IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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| In re: | ) | Chapter 11 |
| ABLEST INC., et. al,[1] | ) | Case No. 14-10717 (____) |
| Debtors. | ) | |

PREPACKAGED JOINT PLAN OF
REORGANIZATION FOR ABLEST INC., et al.

Dated: March 11, 2014

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[1]The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are set forth on Schedule 1 hereto.

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PLAN SCHEDULES



PLAN EXHIBITS

Ablest Inc., a Delaware corporation ("Ablest"), New Koosharem Corporation, a California corporation and the indirect parent entity of Ablest (the "Parent"), Koosharem, LLC (f/k/a Koosharem Corporation), a California limited liability company, a wholly-owned subsidiary of the Parent and the direct parent entity of Ablest (the "Borrower"), and each of the other debtors and debtors-in-possession listed on Plan Schedule 1 hereto, propose the following joint plan of reorganization (the "Plan") for, among other things, the resolution of the outstanding Claims against, and Equity Interests in, the Debtors. Unless otherwise noted, capitalized terms used in this Plan have the meanings set forth in Article I of the Plan. The Debtors are the proponents of this Plan within the meaning of section 1129 of the Bankruptcy Code. Reference is made to the Disclosure Statement (as such term is defined herein and distributed contemporaneously herewith) for a discussion of the Debtors' history, business, results of operations, historical financial information, events leading up to Solicitation of the Plan, projections and properties, and for a summary and analysis of this Plan and the treatment provided for herein. There also are other agreements and documents that will be filed with the Bankruptcy Court, that are referenced in this Plan, the Plan Supplement or the Disclosure Statement as Exhibits and Plan Schedules. All such Exhibits and Plan Schedules are incorporated into and are a part of this Plan as if set forth in full herein. Subject to certain restrictions set forth in the Lender RSA, the Backstop Agreement, and requirements set forth in 11 U.S.C. § 1127 and Fed. R. Bankr. P. 3019, the Debtors reserve the right to alter, amend, modify, revoke or withdraw this Plan prior to its Consummation.

If the Plan cannot be confirmed as to some or all of the Debtors, then, in the Debtors' sole discretion, but without prejudice to the respective parties' rights under the Lender RSA, or the Backstop Agreement, (a) the Plan may be revoked as to all of the Debtors, or (b) the Debtors may revoke the Plan as to any Debtor (and any such Debtor's Chapter 11 Case may be converted to a chapter 7 liquidation, continued or dismissed in the Debtors' sole discretion) and confirm the Plan as to the remaining Debtors to the extent required. The Debtors reserve the right to seek confirmation of the Plan pursuant to the "cram down" provisions contained in section 1129(b) of the Bankruptcy Code with respect to any non-accepting Class of Claims.

Notwithstanding any rights of approval that may exist pursuant to the Lender RSA, the Backstop Agreement, or otherwise, as to the form or substance of the Disclosure Statement, the Plan or any other document relating to the transactions contemplated hereunder or thereunder, neither the Prepetition Secured Lenders, the Prepetition Agents, the Participating Lenders, the Steering Committee, the Backstop Investors, nor their respective representatives, members, Affiliates, financial or legal advisors or agents, has independently verified the information contained herein or takes any responsibility therefor and none of the foregoing entities or persons makes any representations or warranties, or should be relied upon, whatsoever concerning the information contained herein.

## ARTICLE I.
## RULES OF INTERPRETATION, COMPUTATION OF TIME, GOVERNING LAW AND DEFINED TERMS

**A.** Rules of Interpretation, Computation of Time and Governing Law

For purposes hereof: (a) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, feminine and the neuter gender; (b) any reference herein to a contract, lease, instrument, release, indenture or other

agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (c) any reference herein to an existing document or exhibit having been Filed or to be Filed shall mean that document or exhibit, as it may thereafter be amended, modified or supplemented; (d) unless otherwise specified, all references herein to "Articles", "Sections", "Exhibits" and "Plan Schedules" are references to Articles, Sections, Exhibits and Plan Schedules hereof or hereto; (e) unless otherwise stated, the words "herein," "hereof," "hereunder" and "hereto" refer to this Plan in its entirety rather than to a particular portion of this Plan; (f) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation hereof; (g) any reference to an Entity as a Holder of a Claim or Equity Interest includes such Entity's successors and assigns; (h) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (i) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be and (j) "$" or "dollars" means Dollars in lawful currency of the United States of America. The provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed herein.

