meaning set forth in the Recitals.

“Products” means any and all products developed, manufactured, procured, marketed or sold by Sellers, whether work in progress or in final form, in connection with the Business.

“Purchase Price” shall have the meaning set forth in Section 3.1.

“Purchased Assets” shall have the meaning set forth in Section 2.1.

“Purchased Contracts” means the Contracts set forth on Schedule 1.1(c), as such Schedule may be amended from time to time in accordance with this Agreement.

“Sale and Bid Procedures Motion” means the motion or motions of Sellers, in form and substance reasonably acceptable to Buyer and Sellers, to be filed with the Bankruptcy Court seeking approval and entry of the Bid Procedures Order.

“Sale Order” shall be an Order of the Bankruptcy Court, substantially in the form attached hereto as Exhibit B, approving this Agreement.

“Sellers” shall have the meaning set forth in the Preamble.

“Seller Documents” shall have the meaning set forth in Section 5.1.

“Software” means, except to the extent generally available for purchase from third Persons, any and all (i) computer programs, including any and all software implementations of algorithms, models and methodologies, whether in source code or object code, (ii) databases and compilations, including any and all data and collections of data, whether machine readable or otherwise, (iii) descriptions, flow-charts and other work product used to design, plan, organize and develop any of the foregoing, screens, user interfaces, report formats, firmware, development tools, templates, menus, buttons and icons and (iv) all documentation related to any of the foregoing, in each case, relating to the Business.

“Tax Claim” shall have the meaning set forth in Section 11.2.

“Tax Return” means all returns, declarations, reports, estimates, information returns and statements required to be filed in respect of any Taxes.

“Taxes” means (i) all federal, state, local or foreign taxes, charges or other assessments, including, without limitation, all net income, gross receipts, capital, sales, use, ad valorem, value added, transfer, franchise, profits, Inventory, capital stock, license, withholding, payroll, employment, social security, unemployment, excise, severance, stamp, occupation, property and

estimated taxes, and (ii) all interest, penalties, fines, additions to tax or additional amounts imposed by any taxing authority in connection with any item described in clause (i).

“Technology” means, collectively, all designs, formulae, algorithms, procedures, methods, techniques, ideas, know-how, research and development, technical data, programs, subroutines, tools, materials, specifications, processes, inventions (whether patentable or unpatentable and whether or not reduced to practice), apparatus, creations, improvements, works of authorship and other similar materials, and all recordings, graphs, drawings, reports, analyses, and other writings, and other tangible embodiments of the foregoing, in any form whether or not specifically listed herein, and all related technology, that are used in, incorporated in, embodied in, displayed by or relate to, or are used or useful in the Business or in the design, development, reproduction, maintenance or modification of, any of the Products.

“Termination Date” shall have the meaning set forth in Section 4.4(c).

“Trade Secrets” shall have the meaning set forth in Section 1.1 (in the definition of Intellectual Property).

“Transfer Taxes” means sales, use, stamp, documentary stamp, recording, transfer or similar fees or Taxes or governmental charges (including any interest, fine, penalty, additions to Tax or additional amount thereon) payable in connection with Sellers’ transfer of the Purchased Assets to Buyer pursuant to this Agreement.

“Transferred Employees” shall have the meaning set forth in Section 8.8(a).

“Trustee” shall have the meaning set forth in the Recitals.

Section 1.2. Other Definitional and Interpretive Matters.

(a) Unless otherwise expressly provided, for purposes of this Agreement, the following rules of interpretation shall apply:

Calculation of Time Period. When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is a non-Business Day, the period in question shall end on the next succeeding Business Day.

Dollars. Any reference in this Agreement to \$ shall mean U.S. dollars.

Exhibits/Schedules. The Exhibits and Schedules to this Agreement are hereby incorporated and made a part hereof and are an integral part of this Agreement. All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any matter or item disclosed on one Schedule shall not be deemed to have been disclosed on any other Schedule unless explicitly cross-referenced thereto. Any capitalized terms used in any Schedule or Exhibit but not otherwise defined therein shall be defined as set forth in this Agreement.

Gender and Number. Any reference in this Agreement to gender shall include all genders, and words imparting the singular number only shall include the plural and vice versa.

Headings. The provision of a Table of Contents, the division of this Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect or be utilized in construing or interpreting this Agreement. All references in this Agreement to any “Section” are to the corresponding Section of this Agreement unless otherwise specified.

Herein. The words such as “herein,” “hereinafter,” “hereof,” and “hereunder” refer to this Agreement as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires.

Including. The word “including” or any variation thereof means “including, without limitation” and shall not be construed to limit any general statement that it follows to the specific or similar items or matters immediately following it.

(b) The Parties hereto have participated jointly in the negotiation and drafting of this Agreement and, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by the Parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement.

ARTICLE II

PURCHASE AND SALE OF ASSETS; ASSUMPTION OF LIABILITIES

Section 2.1. Purchase and Sale of Assets. On the terms and subject to the conditions set forth in this Agreement, at the Closing Buyer shall purchase, acquire and accept from Sellers, and Sellers shall sell, transfer, assign, convey and deliver to Buyer, the Purchased Assets. “Purchased Assets” shall mean all of Sellers’ right, title and interest in, to and under the following assets of Sellers (but excluding Excluded Assets) as of the Closing related to the Business:

- (a) all Inventory;
- (b) all customer deposits and security deposits for electricity, telephone and Intellectual Property (but excluding customer and security deposits relating to Excluded Contracts) and other prepaid charges and expenses of Sellers;
- (c) all Furniture and Equipment;
- (d) all Intellectual Property;
- (e) all Purchased Contracts;
- (f) all Sellers’ Documents that are used in, held for use in or intended to be used in, or that arise out of, the Business, including Documents relating to accounts receivable, Products, services, marketing, advertising, promotional materials, Intellectual Property and all

files, customer lists, files and documents (including credit information), supplier lists, records, literature and correspondence, excluding any Documents exclusively related to any Excluded Assets;

- (g) all Permits used by Sellers in the Business, to the extent transferable;
- (h) all supplies used in connection with the Business;
- (i) to the extent transferable, all insurance policies or rights to proceeds thereof relating to the Purchased Assets (other than any directors and officers or fiduciary insurance policy, each of which shall be an Excluded Asset);
- (j) all rights of Sellers under non-disclosure or confidentiality, non-compete, or non-solicitation agreements with Employees and agents of Sellers or with third parties to the extent relating to the Business;
- (k) all rights of Sellers under or pursuant to all warranties, representations and guarantees made by suppliers, manufacturers and contractors if and to the extent that such rights are assignable by operation of Law other than any warranties, representations and guarantees pertaining exclusively to any Excluded Assets;
- (l) all goodwill and other intangible assets associated with the Business, including customer and supplier lists and the goodwill associated with the Intellectual Property owned by Sellers and the Trustee;
- (m) all rights, claims or causes of action of Sellers and the Trustee against Path Media Holdings, LLC, a Nevis limited liability company, Argyle Online, LLC, a Delaware limited liability company, Argyle Media Sales, LLC, a California limited liability company, Fab Films, LLC, a Nevis limited liability company, and/or Joseph R. Francis, an individual, or their respective transferees related to the recovery of Intellectual Property rights, including any such claims as arise under Chapter 5 of the Bankruptcy Code to avoid and recover any Intellectual Property;
- (n) copies of any books and records that Buyers are required by Law to retain or determine are reasonable or necessary to retain including, without limitation, Tax Returns, financial statements, and corporate or other entity filings that relate to the Business or any of the Assets;
- (o) to the extent that Buyer determines, in its sole and absolute discretion, to assume any “employee benefit plans”, as defined in Section 3(3) of ERISA, or any other material employee benefit arrangements, employment agreements or payroll practices maintained by Sellers or to which Sellers contribute or are obligated to contribute thereunder for Employees (the “Benefit Plans”), any trust or other funding vehicle associated with such Benefit Plan; and
- (p) the assets set forth on Schedule 2.1.

Notwithstanding anything herein to the contrary, Buyer may, from time to time, amend the Purchased Assets so as to include additional assets in its sole and absolute discretion by

written notice delivered to the Sellers no later than three (3) Business Days prior to the Closing Date; provided that Buyer may not add as a Purchased Asset any Excluded Assets listed in Section 2.2 below other than Excluded Contracts. No such addition shall result in any adjustment of the Purchase Price.