**B.** Defined Terms

Unless the context otherwise requires, the following terms shall have the following meanings when used in capitalized form herein:

1. "2010 Term Loan Lender Warrants" has the meaning ascribed in the Prepetition Credit Agreements.

2. "Ablest" means Ablest Inc., a Delaware corporation.

3. "Accrued Professional Compensation" means, with respect to a particular Professional, an Administrative Claim of such Professional for compensation for services rendered or reimbursement of costs, expenses or other charges incurred after the Petition Date and prior to and including the Effective Date (including, without limitation, expenses of the members of any Committee incurred as members thereof in discharge of their duties as such).

4. "Additional Debtor" means any affiliate or other related party of a Debtor that files a chapter 11 petition at any time prior to the Confirmation Date and that files a motion to have such debtor's chapter 11 case jointly administered with the Chapter 11 Cases.

5. "Administrative Claim" means a Claim for costs and expenses of administration of the Chapter 11 Cases that is Allowed under section 503(b), 507(b), or 1114(e)(2) of the Bankruptcy Code, including, without limitation: (a) any actual and necessary costs and expenses incurred after the Petition Date of preserving the Estates and operating the businesses of the Debtors (such as wages, salaries, and commissions for services and payments for inventory, leased equipment, and leased premises); (b) Accrued Professional Compensation and any other compensation for legal, financial, advisory, accounting, and other services and reimbursement of expenses Allowed by the Bankruptcy Court under section 327, 328, 330, 331, 363, or 503(b) of the Bankruptcy Code to the extent incurred prior to the Effective Date; (c) all fees and charges assessed against the Estates under section 1930, chapter 123, of title 28, United States Code; (d) the DIP Facility Claims, including, without limitation, the fees and expenses of the DIP Agent and the DIP Lenders, including their respective professional and advisory fees and expenses; and (e) the Transaction Expenses.

6. "Affiliate" means an "affiliate" as defined in section 101(2) of the Bankruptcy Code.

7. "Allowed" means, with respect to any Claim, such Claim or any portion thereof that the Debtors have assented to the validity of or that has been (a) allowed by an order of the Bankruptcy Court, (b) allowed pursuant to the terms of this Plan, (c) allowed by agreement between the Holder of such Claim and the Debtors or Reorganized Debtors, or (d) allowed by an order of a court in which such Claim could have been determined, resolved or adjudicated if the Chapter 11 Cases had not been commenced; provided, however, that, notwithstanding anything herein to the contrary, by treating a Claim as an "Allowed Claim" the Debtors do not waive their rights to contest the amount and validity of such Claim to the extent it is disputed, contingent or unliquidated, in the manner and venue in which such Claim would have been determined, resolved or adjudicated if the Chapter 11 Cases had not been commenced; and provided, further that the amount of any Allowed Claim shall be determined in accordance with the Bankruptcy Code, including sections 502(b), 503(b) and 506 of the Bankruptcy Code.

8. "Allowed Claim or Equity Interest" means a Claim or an Equity Interest of the type that has been Allowed.

9. "Avoidance Actions" means any and all avoidance, recovery, subordination or other actions or remedies that may be brought by and on behalf of the Debtors or their Estates under the Bankruptcy Code or applicable non-bankruptcy law, including, without limitation, actions or remedies arising under sections 502, 510 or 542-553 of the Bankruptcy Code.

10. "Backstop Agreement" means the Backstop Agreement attached hereto as Exhibit A.

11. "Backstop Agreement Assumption Motion" means a motion, in form and substance reasonably acceptable to the Required Backstop Investors, the Debtors and the Consenting Equity Holder that must be filed by the Debtors on or after the Petition Date seeking Bankruptcy Court approval of the Backstop Agreement and authorizing the Debtors to assume the Backstop Agreement.

12. "Backstop Agreement Assumption Order" means an order of the Bankruptcy Court authorizing, among other things, the assumption of the Backstop Agreement and the provision of an indemnity by the Debtors in favor of the Backstop Investors to the extent set forth in the Backstop Agreement.

13. "Backstop Commitment" means the agreement by each Backstop Investor (that is an Eligible Participant) pursuant to the Backstop Agreement to: (a) subscribe for its Backstop Proportion of all of the Rights Offering Securities that are eligible to be subscribed for by the Prepetition First Lien Lenders (that are Eligible Participants) that are not subscribed for by such Prepetition First Lien Lenders and (b) subscribe for its Backstop Proportion of additional Rights Offering Securities for an aggregate purchase price in Cash equal to $50 million.

14. "Backstop Investor" means each Person signatory to the Backstop Agreement from time to time and identified as "Backstop Party" therein, including each permitted assignee thereunder and any Person added as a "Backstop Party" under the terms thereof.

15. "Backstop Proportion" means the portion of the Backstop Commitment committed or agreed to by each Backstop Investor as set forth on Exhibit A to the Backstop Agreement.

16. "Ballots" means the ballots accompanying the Disclosure Statement upon which certain Holders of Impaired Claims entitled to vote may, among other things, indicate their acceptance or rejection of this Plan.

17. "Bankruptcy Code" means Title 11 of the United States Code, 11 U.S.C. §§ 101-1532, as amended from time to time and as applicable to the Chapter 11 Cases.

18. "Bankruptcy Court" means the United States Bankruptcy Court for the District of Delaware, or any other court having jurisdiction over the Chapter 11 Cases.

19. "Bankruptcy Rules" means the Federal Rules of Bankruptcy Procedure and the Local Rules, or the local rules of any other court having jurisdiction over the Chapter 11 Cases, in each case as amended from time to time and as applicable to the Chapter 11 Cases.

20. "Borrower" means Koosharem, LLC (f/k/a Koosharem Corporation), a California limited liability company and a wholly-owned subsidiary of the Parent.

21. "Business Day" means any day, other than a Saturday, Sunday or "legal holiday" (as defined in Bankruptcy Rule 9006(a)).

22. "Butler Companies" means, collectively, Butler America Inc., Butler America TCS, Inc., Butler America Staffing LLC and Butler Technical Services India (P) Ltd.

23. "Cash" means the legal tender of the United States of America or the equivalent thereof.

24. "Causes of Action" means any claims, causes of action (including Avoidance Actions), demands, actions, suits, obligations, liabilities, cross-claims, counter-claims, recoupments, offsets, or setoffs of any kind or character whatsoever, in each case whether known or unknown, contingent or non-contingent, matured or unmatured, suspected or unsuspected, foreseen or unforeseen, direct or indirect, choate or inchoate, existing or hereafter arising, in contract, in tort, in law, or in equity, or pursuant to any other theory of law, whether asserted or assertable directly or derivatively in law or equity or otherwise by way of claim, counterclaim, cross-claim, third party action, action for indemnity or contribution or otherwise, based in whole or in part upon any act or omission or other event occurring prior to the Petition Date or during the course of the Chapter 11 Cases, including through the Effective Date.

25. "Chapter 11 Cases" means the chapter 11 bankruptcy cases that may be commenced by the Debtors on the Petition Date in the Bankruptcy Court.

26. "Chapter 11 Transaction Expenses" means the aggregate amount of reasonable fees and expenses payable by the Debtors in connection with the Chapter 11 Cases, including (a) the fees and expenses payable to the DIP Agent and the DIP Lenders and (b) the Transaction Expenses and any other fees, expenses, and indemnities contemplated by the Backstop Agreement and the Lender RSA.

27. "Claim" means any "claim" against any Debtor as defined in section 101(5) of the Bankruptcy Code.

28. "Claims Register" means the official register of Claims maintained by the Voting Agent.

29. "Class" means a category of Holders of Claims or Equity Interests as set forth in Article III hereof pursuant to section 1122(a) of the Bankruptcy Code.

30. "Committee" means any committee of unsecured creditors in the Chapter 11 Cases, if any, appointed pursuant to section 1102 of the Bankruptcy Code.