Section 2.2. Excluded Assets. Nothing herein contained shall be deemed to sell, transfer, assign or convey the Excluded Assets to Buyer, and Sellers and the Trustee shall retain all right, title and interest to, in and under the Excluded Assets. “Excluded Assets” shall mean all assets, properties, interests and rights of Sellers and the Trustee other than the Purchased Assets, including without limitation each of the following assets:

(a) all accounts receivable of Sellers and the Trustee related to the Business as of the Closing including, without limitation, any accounts receivable arising out of or in connection with any Contract or Asset;

(b) all cash, cash equivalents, deposits in connection with merchant processing and Purchased Contracts, bank deposits and similar cash items of Sellers, including the Cash Payment;

(c) all automobiles owned by any Seller;

(d) all customer and security deposits relating to Excluded Contracts;

(e) all Excluded Contracts;

(f) all obligations, Liabilities and Indebtedness, including any note Indebtedness, owed to or by any Seller to or by any Affiliate of any Seller;

(g) any (i) confidential personnel and medical records pertaining to any Employee; (ii) other books and records that Sellers and the Trustee are required by Law to retain or that Sellers or the Trustee determine are necessary or advisable to retain including, without limitation, Tax Returns, financial statements, and corporate or other entity filings; provided, however, that Buyer shall have, to the extent allowed by applicable Law, the right to make copies of any portions of such retained books and records that relate to the Business or any of the Assets; (iii) minute books, stock or membership interest records and corporate seals; and (iv) documents relating to proposals to acquire the Business by Persons other than Buyer;

(h) any causes of action and proceeds deriving therefrom, other than such causes of action as set forth in Section 2.1(m);

(i) all of Sellers’ and the Trustee’s rights under this Agreement and/or other documents and agreements executed in connection with the transactions provided for herein;

(j) any cash refunds for Taxes received by Sellers or the Trustee after the Closing Date (inclusive of any interest received thereon, net of any Taxes incurred with respect thereto) with respect to Taxes paid on or prior to the Closing Date;

(k) all Tax credits of Sellers;

(l) any trust or other funding vehicle associated with any Benefit Plan that is not a Purchased Asset;

(m) the Assets set forth on Schedule 2.2(m); and

(n) any equity interests in any Seller or any subsidiary thereof.

Notwithstanding anything herein to the contrary, Buyer may, from time to time, exclude additional assets from the Purchased Assets in its sole and absolute discretion by written notice delivered to the Sellers no later than three (3) Business Days prior to the Closing Date; provided, however, that no such exclusion shall result in any adjustment of the Purchase Price.

Section 2.3. Assumption of Liabilities. On and subject to the terms and conditions of this Agreement, Buyer shall assume and become responsible for all of the Assumed Liabilities at the Closing. Buyer will not assume or have any responsibility, however, with respect to any other obligation or liability of Sellers, the Business, or the Purchased Assets not included within the definition of Assumed Liabilities, including, without limitation: (i) Taxes (x) imposed on any Seller for any period or (y) related to the Business or the Purchased Assets for all Tax periods (or portions thereof) ending on or prior to the Closing (except, in each case, as expressly provided below); (ii) any costs or expenses incurred in connection with, or related to, the administration of the Bankruptcy Cases, including, without limitation, any accrued professional fees and expenses of attorneys, accountants, financial advisors and other professional advisors related to the Bankruptcy Cases; (iii) liabilities to the extent relating to the Excluded Assets, including Liabilities relating to Excluded Contracts; (iv) Liabilities and obligations of Sellers under this Agreement; (v) all obligations, Liabilities and Indebtedness, including any note Indebtedness, owed by any Seller, including any owed to any Affiliate of any Seller which is not expressly identified as an Assumed Liability; (vi) any Employee Obligations to any Employee arising out of such Employee's employment by Sellers prior to the Closing; (vii) any Employee Claim of any Employee arising out of such Employee's employment by Sellers prior to the Closing; and (viii) all other Liabilities and obligations for which Buyer does not expressly assume in writing any liability (collectively, the "Excluded Liabilities"). Buyer's assumption of the Assumed Liabilities shall in no way expand the rights or remedies of third parties against Buyer as compared to the rights and remedies which such parties would have had against Sellers had this Agreement not been consummated. From and after the Closing Date, Buyer shall pay, perform and discharge, as and when due or as may otherwise be agreed between Buyer and the obligee, all of the Assumed Liabilities. The "Assumed Liabilities" are specifically as follows:

(a) all Liabilities of Sellers set forth on Schedule 2.3(a);

(b) all Liabilities under the Purchased Contracts arising after the Closing, including Cure Amounts with respect to the Purchased Contracts;

(c) all Liabilities arising from the sale of Products arising after the Closing pursuant to product warranties, product returns and rebates;

(d) all Liabilities with respect to the Business or the Purchased Assets arising after the Closing;

(e) all Liabilities to Sellers' vendors arising after the Closing to the extent that such Liabilities have not previously been paid by Sellers;

(f) all Liabilities associated with Employee vacation and sick leave accruals with respect to Transferred Employees not to exceed \$50,000 in the aggregate;

(g) all personal property Taxes or similar ad valorem obligations levied with respect to the Purchased Assets arising after the Closing;

(h) all payroll or employment related Taxes for any taxable period after the Closing;

(i) all Liabilities relating to amounts required to be paid by Buyer hereunder; and

(j) Transfer Taxes.

Notwithstanding anything herein to the contrary, Buyer may, from time to time, amend Schedule 2.3(a) so as to assume additional Liabilities of Sellers in its sole and absolute discretion by written notice delivered to the Sellers no later than three (3) Business Days prior to the Closing Date. Such additional Liabilities shall be Assumed Liabilities for all purposes hereunder.

Section 2.4. Purchased Assets. At Closing, and pursuant to Section 363 and Section 365 of the Bankruptcy Code, Sellers shall sell, or assume and assign, to Buyer and Buyer shall buy, or take an assignment, from Sellers, as the case may be, the Purchased Assets free and clear of all claims, obligations or interests in accordance with the Bankruptcy Code as set forth in the Sale Order, except for the Assumed Liabilities.

Section 2.5. Further Conveyances and Assumptions.

(a) From time to time following the Closing, Sellers and Buyer shall, and shall cause their respective Affiliates to, execute, acknowledge and deliver all such further conveyances, notices, assumptions, releases and acquaintances and such other instruments, and shall take such further actions, as may be reasonably necessary or appropriate to assure conveyance fully to Buyer and its successors or assigns, all of the properties, rights, titles, interests, estates, remedies, powers and privileges intended to be conveyed to Buyer under this Agreement and the Seller Documents and to assure fully to Sellers and their respective Affiliates and their respective successors and assigns, the assumption of the liabilities and obligations intended to be assumed by Buyer under this Agreement and the Seller Documents, and to otherwise make effective the transactions contemplated hereby and thereby.

(b) If, following the Closing, Sellers receive or become aware that they hold any property, right, claim, demand or asset which constitutes a Purchased Asset, then Sellers, as applicable, shall transfer such property, right, claim, demand or asset to Buyer as promptly as practicable for no additional consideration.

(c) If, following the Closing, the Buyer receives or becomes aware that it holds any property, right, claim, demand or asset which constitutes an Excluded Asset, then Buyer shall transfer such property, right, claim, demand or asset to Sellers as promptly as practicable for no additional consideration.

Section 2.6. Transitional Matters.

(a) From and after Closing, Sellers shall retain full right and authority to use, enforce, pursue remedies and take actions with respect to any of the Excluded Assets.

(b) Buyer will retain and make available to Sellers, for a period of one (1) year following the Closing Date (or longer if reasonably requested), the Documents delivered by Sellers to Buyer, if reasonably needed by Sellers solely and exclusively for liquidation, winding up or Tax reporting.

Section 2.7. Bulk Sales Laws. Buyer hereby acknowledges that it has no objection to Sellers not complying with the requirements and provisions of any “bulk-transfer” Laws of any jurisdiction that may otherwise be applicable with respect to the sale of any or all of the Purchased Assets to Buyer.

**ARTICLE III
CONSIDERATION**

Section 3.1. Purchase Price; Assumed Liabilities; Cure Amounts. In consideration of the transfer of the Purchased Assets to Buyer and the other undertakings set forth herein, the purchase price (the “Purchase Price”) for the Purchased Assets shall be (i) a cash payment at the Closing, by wire transfer in immediately available funds to an account specified in writing by the Trustee, in the amount of One Million, Eight Hundred Twenty-Five Thousand Dollars (\$1,825,000) (the “Cash Payment”), plus (ii) the assumption of the Assumed Liabilities by Buyer at the Closing. The Buyer Deposit shall be used to make the Cash Payment at the Closing. The Cure Amounts, as determined by the Bankruptcy Court, if any, necessary to cure all defaults, if any, and to pay all actual or pecuniary losses that have resulted from such defaults under the Purchased Contracts assumed at the Closing, shall be paid by Buyer, and Sellers and the Trustee shall have no liability therefor. Schedule 3.1 contains a good faith estimate by Sellers of Cure Amounts for the Purchased Contracts as of the date hereof.

**ARTICLE IV
CLOSING AND TERMINATION**

Section 4.1. Closing Date. Subject to the satisfaction of the conditions set forth in Section 9.1, Section 9.2 and Section 9.3 hereof (or the waiver thereof by the Party entitled to waive that condition), the closing of the purchase and sale of the Purchased Assets and the assumption of the Assumed Liabilities provided for in Article II hereof (the “Closing”) shall take place via email communication (or at such other place as the Parties may designate in writing) as soon as practicable following the satisfaction or waiver of the conditions set forth in Article IX (other than conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions) but not later than three (3) business days following the satisfaction or waiver of such conditions. The date on which the Closing shall be held is referred

to in this Agreement as the “Closing Date,” and the Closing shall be deemed effective at the close of business on the Closing Date.

Section 4.2. Deliveries by Sellers. At the Closing, Sellers shall deliver to Buyer:

- (a) a duly executed bill of sale and assignment, in the form attached as Exhibit D;
- (b) duly executed assignments of the U.S. copyright and trademark registrations and applications included in Schedule 4.2, in a form suitable for recording in the U.S. copyright office and the U.S. trademark office, and general assignments of Sellers’ and the Trustee’s interest in all other Intellectual Property; and
- (c) the certificate required to be delivered pursuant to Section 9.1(a), Section 9.1(b) and Section 9.1(d).