31. "Company" means the Debtors, collectively.

32. "Confirmation" means the confirmation of this Plan by the Bankruptcy Court pursuant to section 1129 of the Bankruptcy Code.

33. "Confirmation Date" means the date on which the clerk of the Bankruptcy Court enters the Confirmation Order on the docket of the Bankruptcy Court.

34. "Confirmation Hearing" means the hearing held by the Bankruptcy Court pursuant to section 1128 of the Bankruptcy Code to consider confirmation of this Plan, as such hearing may be adjourned or continued from time to time.

35. "Confirmation Order" means the order of the Bankruptcy Court both confirming this Plan pursuant to section 1129 of the Bankruptcy Code and approving the Disclosure Statement.

36. "Consenting Equity Holder" means D. Stephen Sorensen.

37. "Consummation" means the occurrence of the Effective Date.

38. "Creditor Releasing Party" means (a) each Holder of a Claim in the Voting Classes that affirmatively elects to grant the third party release provided in Article XII of the Plan by checking the appropriate box on the Ballot provided to such Holder in connection with solicitation of such Holder's vote to accept or to reject the Plan and (b) each of the following parties that affirmatively elects to grant the third party release provided in Article XII of the Plan by giving written notice to that effect to each of the Notice Parties: (i) the DIP agent, (ii) the Prepetition Agents and (iii) any other creditor in the Chapter 11 Cases that is not entitled to vote on the Plan.

39. "Debtor Releasing Party" has the meaning set forth in Article XI.B hereof.

40. "Debtor(s)" means individually, Parent and each of its subsidiaries listed on Plan Schedule 1 hereto, and, collectively, Parent and all of its subsidiaries listed on Plan Schedule 1 hereto, in each case, in their capacities as debtors in the Chapter 11 Cases.

41. "Debtor(s) in Possession" means, individually, each Debtor, as debtor in possession in their Chapter 11 Cases as of the Petition Date and, collectively, all Debtors, as debtors in possession in the Chapter 11 Cases.

42. "DIP Agent" means the administrative agent and collateral agent under the DIP Facility, and any successors thereto.

43. "DIP Facility" means that certain senior secured superpriority post-petition credit facility to be made available to the Debtors pursuant to the terms set forth in the term sheet attached as Exhibit H to the Disclosure Statement.

44. "DIP Facility Claim" means any Claim of the DIP Agent, any DIP Lender or any other party arising from, under or in connection with the DIP Facility.

45. "DIP Facility Motion" means the motion filed by the Debtors to obtain entry of the DIP Orders.

46. "DIP Facility Secured Loan Agreement" means, collectively, the agreement(s) documenting the terms of the DIP Facility, including any and all schedules and exhibits thereto.

47. "DIP Lenders" means the banks, financial institutions and other parties identified as lenders under the DIP Facility from time to time.

48. "DIP Orders" means, collectively, the Interim DIP Order and Final DIP Order.

49. "Disallowed Claim" means a Claim, or any portion thereof, that is: (a) not listed on the schedules filed by the Debtors pursuant to section 521 of the Bankruptcy Code, or is listed therein as contingent, unliquidated, disputed or in an amount equal to zero, and whose Holder has failed to file a timely proof of claim; or (b) disallowed by Final Order of the Bankruptcy Court.

50. "Disclosure Statement" means that certain Disclosure Statement for the Prepackaged Joint Plan of Reorganization for Ablest Inc., et al. under Chapter 11 of the Bankruptcy Code, as amended, supplemented, or modified from time to time and describes this Plan, including all exhibits and schedules thereto and references therein that relate to this Plan.

51. "Disputed Claim or Equity Interest" means a Claim or Equity Interest, or any portion thereof: (a) that is the subject of an objection or request for estimation filed or is otherwise disputed by any of the Debtors or any other party in interest in accordance with applicable law and which objection has not been withdrawn, resolved, or overruled by a Final Order of the Bankruptcy Court; or (b) that is otherwise disputed by any of the Debtors or any other party in interest in accordance with applicable law, which dispute has not been withdrawn, resolved, or overruled by Final Order.