Section 4.3. Deliveries by Buyer. At the Closing, Buyer shall deliver to Sellers:

- (a) the Cash Payment, in immediately available funds, as set forth in Section 3.1; and
- (b) the officer’s certificate required to be delivered pursuant to Section 9.2(a), Section 9.2(b), and, if applicable, Section 9.2(c).

Section 4.4. Termination of Agreement. This Agreement may be terminated prior to the Closing as follows:

- (a) by mutual written consent of Sellers and Buyer;
- (b) by Sellers or Buyer, as applicable, if any of the conditions set forth in Section 9.3 shall have become incapable of fulfillment other than as a result of a breach by Sellers or Buyer, as applicable, of any covenant or agreement contained in this Agreement, and such condition is not waived by the non-breaching party;
- (c) subject to Section 4.4(d) below, by Sellers or Buyer if there shall be in effect a final Order or other nonappealable final action of a Governmental Body of competent jurisdiction permanently restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby; it being agreed that the Parties hereto shall promptly appeal any adverse determination which is appealable (and pursue such appeal with reasonable diligence);
- (d) by Buyer, if the Closing shall not have occurred on or before the close of business on July 10, 2014 (the “Termination Date”); provided, however, that if the Closing shall not have occurred on or before the Termination Date and such failure to close is due to a breach of any representation, warranty, covenant or agreement contained in this Agreement by Buyer, then Buyer may not terminate this Agreement pursuant to this Section 4.4(d);

(e) by Buyer, if any of the conditions to the obligations of Buyer set forth in Section 9.1 shall have become incapable of fulfillment other than as a result of a breach by Buyer of any covenant or agreement contained in this Agreement, and such condition is not waived by Buyer;

(f) by Buyer, if there shall be a breach by Sellers of any representation or warranty, or any covenant or agreement contained in this Agreement which would result in a failure of a condition set forth in Section 9.1 or Section 9.3 and which breach cannot be cured or has not been cured by the earlier of (1) ten (10) Business Days after the giving of written notice by Buyer to Sellers of such breach and (2) the Termination Date;

(g) by Buyer in the event the Bankruptcy Court has not entered (1) the Bid Procedures Order on or before twenty (20) days following the date hereof and (2) the Sale Order on or before ninety (90) days following the date hereof;

(h) by Sellers, if any condition to the obligations of Sellers set forth in Section 9.2 shall have become incapable of fulfillment other than as a result of a breach by Sellers of any covenant or agreement contained in this Agreement, and such condition is not waived by Sellers;

(i) by Sellers, if there shall be a breach by Buyer of any representation or warranty, or any covenant or agreement contained in this Agreement which would result in a failure of a condition set forth in Section 9.2 or Section 9.3 and which breach cannot be cured or has not been cured by the earlier of (1) ten (10) Business Days after the giving of written notice by Sellers to Buyer of such breach and (2) the Termination Date;

(j) by Sellers, if the Closing shall not have occurred on or before the Termination Date; provided, however, that if the Closing shall not have occurred on or before the Termination Date and such failure to close is due to a breach of any representation, warranty, covenant or agreement contained in this Agreement by Sellers, then Sellers may not terminate this Agreement pursuant to this Section 4.4(j);

(k) with no further action by either Party, if the Bankruptcy Court shall enter an Order approving a Competing Bid and the transaction contemplated by such Competing Bid is thereafter consummated; or

(l) by Sellers, if the Sale Order with respect to the transactions contemplated by this Agreement has been entered and (1) Sellers have provided Buyer with written notice that they prepared to consummate the transactions contemplated by this Agreement, (2) the conditions to Closing in Article IX have been satisfied (or waived, to the extent permissible, by the Party entitled to the benefit of such condition), other than those conditions that by their nature can only be satisfied at Closing) and (3) the Closing Date does not occur within five (5) Business Days of Sellers providing the Buyer with such notice.

Section 4.5. Procedure Upon Termination.

(a) In the event of termination by Buyer, Sellers, or both such Parties, pursuant to Section 4.4 hereof, written notice thereof shall forthwith be given to the other Party

or Parties, and this Agreement shall terminate, and the purchase of the Purchased Assets hereunder shall be abandoned, without further action by Buyer or Sellers.

(b) If this Agreement is terminated pursuant to Sections 4.4(f) or (k), (i) Sellers shall promptly pay the Break-Up Fee to Buyer from the buyer's deposit received in connection with an Alternative Proposal that is declared the Winning Bid in accordance with the Bid Procedures Order and shall be made within two (2) Business Days following the closing of or the failure to close such Alternative Proposal, which Break-Up Fee shall constitute an administrative expense of Sellers' bankruptcy estates pursuant to section 503(b) of the Bankruptcy Code, and (ii) Sellers shall promptly return to Buyer its Buyer Deposit and execute all documentation reasonably required by Buyer in connection therewith within two (2) Business Days following the closing of or the failure to close the sale with an Alternative Proposal that is declared the Winning Bid in accordance with the Bid Procedures Order, provided, however, that the Buyer Deposit shall be returned within two (2) Business Days following the entry of an Order approving the Winning Bid and the Back-Up Bid under the Bid Procedures Order where Buyer is not the designated the Back-Up Bidder and elects not to keep its bid open pending the closing of the Winning Bid. Sellers shall also promptly return to Buyer the Buyer Deposit, and execute all documentation reasonably required by the Buyer in connection therewith, if this Agreement is terminated other than pursuant to Sections 4.4(i) or (l). The Parties expressly agree and acknowledge that Buyer's actual damages in the event of a breach by Sellers or other event giving rise to Buyer's ability to receive the Break-Up Fee hereunder would be extremely difficult or impracticable to ascertain and that the Break-Up Fee represents the parties' reasonable estimate of such damages. Notwithstanding any other provision of this Agreement, in the absence of fraud, Buyer shall have no other remedy for any breach by Sellers under this Agreement and Buyer's right under this Section 4.5(b) shall be (i) full liquidated damages for any and all failures to act, defaults or breaches hereunder by Sellers or the Trustee and (ii) constitute a full release and discharge of all claims for damages for such failures to act, defaults or breaches and Buyer shall not have any further cause of action for damages, specific performance or any other legal or equitable relief against Sellers or the Trustee or any of their respective members, shareholders, managers, officers, directors, employees, agents, representatives or Affiliates with respect thereto.

(c) If this Agreement is terminated pursuant to Section 4.4(i) or (l), then Sellers shall retain the Buyer Deposit and Buyer shall be deemed to have fully released all claims to the Buyer Deposit. The Parties expressly agree and acknowledge that Sellers' actual damages in the event of such a breach by Buyer would be extremely difficult or impracticable to ascertain and that the Buyer Deposit represents the parties' reasonable estimate of such damages. Notwithstanding any other provision of this Agreement, in the absence of fraud, Sellers shall have no other remedy for any breach by Buyer under this Agreement and Sellers' right under this Section 4.5(c) shall be (i) full liquidated damages for any and all failures to act, defaults or breaches hereunder by Buyer and (ii) constitute a full release and discharge of all Claims for damages for such failures to act, defaults or breaches and Sellers shall not have any further cause of action for damages, specific performance or any other legal or equitable relief against Buyer or any of members, shareholders, managers, officers, directors, employees, agents, representatives or Affiliates with respect thereto.

Section 4.6. Effect of Termination. In the event that this Agreement is validly terminated in accordance with Section 4.4, this Agreement shall terminate and each of the Parties shall be relieved of its respective duties and obligations arising under this Agreement after the date of such termination and such termination shall be without liability to Buyer or Sellers; provided, however, that this Section 4.6 and the obligations of the Parties set forth in Article I, Section 4.5, Section 8.3, Section 8.5 and Article XII hereof shall survive any such termination and shall be enforceable hereunder.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF SELLERS

Sellers hereby represent and warrant to Buyer, as of the date hereof, that:

Section 5.1. Authorization of Agreement. Subject to the entry of the Sale Order: (a) each Seller has all requisite power, authority and legal capacity to execute and deliver this Agreement and each Seller has all requisite power, authority and legal capacity to execute and deliver each other agreement, document, instrument or certificate contemplated by this Agreement or to be executed by any Seller in connection with the consummation of the transactions contemplated by this Agreement (the “Seller Documents”), to perform their respective obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby; and (b) this Agreement has been, and each of the Seller Documents will be at or prior to the Closing, duly and validly executed and delivered by each Seller and (assuming the due authorization, execution and delivery by the other Parties hereto and thereto and the entry of the Sale Order) this Agreement constitutes, and each of the Seller Documents when so executed and delivered will constitute, legal, valid and binding obligations of each Seller, enforceable against each Seller in accordance with their respective terms.

Section 5.2. Intellectual Property. To the Knowledge of Trustee and Sellers, Schedule 4.2 sets forth an accurate and complete list of all registered Intellectual Property of Sellers and that Sellers have good, valid and fully transferable title to the Intellectual Property free and clear of any claims or interests therein in accordance with the Bankruptcy Code, as set forth in the Sale Order, except as alleged in the lawsuits in Schedule 5.4. To the Knowledge of Trustee and Sellers, there are no claims of infringement by or in connection with the Intellectual Property except as alleged in certain of the lawsuits in Schedule 5.4.

Section 5.3. Purchased Assets. To the Knowledge of Trustee and Sellers, (i) Sellers have good, valid and fully transferable title to the Purchased Assets except as alleged in the lawsuits in Schedule 5.4 and (ii) Buyer will acquire such assets free and clear of any claims or interests therein in accordance with the Bankruptcy Code as set forth in the Sale Order if it is the winning bidder.

Section 5.4. Litigation. Except as set forth in Schedule 5.4, to the Knowledge of the Trustee and Sellers, there is no suit, action, litigation, arbitration proceeding or governmental proceeding or audit, including appeals and applications for review, in progress, pending threatened against or relating to Sellers, the Purchased Assets, the Purchased Contracts or Business, or any judgment, decree, injunction, deficiency, rule or order of any court, governmental department, commission, agency, instrumentality or arbitrator which, in any case,

might have a Material Adverse Effect and neither the Trustee, nor Sellers are aware of any existing ground on which any such action, suit or proceeding may be commenced with any reasonable likelihood of success.

Section 5.5. Brokers. No Person has acted, directly or indirectly, as a broker or finder for Sellers in connection with the transactions contemplated by this Agreement, and no Person is entitled to any fee or commission or like payment from Buyer, Sellers or the Trustee in respect thereof.

Section 5.6. Contracts. To the Knowledge of Sellers, Schedule 1.1(a) sets forth a list of all Contracts to which any Seller is a party and all such Contracts are valid, and binding against Seller.

Section 5.7. Sellers' Representations and Warranties Generally. Sellers' representations and warranties herein (including as made or qualified in the Schedules hereto) are made by Sellers without personal liability to the Trustee or Sellers' directors, officers, members or counsel, or Sellers' signatory, other than with respect to fraudulent or criminal activity with respect to the transactions contemplated hereby.

Section 5.8. No Other Representations and Warranties; Schedules. Except for the representations and warranties contained in this Article V (as modified by the Schedules hereto), no Seller, the Trustee nor any other Person makes any other express or implied representation or warranty with respect to Sellers, the Trustee, the Business, the Purchased Assets, the Assumed Liabilities or the transactions contemplated by this Agreement, and each Seller and the Trustee disclaim any other representations or warranties, whether made by Sellers, the Trustee, any Affiliate of Sellers or the Trustee, or any of Sellers', the Trustee's or their Affiliates respective officers, directors, employees, agents or representatives. EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS ARTICLE V (AS MODIFIED BY THE SCHEDULES HERETO), EACH SELLER AND THE TRUSTEE (A) EXPRESSLY DISCLAIMS AND NEGATES ANY REPRESENTATION OR WARRANTY, EXPRESSED OR IMPLIED, AT COMMON LAW, BY STATUTE, OR OTHERWISE, RELATING TO THE CONDITION OF THE PURCHASED ASSETS (INCLUDING ANY IMPLIED OR EXPRESSED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS) AND (B) DISCLAIMS ALL LIABILITY AND RESPONSIBILITY FOR ANY REPRESENTATION, WARRANTY, PROJECTION, FORECAST, STATEMENT, OR INFORMATION MADE, COMMUNICATED, OR FURNISHED (ORALLY OR IN WRITING) TO BUYER OR ITS AFFILIATES OR REPRESENTATIVES (INCLUDING ANY OPINION, INFORMATION, PROJECTION, OR ADVICE THAT MAY HAVE BEEN OR MAY BE PROVIDED TO BUYER BY ANY DIRECTOR, OFFICER, EMPLOYEE, AGENT, CONSULTANT, OR REPRESENTATIVE OF SELLERS OR THE TRUSTEE OR ANY OF THEIR RESPECTIVE AFFILIATES). Sellers and the Trustee make no representations or warranties to Buyer regarding the probable success or profitability of the Business. The disclosure of any matter or item in any schedule hereto will not be deemed to constitute an acknowledgment that any such matter is required to be disclosed or is material or that such matter would result in a Material Adverse Effect.

ARTICLE VI
REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Sellers that:

Section 6.1. Organization and Good Standing. Buyer is a limited liability company duly organized, validly existing and in good standing under the Laws of the State of Delaware.

Section 6.2. Authorization of Agreement. Buyer has full limited liability company power and authority to execute and deliver this Agreement and each other agreement, document, instrument or certificate contemplated by this Agreement or to be executed by Buyer in connection with the consummation of the transactions contemplated hereby and thereby (the “Buyer Documents”), and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by Buyer of this Agreement and each Buyer Document have been duly authorized by all necessary action on behalf of Buyer. This Agreement has been, and each Buyer Document will be at or prior to the Closing, duly executed and delivered by Buyer, and (assuming the due authorization, execution and delivery by the other parties hereto and thereto) this Agreement constitutes, and each Buyer Document when so executed and delivered will constitute, legal, valid and binding obligations of Buyer, enforceable against Buyer, in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors’ rights and remedies generally, and subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).

Section 6.3. Brokers. No Person has acted, directly or indirectly, as a broker or finder for Buyer in connection with the transactions contemplated by this Agreement and no person is entitled to any fee or commission or like payment in respect thereof.

Section 6.4. Litigation. There is no suit, action, litigation, arbitration proceeding or governmental proceeding or audit, including appeals and applications for review, in progress, pending or, to the best of Buyer’s knowledge, threatened against or relating to Buyer or any judgment, decree, injunction, deficiency, rule or order of any court, governmental department, commission, agency, instrumentality or arbitrator which, in any case, might adversely affect the ability of Buyer to enter into this Agreement or to consummate the transactions contemplated hereby and Buyer is not aware of any existing ground on which any such action, suit or proceeding may be commenced with any reasonable likelihood of success.

Section 6.5. Financial Capability. Buyer (i) has, or has firm commitments for, as of the date hereof, and will have as of the Closing, sufficient funds to assume the Assumed Liabilities and pay any expenses incurred by Buyer in connection with the transactions contemplated by this Agreement; (ii) has, as of the date hereof, and will have as of the Closing, the resources and capabilities (financial or otherwise) to perform its obligations hereunder and (iii) has not, as of the date hereof, and will not have as of the Closing, incurred any obligation, commitment, restriction or Liability of any kind which would impair or adversely affect such resources and capabilities.

Section 6.6. Condition of the Business. Notwithstanding anything contained in this Agreement to the contrary, Buyer acknowledges and agrees that Sellers and the Trustee and each of their respective directors, officers, members, managers, employees, agents, shareholders, Affiliates, consultants, counsel, accountants and other representatives are not making any representation or warranty whatsoever, express or implied, beyond those expressly given by Sellers in Article V hereof (as modified by the Schedules hereto), and Buyer acknowledges and agrees that, except for the representations and warranties contained therein, the Purchased Assets and the Business are being transferred on a “WHERE IS” and, as to condition, “AS IS” basis.

ARTICLE VII

BANKRUPTCY COURT APPROVAL

Section 7.1. Overbid. The Bid Procedures Order shall provide for an initial overbid in the amount of One Hundred Thousand Dollars (\$100,000) over and above the aggregate of the Purchase Price and the Break-Up Fee and minimum bid increments thereafter of One Hundred Thousand Dollars (\$100,000).

Section 7.2. Competing Transaction. This Agreement is subject to approval by the Bankruptcy Court and the consideration by Sellers and the Trustee of higher and better competing bids (each a “Competing Bid”). From the date hereof (and any prior time) and until the completion of the Auction or as otherwise directed by the Bankruptcy Court, Sellers and the Trustee are permitted to cause their respective representatives and Affiliates to initiate contact with, solicit or encourage submission of any inquiries, proposals or offers by, any Person (in addition to Buyer and its Affiliates, agents and representatives) in connection with any sale or other disposition of the Purchased Assets. In addition, Sellers and the Trustee shall be permitted to respond to any inquiries or offers to purchase all or any part of the Purchased Assets (each, an “Alternative Proposal”), provided that such Person enters into a non-disclosure agreement in favor of Sellers and the Trustee, and perform any and all other acts related thereto which are required under the Bankruptcy Code or other applicable law, including supplying information relating to the Business and the assets of Sellers and the Trustee to prospective buyers.

Section 7.3. Bankruptcy Court Filings. Sellers shall use commercially reasonable efforts (A) to file the Sale and Bid Procedures Motion with the Bankruptcy Court within five (5) Business Days from the date this Agreement is executed by both Buyer and Sellers and (B) to seek entry of the Bid Procedures Order and in the event that Buyer is the Winning Bidder (as defined in the Bid Procedures Order), the Sale Order. Buyer agrees that it will promptly take such actions as are reasonably requested by Sellers and the Trustee to assist in obtaining entry of the Bid Procedures Order and the Sale Order, including furnishing affidavits or other documents or information for filing with the Bankruptcy Court for the purposes, among others, of demonstrating that Buyer is a “good faith” Buyer under Section 363(m) of the Bankruptcy Code. In the event the entry of the Bid Procedures Order or the Sale Order shall be appealed, Sellers shall use commercially reasonable efforts to defend such appeal.

Section 7.4. Buyer Deposit. Buyer shall transfer to a segregated account of the Trustee, by wire transfer of immediately available funds, Two Hundred Fifty Thousand Dollars (\$250,000) in cash (the “Buyer Deposit”) within two (2) Business Days after the date this Agreement is executed by both Buyer and Sellers. If the Closing occurs, the Buyer Deposit shall

be applied to the Cash Payment portion of the Purchase Price in accordance with Section 3.1. The rights of Buyer with respect to the return of the Buyer Deposit shall be governed by Section 4.5(b). Sellers' right to retain the Buyer Deposit shall be governed by Section 4.5(c).