52. "Distribution Agent" means Reorganized Parent or any party designated by Reorganized Parent to serve as distribution agent under this Plan. For purposes of distributions under this Plan to the Holders of Allowed DIP Facility Claims and Allowed Prepetition Secured Loan Claims, the DIP Agent and the Prepetition Agents, respectively, will be and shall act as the Distribution Agent.

53. "D&O Liability Insurance Policies" means all insurance policies for directors' and officers' liability maintained by the Debtors as of the Petition Date.

54. "DRV Purchase Agreement" means the Purchase Agreement to be entered into among Reorganized Parent, the Consenting Equity Holder, SB Group Holdings, Inc. and Esperer Holdings, Inc., substantially in the form attached as Exhibit D hereto, pursuant to which Reorganized Parent will purchase on the Effective Dave (a) all of the outstanding capital stock of Decca Consulting, Inc., Decca Consulting Ltd., Resdin Industries Ltd., and Vaughan Business Solutions, Inc. and (b) certain agreements to which Esperer Holdings, Inc. is a party in consideration for New Common Stock.

55. "Effective Date" means the Business Day that this Plan becomes effective as provided in Article IX hereof.

56. "Eligible Participant" means each Prepetition First Lien Lender that, as of the Rights Offering Record Date, is an "accredited investor" as defined in Rule 501(a) of Regulation D under the Securities Act.

57. "Entity" means an "entity" as defined in section 101(15) of the Bankruptcy Code.

58. "Equity Interest" means any Equity Security in any Debtor, including, without limitation, all issued, unissued, authorized or outstanding shares of stock, together with: (a) any options, warrants or contractual rights to purchase or acquire any such Equity Securities at any time with respect to such Debtor, and all rights arising with respect thereto and (b) the rights of any Entity to purchase or demand the issuance of any of the foregoing and shall include: (1) conversion, exchange, voting, participation, and dividend rights; (2) liquidation preferences; (3) options, warrants, and put rights; and (4) stock-appreciation rights.

59. "Equity Security" means an "equity security" as defined in section 101(16) of the Bankruptcy Code.

60. "Estates" means the bankruptcy estates of the Debtors created by virtue of section 541 of the Bankruptcy Code upon the commencement of the Chapter 11 Cases.

61. "Exculpated Parties" means, collectively: (a) the Debtors; (b) the Reorganized Debtors; (c) the current and former members of the Steering Committee; (d) the DIP Agent; (e) the DIP Lenders; (f) the Prepetition Secured Lenders; (g) the Backstop Investors; (h) the Prepetition Agents; (i) the Sorensen Parties; (j) the Participating Lenders and (k) the respective Related Persons of each of the foregoing Entities.

62. "Exculpation" means the exculpation provision set forth in Article XII.D hereof.

63. "Executory Contract" means a contract to which any Debtor is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

64. "Exhibit" means an exhibit annexed to either this Plan or as an appendix to the Disclosure Statement (as such exhibits are amended, modified or otherwise supplemented from time to time).

65. "Fifth Amendment First Lien Lender Warrants" has the meaning ascribed in the Prepetition First Lien Credit Agreement.

66. "Fifth Amendment Second Lien Lender Warrants" has the meaning ascribed in the Prepetition Second Lien Credit Agreement.

67. "File" or "Filed" or "Filing" means file, filed or filing with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases.

68. "Final DIP Order" means the order approving the DIP Facility on a final basis.

69. "Final Order" means an order of the Bankruptcy Court as to which the time to appeal, petition for certiorari, or move for a new trial, reargument or rehearing has expired and as to which no appeal, petition for certiorari, or other proceedings for a new trial, reargument or rehearing shall then be pending or as to which any right to appeal, petition for certiorari, new trial, reargue, or rehear shall have been waived in writing in form and substance satisfactory to the Debtors or the Reorganized Debtors, or, in the event that an appeal, writ of certiorari, new trial, reargument, or rehearing thereof has been sought, no stay pending appeal has been granted or such order of the Bankruptcy Court shall have been determined by the highest court to which such order was appealed, or certiorari, new trial, reargument or rehearing

shall have been denied and the time to take any further appeal, petition for certiorari, or move for a new trial, reargument or rehearing shall have expired; provided, however, that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules, may be filed with respect to such order shall not preclude such order from being a Final Order.