ARTICLE VIII **COVENANTS**

Section 8.1. Access to Information. Sellers agree that, prior to the Closing Date, Buyer shall be entitled, through its officers, employees and representatives (including their respective legal advisors and accountants), to make such investigation of the properties, businesses and operations of the Business and such examination of the books, records and financial condition of the Business, the Purchased Assets and the Assumed Liabilities as they reasonably request and to make extracts and copies of such books and records. Any such investigation and examination shall be conducted during regular business hours and upon reasonable advance notice and under reasonable circumstances and shall be subject to restrictions under applicable Law. Sellers shall cause their respective officers, employees, consultants, agents, accountants, attorneys and other representatives to cooperate with Buyer and Buyer's representatives in connection with such investigation and examination, and Buyer and its representatives shall cooperate with Sellers, the Trustee and their respective representatives and shall use their reasonable efforts to minimize any disruption to the Business.

Section 8.2. Further Assurances. Each of Sellers and Buyer shall use reasonable best efforts to (a) take all actions necessary or appropriate to consummate the transactions contemplated by this Agreement on or prior to the Termination Date and (b) cause the fulfillment at the earliest practicable date of all of the conditions to their respective obligations to consummate the transactions contemplated by this Agreement.

Section 8.3. Confidentiality. Buyer acknowledges that the confidential information provided to it in connection with this Agreement, including under Section 8.1, and the consummation of the transactions contemplated hereby, is subject to the terms and conditions of that certain "Non-Disclosure Agreement" between the Trustee and GW Acquisition, LLC, dated as of February 1, 2014.

Section 8.4. Preservation of Records. Sellers and Buyer agree that each of them shall preserve and keep the books and records held by it relating to the pre-Closing Business for a period of one (1) year from the Closing Date and shall make such books and records available to the other parties (and permit such other party to make extracts and copies of such books and records at its own expense) as may be reasonably required by such party in connection with, among other things, any insurance claims by, Legal Proceedings or Tax audits against or governmental investigations of Sellers or Buyer or any of their respective Affiliates (other than the shareholders of Holdings) or in order to enable Sellers or Buyer to comply with their respective obligations under this Agreement and each other agreement, document or instrument contemplated hereby or thereby. In the event Sellers, on the one hand, or Buyer, on the other hand, wish to destroy such records during such one (1) year period, such Party shall first give twenty (20) days' prior written notice to the other and such other Party shall have the right at its option and expense, upon prior written notice given to such Party within that twenty (20) day period, to take possession of the records within thirty (30) days after the date of such notice.

Section 8.5. Publicity. Buyer shall not issue any press release or public announcement concerning this Agreement or the transactions contemplated hereby without obtaining the prior written approval of the Trustee, which approval will not be unreasonably withheld or delayed, unless, in the sole judgment of Buyer, disclosure is otherwise required by applicable Law or with respect to filings to be made with the Bankruptcy Court in connection with this Agreement.

Section 8.6. Section 363(b)(1)(A). Buyer shall use its reasonable best efforts to honor and observe any and all policies of Sellers in effect on the date hereof prohibiting the transfer of personally identifiable information to the extent such policies are disclosed to Buyer in writing about individuals and otherwise comply with the requirements of Section 363(b)(1)(A) of the Bankruptcy Code.

Section 8.7. Adequate Assurances Regarding Purchased Contracts. With respect to each Purchased Contract set forth on Schedule 1.1(c), Buyer shall establish adequate assurance of the future performance of such Purchased Contract by Buyer as required by Sections 365(b)(1)(C) and/or 365(f)(2)(B) of the Bankruptcy Code, as applicable.

Section 8.8. Employee Matters.

(a) Buyer in its absolute and complete discretion shall have the right, but not the obligation, to engage any employee of Sellers. Buyer shall, in consultation with Sellers, identify the names of the prospective employees, if any, whose services it wishes to engage at least five (5) days prior to the Closing Date. Such individuals who accept such offer and are thereafter employed with Buyer are hereinafter referred to as the “Transferred Employees.” Nothing herein shall obligate Buyer to employ any Transferred Employee for any particular length of time following the Closing Date.

(b) Effective as of the Closing Date, Buyer shall either (i) assume the Benefit Plans for such Transferred Employees or (ii) provide the Transferred Employees with employee benefit plans substantially similar, in the aggregate, to the Benefit Plans provided to such Transferred Employees by Sellers immediately prior to Closing (which could include a combination of assumed Benefit Plans and newly-established employee benefit plans) and such Transferred Employees shall be credited for service earned on and prior to the Closing Date with Sellers in addition to service earned with Buyer on or after the Closing Date to the extent that any Benefit Plan that is a Purchased Asset or the employee benefit plans of Buyer, as applicable, take into account service for purposes of eligibility, vesting or the calculation of vacation, sick days, severance, layoff and similar benefits (but not for purposes of pension benefit accruals); provided, however, that Buyer’s liability for the Benefit Plans or replacement benefit plans shall not exceed \$50,000 in the aggregate.

Section 8.9. Cooperation. Sellers, on the one hand, and Buyer, on the other hand, will provide each other with such cooperation and information as either of them may reasonably request of the other in connection with filing any Tax Return, amended Tax Return or claim for refund, determining a liability for Taxes or a right to a refund of Taxes, or participating in or conducting any audit or other proceeding in respect of Taxes (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 and other

determinations by Tax authorities). In addition, Buyer shall make available to Sellers and the Trustee, without charge to Sellers or the Trustee, such employee support reasonably necessary to assist Sellers and the Trustee to wind up Sellers' operations following the Closing, resolve the Bankruptcy Cases, dissolve any or all of the Sellers and prepare and file the Tax Returns. Any information obtained under this Section 8.9 shall be kept confidential except as may be otherwise necessary in connection with the filing of Tax Returns or claims for refund or in conducting any audit or other tax proceeding.

ARTICLE IX

CONDITIONS TO CLOSING

Section 9.1. Conditions Precedent to Obligations of Buyer. The obligation of Buyer to consummate the transactions contemplated by this Agreement is subject to the fulfillment, on or prior to the Closing Date, of each of the following conditions (any or all of which may be waived by Buyer in whole or in part to the extent permitted by applicable Law):

(a) The representations and warranties of Sellers set forth in this Agreement shall be true and correct at and as of the Closing, except to the extent such representations and warranties expressly relate to an earlier date (in which case such representations and warranties shall be true and correct on and as of such earlier date), and except in each case for such failures to be true and correct as have not had and would not reasonably be expected to have a Material Adverse Effect; and Buyer shall have received a certificate signed by Sellers, dated the Closing Date, to the foregoing effect (it being acknowledged that the Trustee shall have no personal liability as a result of signing such certificate absent fraud);

(b) Sellers shall have performed and complied in all material respects with all obligations and agreements required in this Agreement to be performed or complied with by them prior to the Closing Date, and Buyer shall have received a certificate signed by the Trustee, dated the Closing Date, to the foregoing effect in his capacity as the Trustee or an authorized person of such Seller (it being acknowledged that the Trustee shall have no personal liability as a result of signing such certificate absent fraud);

(c) Sellers shall have delivered, or caused to be delivered, to Buyer all of the items set forth in Section 4.2;

(d) From the date hereof through the Closing Date, (i) there shall have been no Material Adverse Effect and (ii) Buyer shall have received a certificate signed by Sellers, dated the Closing Date, to the foregoing effect (it being acknowledged that the Trustee shall have no personal liability as a result of signing such certificate absent fraud); and

(e) The Sale Order shall have been entered.

Section 9.2. Conditions Precedent to Obligations of Sellers. The obligations of Sellers to consummate the transactions contemplated by this Agreement are subject to the fulfillment, prior to or on the Closing Date, of each of the following conditions (any or all of which may be waived by Sellers in whole or in part to the extent permitted by applicable Law):

(a) The representations and warranties of Buyer set forth in this Agreement qualified as to materiality shall be true and correct, and those not so qualified shall be true and correct in all material respects, at and as of the Closing, except to the extent such representations and warranties expressly relate to an earlier date (in which case such representations and warranties qualified as to materiality shall be true and correct, and those not so qualified shall be true and correct in all material respects, on and as of such earlier date) and except in each case for such failures to be true and correct as have not had and would not reasonably be expected to have a material adverse effect on the ability of the Buyer to consummate the transaction contemplated hereby in a timely manner; and Sellers shall have received a certificate signed by an authorized officer of Buyer, dated the Closing Date, to the foregoing effect in his or her corporate or limited liability company (not personal) capacity (it being acknowledged and agreed that the signatory to such certificate shall have no personal liability as a result of signing such certificate absent fraud);

(b) Buyer shall have performed and complied in all material respects with all obligations and agreements required by this Agreement to be performed or complied with by Buyer on or prior to the Closing Date; and Sellers shall have received a certificate signed by an authorized officer of Buyer, dated the Closing Date, to the foregoing effect in his or her corporate or limited liability (not personal) capacity (it being acknowledged and agreed that the signatory to such certificate shall have no personal liability as a result of signing such certificate absent fraud);

(c) To the extent that Buyer determines, in its sole and absolute discretion, to assign its rights, interests and obligations hereunder to one or more of its Affiliates, such Affiliate shall deliver to Sellers the certificates required to be delivered pursuant to Section 9.2(a) and Section 9.2(b) hereof, certifying to such matters with respect to itself or themselves;

(d) Buyer shall have delivered, or caused to be delivered, to the Trustee the Purchase Price; and

(e) the Sale Order shall have been entered.

Section 9.3. Condition Precedent to Obligations of Buyer and Sellers. The respective obligations of Buyer and Sellers to consummate the transactions contemplated by this Agreement are subject to the fulfillment, on or prior to the Closing Date, of the following conditions (which may be waived by Buyer or Sellers in whole or in part to the extent permitted by applicable Law):

(a) there shall not be in effect any Order by a Governmental Body of competent jurisdiction restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby; and

(b) Buyer and Sellers shall have each received duly executed copies of that certain Release attached hereto as Exhibit C.

[Section 9.4.](#) Frustration of Closing Conditions. Neither Sellers nor Buyer may rely on the failure of any condition set forth in [Section 9.1](#), [Section 9.2](#) or [Section 9.3](#), as the case may be, if such failure was caused by such Party's breach of this Agreement.

ARTICLE X **NO SURVIVAL**

[Section 10.1.](#) No Survival of Representations and Warranties. The Parties hereto agree that the representations and warranties contained in this Agreement shall not survive the Closing hereunder, and none of the Parties shall have any liability to each other after the Closing for any breach thereof. The Parties hereto agree that the covenants contained in this Agreement to be performed after the Closing shall survive the Closing hereunder, and each Party hereto shall be liable to the other after the Closing for any breach thereof.

ARTICLE XI **TAX MATTERS**

[Section 11.1.](#) Purchase Price Allocation. Within sixty (60) days following the Closing, Sellers shall deliver to Buyer a proposed allocation of the Purchase Price (including the Assumed Liabilities and any other amounts properly included therein) among the Purchased Assets in accordance with Section 1060 of the Code and Treasury Regulations thereunder (and any similar provision of state, local or foreign law, as applicable). Buyer shall have thirty (30) days following receipt of Sellers' proposed allocation to review and comment on such proposed allocation and Sellers shall consider such comments in good faith. Within thirty (30) days following receipt of Buyer's comments, Sellers shall provide Buyer with a final allocation schedule which shall have incorporated Buyer's reasonable comments (the "Final Allocation"). Sellers and Buyer agree to cooperate with each other in preparing IRS Form 8594 (including any subsequent adjustments required thereto) in a manner consistent with such Final Allocation, and to furnish the other with a copy of such form prepared in draft form within a reasonable period before its filing due date. If such Final Allocation is disputed by any Tax authority or other Governmental Body, Buyer or any Seller receiving notice of such dispute will promptly notify the other Party and the Parties will use their reasonable best efforts to sustain the Final Allocation. Neither Buyer nor Sellers shall take any position (including in any Tax Returns, reports, audits or otherwise) that is inconsistent with such allocation, unless otherwise required pursuant to a final determination by a court of competent jurisdiction or pursuant to a closing agreement with the IRS entered into pursuant to Section 7121 of the Code. Notwithstanding any other provision of this Agreement, the terms and provisions of this [Section 11.1](#) shall survive the Closing without limitation.

[Section 11.2.](#) Audits, Claims and Proceedings. Sellers and the Trustee shall have the right to control the conduct of the defense of any audit, claim, proceeding, investigation, or other controversy relating to Taxes ("Tax Claim") of Sellers for any taxable period ending on or prior to, or including, the Closing Date.

ARTICLE XII

MISCELLANEOUS

Section 12.1. Expenses. Except for (a) Transfer Taxes (which shall be governed by Section 2.4(j)), (b) the Break-Up Fee that may become owed by Sellers to Buyer pursuant to Section 4.5(b), and (c) the Buyer Deposit that may become owed by Buyer to Sellers pursuant to Section 4.5(c), each of Sellers and Buyer shall bear their own expenses incurred in connection with the negotiation and execution of this Agreement and each other agreement, document and instrument contemplated by this Agreement and the consummation of the transactions contemplated hereby and thereby.

Section 12.2. Submission to Jurisdiction; Consent to Service of Process.

(a) Without limiting any Party's right to appeal any order of the Bankruptcy Court, (i) the Bankruptcy Court shall retain exclusive jurisdiction to enforce the terms of this Agreement and to decide any claims or disputes which may arise or result from, or be connected with, this Agreement, any breach or default hereunder, or the transactions contemplated hereby, and (ii) any and all proceedings related to the foregoing shall be filed and maintained only in the Bankruptcy Court, and the parties hereby consent to and submit to the jurisdiction and venue of the Bankruptcy Court and shall receive notices at such locations as indicated in Section 12.5 hereof; provided, however, that if the Bankruptcy Cases have been closed, the Parties agree to unconditionally and irrevocably submit to the exclusive jurisdiction of the United States District Court for the District of California and any appellate court thereof for the resolution of any such claim or dispute. The Parties hereby irrevocably waive, to the fullest extent permitted by applicable law, any objection which they may now or hereafter have to the laying of venue of any such dispute brought in such court or any defense of inconvenient forum for the maintenance of such dispute. Each of the Parties hereto agrees that a judgment in any such dispute may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law.

(b) Each of the Parties hereto hereby consents to process being served by any Party to this Agreement in any suit, action or proceeding by delivery of a copy thereof in accordance with the provisions of Section 12.5.

Section 12.3. Entire Agreement; Amendments and Waivers. This Agreement (including the Schedules and Exhibits hereto) represents the entire understanding and agreement between the Parties hereto with respect to the subject matter hereof. This Agreement can be amended, supplemented or changed, and any provision hereof can be waived, only by written instrument making specific reference to this Agreement signed by the Party against whom enforcement of any such amendment, supplement, modification or waiver is sought or, if such amendment, supplement, modification or waiver can be so construed, by both Parties. No action taken pursuant to this Agreement, including any investigation by or on behalf of any Party, shall be deemed to constitute a waiver by the Party taking such action of compliance with any representation, warranty, covenant or agreement contained herein. The waiver by any Party hereto of a breach of any provision of this Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach. No failure on the part of any Party to exercise, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of

such right, power or remedy by such Party preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

Section 12.4. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California applicable to contracts made and performed in the State of California.

Section 12.5. Notices. All notices and other communications under this Agreement shall be in writing and shall be deemed given (i) when delivered personally by hand (with written confirmation of receipt), (ii) when sent by facsimile (with written confirmation of transmission) or electronic mail (and no notice of failure of delivery was received within a reasonable time after such message was sent) or (iii) one Business Day following the day sent by overnight courier (with written confirmation of receipt), in each case at the following addresses, facsimile numbers and e-mail addresses (or to such other address, facsimile number or e-mail address as a Party may have specified by notice given to the other Party pursuant to this provision):

If to Sellers, to:

c/o R. Todd Neilson, Trustee
2049 Century Park East, Suite 2525
Los Angeles, California 90067
Attention: R. Todd Neilson
Telephone: (310) 499-4934
Telecopier: (310) 557-8982
Email: tneilson@brg-expert.com

with a copy to:

Klee, Tuchin, Bogdanoff & Stern LLP
1999 Avenue of the Stars, 39th Floor
Los Angeles, California 90067
Attention: Michael L. Tuchin, Esq. and Vijay S. Sekhon, Esq.
Telephone: (310) 407-4000
Telecopier: (310) 407-9090
Email: mtuchin@ktbslaw.com and vsekhon@ktbslaw.com

If to the Buyer, to:

GGW Acquisition, LLC
13351 Riverside Dr #365
Sherman Oaks, CA 91423
Attention: Tristen
Telephone: 310-295-4160
Telecopier: 310-295-4161
Email: trilazref@gmail.com

with a copy to:

Wolf Rifkin Shapiro Schulman Rabkin, LLP
11400 West Olympic Boulevard, Ninth Floor
Los Angeles, California 90064
Attention: Simon Aron, Esq.
Telephone: (310) 478-4100
Telecopier: (310) 479-1422
Email: saron@wrslawyers.com

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

Section 12.6. Severability. If any term or other provision of this Agreement is invalid, illegal, or incapable of being enforced by any Law or public policy, all other terms or provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

Section 12.7. Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns, including, without limitation, any chapter 11 trustee hereinafter appointed for Sellers' estates or any trustee appointed in a chapter 7 case if the Bankruptcy Cases are converted from cases under chapter 11 to cases under chapter 7. Nothing in this Agreement shall create or be deemed to create any third party beneficiary rights in any person or entity not a party to this Agreement except as provided below and in Section 4.5. No assignment of this Agreement or of any rights or obligations hereunder may be made by either Sellers, on the one hand, or Buyer, on the other hand (by operation of law or otherwise), without the prior written consent of the other Parties hereto and any attempted assignment without the required consents shall be void; provided, however, that Buyer may, without the consent of Sellers, assign its rights, interests and obligations hereunder to one or more of its Affiliates, but no such assignment shall relieve Buyer from its rights and obligations hereunder.

Section 12.8. Counterparts. This Agreement may be executed in one or more counterparts (including by facsimile or electronic mail), each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

[Signature Pages Follow]

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

SELLERS:

GGW BRANDS, LLC

By: 

Name: R. Todd Neilson

Title: Chapter 11 Trustee

SUBSIDIARIES:

GGW DIRECT, LLC
GGW EVENTS, LLC
GGW MAGAZINE, LLC

By: 

Name: R. Todd Neilson

Title: Chapter 11 Trustee

GGW MARKETING, LLC

By: 

Name: R. Todd Neilson

Title: Authorized Representative

BUYER:

GGW ACQUISITION, LLC

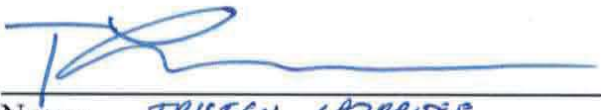
By: 
Name: TRISTAN LAZAREFF
Title: MANAGING DIRECTOR

EXHIBIT C

RELEASE

This RELEASE (this “Release”) is made as of [REDACTED], 2014 by and among GGW Brands, LLC, GGW Direct, LLC, GGW Events, LLC, GGW Magazine, LLC, and GGW Marketing LLC (collectively, “Sellers”), R. Todd Neilson, solely in his capacity as chapter 11 trustee of the bankruptcy estates of GGW Brands, LLC, GGW Direct, LLC, GGW Events, LLC, and GGW Magazine, LLC (in such capacity, the “Trustee”), and GGW Acquisition, LLC (“Buyer”).

WHEREAS, this Release is being entered into in connection with that certain Asset Purchase Agreement, dated as of February 10, 2014, by and between Sellers and Buyer (the “Asset Purchase Agreement”; capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Asset Purchase Agreement).

NOW, THEREFORE, in consideration of the consideration provided in the Asset Purchase Agreement, the mutual covenants, agreements, promises and releases set forth herein, and for other good and valuable consideration, the parties hereto agree as follows:

1. Release of the Buyer Related Parties.

(a) Effective as of, and subject to the occurrence of, the Closing, each Seller, on behalf of itself and its Affiliates and their respective employees, officers, managers, members, directors, representatives, agents, successors, consultants, attorneys and assigns (collectively, the “Seller Parties”), hereby releases, acquits and forever discharges Buyer and its Affiliates, including without limitation, each of its employees, officers, managers, members, directors, representatives, agents, successors, consultants, attorneys and assigns (collectively, the “Buyer Related Parties”), from any and all claims, rights, demands, causes of action, suits, debts, obligations, liabilities, damages, losses, fees, costs and expenses (including attorneys’ fees, costs and expenses), whether based on federal, state, local, statutory or common Law or any other Law, rule, or regulation, of any kind, nature and/or description, matured or unmatured, liquidated or unliquidated, accrued or unaccrued, actual or potential, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not asserted, threatened, alleged or litigated, at law, equity or otherwise (collectively, “Claims”), that have arisen or could have arisen or that could arise in the future on account of, arising out of, relating to, or resulting from any circumstances, conduct, facts, events, transactions, acts, occurrences, statements, representations, misrepresentations or omissions, errors, negligence, breach of contract, tort, violation of Law, matter or cause occurring or arising prior to the Closing Date or attributable to such period which any of the Seller Parties has had, now has, or may have in the future against the Buyer Related Parties in connection with or arising out of the negotiation, execution and consummation of the Asset Purchase Agreement, whether known or unknown (the foregoing release being the “Buyer Release”); provided, that the Buyer Release shall not include (i) Claims arising from fraud of the Buyer Related Parties or (ii) Claims in connection with or arising out of breaches of this Release or the Asset Purchase Agreement (including all exhibits and schedules thereto).

(b) It is the intention of the Seller Parties in executing this Release that, upon the Closing, this Release shall be effective as a bar to each and every Claim mentioned or

implied in Section 1(a), and each Seller Party hereby knowingly and voluntarily waives any and all such Claims. Each Seller Party expressly consents that this Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims, demands, charges and causes of action (notwithstanding any state statute that expressly limits the effectiveness of a general release of the unknown, unsuspected and unanticipated Claims), if any, in connection with or arising out of the acts or omissions by the Seller Parties as well as those relating to any other Claims, demands and causes of action mentioned or implied in Section 1(a).

2. Release of the Seller Related Parties.

(a) Effective as of, and subject to the occurrence of, the Closing, Buyer, on behalf of itself and its Affiliates and their respective employees, officers, managers, members, directors, representatives, agents, successors, consultants, attorneys and assigns (collectively, the "Buyer Parties"), hereby releases, acquits and forever discharges the Trustee and each Seller, their respective Affiliates, and their respective employees, officers, managers, members, directors, representatives, agents, successors, consultants, attorneys and assigns (collectively, the "Seller Related Parties"), from any and all Claims that have arisen or could have arisen or that could arise in the future on account of, arising out of, relating to, or resulting from any circumstances, conduct, facts, events, transactions, acts, occurrences, statements, representations, misrepresentations or omissions, errors, negligence, breach of contract, tort, violation of Law, matter or cause occurring or arising prior to the Closing Date or attributable to such period which any of the Buyer Parties has had, now has, or may have in the future against the Seller Related Parties in connection with or arising out of the negotiation, execution and consummation of the Asset Purchase Agreement, whether known or unknown (the foregoing release being the "Seller Release"); provided, that the Seller Release shall not include (i) Claims arising from fraud of the Seller Parties, or (ii) Claims in connection with or arising out of breaches of this Release or the Asset Purchase Agreement (including all exhibits and schedules thereto).

(b) It is the intention of the Buyer Parties in executing this Release that, upon the Closing, this Release shall be effective as a bar to each and every Claim mentioned or implied in Section 2(a), and each of the Buyer Parties hereby knowingly and voluntarily waives any and all such Claims. Each Buyer Party expressly consents that this Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims, demands, charges and causes of action (notwithstanding any state statute that expressly limits the effectiveness of a general release of the unknown, unsuspected and unanticipated Claims), if any, in connection with or arising out of the acts or omissions by the Seller Related Parties as well as those relating to any other Claims, demands and causes of action mentioned or implied in Section 2(a).

3. Section 1542. To the extent that the foregoing releases are releases to which Section 1542 of the California Civil Code or similar provisions of other applicable law applies, it is the intention of the parties that the foregoing releases shall be effective as a bar to any and all actions, fees, damages, losses, claims, liabilities and demands of whatsoever character, nature and kind, known or unknown, suspected or unsuspected specified herein. In furtherance of this intention, the Seller Parties and the Buyer Related Parties expressly waive any and all rights and

benefits conferred upon them by the provisions of Section 1542 of the California Civil Code or similar provisions of applicable law which are as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

The parties acknowledge that the foregoing waiver of the provisions of Section 1542 of the California Civil Code was bargained for separately.

4. Covenant Not to Sue. Each of the Seller Parties, with respect to the Buyer Related Parties, and each of the Buyer Parties, with respect to the Seller Related Parties, hereby represents that it has not commenced or filed, and covenants that it will not commence or file, with any local, state or federal agency, court or arbitrator any complaints, charges, claims, lawsuits or grievances, or actions of any kind, whether civil, criminal or administrative, against the Buyer Related Parties or the Seller Related Parties, as the case may be, with respect to any Claim released pursuant to Section 1 or Section 2 above, and further represents that it has not assigned or transferred any Claim or any interest therein to any other person or entity.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties hereto have caused this Release to be executed by their respective officers thereunto duly authorized, as of the date first written above.

SELLERS:

GGW BRANDS, LLC
GGW DIRECT, LLC
GGW EVENTS, LLC
GGW MAGAZINE, LLC
GGW MARKETING, LLC

By: _____
Name: _____
Title: _____

BUYER:

GGW ACQUISITION, LLC

By: _____

Name: _____

Title: _____

EXHIBIT D

BILL OF SALE

This BILL OF SALE, dated as of [REDACTED], 2014 (this “Bill of Sale”), is made and entered into by and among GGW Brands, LLC, a Delaware limited liability company, GGW Direct, LLC, a Delaware limited liability company, GGW Events, LLC, a Delaware limited liability company, GGW Magazine, LLC, a Delaware limited liability company, and GGW Marketing, LLC, a Delaware limited liability company (each, a “Seller,” and collectively, the “Sellers”), on the one hand, and GGW Acquisition, LLC, a Delaware limited liability company (“Buyer”), on the other hand. The Sellers and Buyer are sometimes herein referred to collectively as the “Parties” and each individually as a “Party.”

WHEREAS, Sellers and Buyer entered into that certain Asset Purchase Agreement, dated as of February 10, 2014 (the “Asset Purchase Agreement”).

NOW, THEREFORE, in consideration of the covenants and agreements contained herein and in the Asset Purchase Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the Parties agree as follows:

1. Sale and Transfer of Purchased Assets. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and as contemplated by the Asset Purchase Agreement, each Seller hereby sells, assigns, transfers, conveys and delivers to Buyer and Buyer’s successors and assigns all of such Seller’s right, title and interest in or to the Purchased Assets free and clear of any Liens, claims, encumbrances and interests, other than the Assumed Liabilities. For the avoidance of doubt, the Sellers are not selling, assigning, transferring, conveying or delivering to Buyer any of the Excluded Assets.

2. Effectiveness. This Bill of Sale shall be effective as of the Closing.

3. Terms of the Asset Purchase Agreement. Capitalized terms used but not defined herein shall have the respective meanings given to such terms in the Asset Purchase Agreement. This Bill of Sale is in accordance with and is subject to all of the terms and conditions of the Asset Purchase Agreement. Nothing contained in this Bill of Sale shall be deemed to supersede, enlarge on, modify or amend any of the obligations, agreements, covenants or warranties of any Seller or Buyer contained in the Asset Purchase Agreement. In the event of any conflict or inconsistency between this Bill of Sale and the Asset Purchase Agreement, the terms of the Asset Purchase Agreement shall prevail.

4. Governing Law. This Bill of Sale shall be governed by and construed in accordance with the laws of the State of California applicable to contracts made and performed in such State.

5. Binding Effect. This Bill of Sale shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Nothing in this Bill of Sale shall create or be deemed to create any third party beneficiary rights in any Person or entity not a Party.

6. Counterparts. This Bill of Sale may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Bill of Sale and all of which, when taken together, will be deemed to constitute one and the same agreement.

7. Entire Agreement. This Bill of Sale (together with the Asset Purchase Agreement) constitutes the entire agreement and understanding of Buyer and Sellers with respect to the matters contemplated by this Bill of Sale and supersedes any previous agreement between Buyer and Sellers in relation to such matters.

[Signature Pages Follow]

IN WITNESS WHEREOF, the Parties have executed this Bill of Sale as of the
date set forth above.

SELLERS:

GGW BRANDS, LLC

By: _____
Name: R. Todd Neilson
Title: Chapter 11 Trustee

GGW DIRECT, LLC

By: _____
Name: R. Todd Neilson
Title: Chapter 11 Trustee

GGW EVENTS, LLC

By: _____
Name: R. Todd Neilson
Title: Chapter 11 Trustee

GGW MAGAZINE, LLC

By: _____
Name: R. Todd Neilson
Title: Chapter 11 Trustee

GGW MARKETING, LLC

By: _____
Name: R. Todd Neilson
Title: Authorized Representative

BUYER:

GGW ACQUISITION, LLC

By: _____
Name:
Title:

APA SCHEDULES

SCHEDULE 2.1

ADDITIONAL PURCHASED ASSETS

None.

SCHEDULE 2.2(m)

ADDITIONAL EXCLUDED ASSETS

None.

SCHEDULE 2.3(a)

ASSUMED LIABILITIES

None

SCHEDULE 4.2

REGISTERED INTELLECTUAL PROPERTY

1. Trademarks:

<u>Name of Trademark</u>	<u>Application Number</u>
Gone Wild	77208674
Banned From Television	75939899
Banned From Television	77217774
Girls Gone Wild	77382679
Girls Gone Mobile	77166100
Girls Gone Wild	76517377
Girls Gone Wild	75640463
Girls Gone Wild	77382449
Gone Wild	77208666
Gone Wild	77384465
Guys Gone Wild	76427548
Mantra	76306922
Girls Gone Wild	77208650

<u>Foreign Marks: Name of Trademark</u>	<u>Application Number</u>
Guys Gone Wild	Canada – TMA714356
Banned From Television	Canada – TMA691868
Girls Gone Wild	New Zealand – 771100
Guys Gone Wild	New Zealand – 771099
Girls Gone Wild	New Zealand – 761689
Girls Gone Wild	New Zealand – 762684
Girls Gone Wild	France – 03 3 232 492

2. Domains and URLs

bannedfromtv.com
 BESTBREASTSEVER.COM
 EXGFCLUB.COM
 EXXXGF.COM
 freeggw.com
 freegirlsgonewildvideos.com
 getgirlsgonewild.com
 ggwapparel.com
 GGWBLOGS.COM
 ggwbrands.com
 GGWBRANDS.NET

GGWBUS.COM
GGWCAMS.COM
ggwcash.com
GGWDATING.COM
GGWENT.COM
GGWEVENTS.COM
GGWGIRL.COM
GGWGIRLS.COM
GGWISLAND.COM
GGWLIVE.COM
ggwmag.com
ggwmagazine.com
ggw-online.com
GGWTUBE.COM
ggw-video.com
GIRLS-GONE-MOBILE.COM
GIRLSGONEMOBILE.ORG
GIRLSGONEMOBILEWEB.COM
GIRLSGONEMOBILEWEB.NET
girlsgonewild.com
girlsgonewild.net
girlsgonewild.tv
GIRLSGONEWILD.US
girlsgonewildbars.com
GIRLSGONEWILDCAMS.COM
girlsgonewildcash.com
GIRLSGONEWILDDATING.COM
GIRLSGONEWILDDVDS.COM
GIRLSGONEWILDGOSSIP.COM
GIRLSGONEWILDIMAGES.COM
GIRLSGONEWILDISLAND.COM
GIRLSGONEWILDLIVE.COM
girlsgonewildmag.com
girlsgonewildmagazine.com
GIRLSGONEWILDNEWS.COM
GIRLSGONEWILDROCKS.COM
GIRLSGONEWILDSHOOTS.COM
GIRLSGONEWILDSTREAM.COM
GIRLSGONEWILDWEB.COM
GUYSGONEWILDCAMS.COM
guysgonewildcash.com
GUYSGONEWILDDATING.COM
guysgw-online.com
HELPER8.INFO

HOTTESTMOMENTSEVER.COM
MARDIGRASINVASION.NET
MYEXGFCLUB.COM
ONLINESUPPORT1.INFO
SEXIESTMOMENTSEVER.COM
SEXSTARVEDCOLLEGEGIRLS.NET
SITESERVICE1.COM
SPRINGBREAKEXPLOSION.COM
THEGGWBUS.COM
THEGIRLSGONEWILDBLOG.COM
WEDDINGSUBMISSIONVIDEO.COM
WILDESTSEXEVER.COM
WILDHD.COM
WILSHIREHR.COM

Schedule 5.4

LITIGATION

Any of the counterparties to the litigations set forth herein may raise objections to the contemplated sale of the Debtors' assets, and Sellers make no representations or warranties in the Agreement with respect to any such objection.

Case Name	Case Number and Court	Defendants/Appellees	Nature of Claim
In re GGW Brands, LLC, et al.	2:13-bk-15130-SK (Bankr. C.D. Cal.)	n/a	Debtors' bankruptcy cases
Argyle Online, LLC, et al. v. Neilson, et al.	2:13-ap-01552-SK (Bankr. C.D. Cal.), on appeal at 2:13-cv-07666-ABC (C.D. Cal.); motion for stay pending appeal at 13-57127 (9th Cir.)	Trustee and GGW Marketing, LLC	Trustee's successful fraudulent transfer litigation to recover trademarks has been appealed; appeal is pending
GGW Global Brands, Inc. v. Neilson, et al.	2:13-cv-08255-FMO (C.D. Cal.)	Trustee and GGW Marketing, LLC	Joseph Francis-related entity has appealed Bankruptcy Court's ruling that GGW Marketing, LLC is properly in bankruptcy
Favazza v. Neilson, et al.	2:13-cv-06085-FMO (C.D. Cal.)	Trustee and GGW Marketing, LLC	Creditor of Debtors claims that Trustee's settlement with Wynn Las Vegas, LLC was improper; expected to be dismissed following Bankruptcy Court approval of settlement with Appellant
Law Offices of Robert M. Yaspan v. United States Trustee, et al.	BAP Nos. CC-13-1574, 1575 (B.A.P. 9th Cir.)	United States Trustee, Trustee and GGW Marketing, LLC	Debtors' former attorney seeks reversal of Bankruptcy Court's order requiring attorney to disgorge fees
GGW Global Brands, Inc. v. Wynn Las Vegas, LLC, et al.	2:13-cv-01586-APG-NJK (D. Nev.)	Wynn Las Vegas, LLC, GGW Direct, LLC, GGW Brands, LLC, GGW Events, LLC	Joseph Francis-related entity appeals Nevada Bankruptcy Court order splitting certain trust funds between Wynn Las Vegas, LLC and Debtors
Rayment v. GGW Brands, LLC, et al.	No. CJ-2012-1321 (District Court of Tulsa County, Oklahoma)	GGW Brands, LLC, GGW Direct, LLC, GGW Marketing, LLC, various other Francis-related entities	Seeks to collect \$186,000 on alter ego theories for legal fees owed by other Francis entities; default summary judgment granted, motion for reconsideration pending

Case Name	Case Number and Court	Defendants/Appellees	Nature of Claim
Favazza v. Path Media Holdings et al.	4:12-cv-01561 (E.D. Mo.)	GGW Brands, LLC, GGW Direct, LLC, GGW Events, LLC, GGW Magazine, LLC, GGW Marketing, LLC, various other Francis-related entities	Seeks to collect in excess of \$5.7 million on alter ego theory; expected to be dismissed as to Debtors following Bankruptcy Court approval of settlement with plaintiff
Wade v. Kickback Café et al.	No. 12-C-225 (Circuit Court of Marshall County, West Virginia)	GGW Brands, LLC, GGW Direct, LLC, GGW Events, LLC, GGW Marketing, LLC	Personal injury claim
Anagnos v. GGW Direct, LLC	No. BC464017 (Los Angeles Superior Court)	GGW Direct, LLC	Seeks unspecified damages for alleged illegal employment practices by GGW Direct, LLC
McKinney v. GGW Direct, LLC	17-61729-CJ (California Department of Industrial Relations, Division of Labor Standards Enforcement)	GGW Direct, LLC	Labor dispute
DBEC, LLC	n/a	n/a	Claimant against Debtors' estates in amount of \$11,254.89 has threatened suit if claim is not promptly paid
Hammond v. Mantra Films, Inc., et al.	Case No. BC373589 (Los Angeles Superior Court)	Mantra Films, Inc., Joseph Francis	Sexual Harassment
Gilbert v. Francis, et al.	Case No. BC296675 (Los Angeles Superior Court)	Mantra Films, Inc., MRA Holding, LLC, Joseph Francis	Payment of Attorneys' fees
Gordon & Silver Ltd. v. Francis	Case No. A-12-36 (Clark County, Nev. District Court)	Joseph Francis	Payment of Attorneys' fees