70. "General Unsecured Claim" means any Claim against any Debtor that is not a/an: (a) DIP Facility Claim; (b) Administrative Claim; (c) Priority Tax Claim; (d) Secured Tax Claim, (e) other Priority Claim; (e) Other Secured Claim; (f) Prepetition Secured Loan Agreement Claim; (g) Intercompany Claim; or (i) Equity Interest.

71. "Governmental Unit" means a "governmental unit" as defined in section 101(27) of the Bankruptcy Code.

72. "Holder" means an Entity holding a Claim against, or Equity Interest in, any Debtor as of the applicable date of determination or any authorized agent of such Entity who has completed and executed a Ballot in accordance with the voting instructions that are attached to the Ballot.

73. "Impaired" means, when used in reference to a Claim or Equity Interest, a Claim or Equity Interest that is impaired within the meaning of section 1124 of the Bankruptcy Code.

74. "Indemnification Provision" means each of the indemnification provisions currently in place (whether in the bylaws, certificates of incorporation, board resolutions, employment contracts or otherwise) for the current and former directors, officers, employees, attorneys, other professionals and agents of the Debtors who served in such capacity on or any time after the Petition Date.

75. "Initial Distribution Date" means, subject to the "Classification and Treatment of Claims and Equity Interests" sections in Article III hereof, the date that is as soon as reasonably practicable after the Effective Date, when distributions under this Plan shall commence to Holders of Allowed Claims.

76. "Intercompany Claims" means any Claims of a Debtor against any other Debtor.

77. "Interim DIP Order" means the order entered by the Bankruptcy Court approving the DIP Facility on an interim basis.

78. "Lease Amendments" means the Lease Amendments, substantially in the form attached as Exhibit J hereto.

79. "Lender RSA" means that certain Amended and Restated Restructuring Support Agreement by and among the Debtors, the Consenting Equity Holder, and each of the Participating Lenders signatories thereto, substantially in the form attached as Exhibit B hereto.

80. "Lender RSA Motion" means a motion, in form and substance reasonably acceptable to the Required Backstop Investors, the Debtors and the Consenting Equity Holder that must be filed by the Debtors on or after the Petition Date seeking Bankruptcy Court approval of the Lender RSA and authorizing the Debtors to assume the Lender RSA.

81. "Lender RSA Order" means an order of the Bankruptcy Court granting the relief requested in the Lender RSA Motion and approving the Lender RSA and authorizing the Debtors to assume the Lender RSA Postpetition.

82. "Lien" means a "lien" as defined in section 101(37) of the Bankruptcy Code, and, with respect to any asset, includes, without limitation, any mortgage, lien, pledge, charge, security interest or other encumbrance of any kind, or any other type of preferential arrangement that has the practical effect of creating a security interest, in respect of such asset.

83. "Litigation Claims" means the claims, rights of action, suits or proceedings, whether in law or in equity, whether known or unknown, that any Debtor or Estate may hold against any Entity, including, without limitation, the Causes of Action of the Debtors.

84. "Local Rules" means the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware.

85. "Majority Participating Lenders" shall have the meaning set forth in the Lender RSA.

86. "Management Incentive Plan" means a post-Effective Date employee Management Incentive Plan, on the terms set forth in the Lender RSA, providing for the issuance from time to time of shares of the New Common Stock of the Reorganized Parent, including the grant of incentive stock options within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended. The Management Incentive Plan shall be included in the Plan Supplement.

87. "New Board" means the initial board of directors of Reorganized Parent as designated pursuant to Section M of Article V of this Plan.

88. "New Capital Stock" means the New Common Stock and, where applicable, the New Warrants, all as authorized to be issued pursuant to this Plan.

89. "New Common Stock" means shares of common stock of Reorganized Parent, par value $0.01 per share, to be issued on the Effective Date pursuant to this Plan.

90. "New Securities and Debt Documents" means collectively, the New Common Stock, the New Warrants, the Post-Emergence Term Loan Agreement, the Post-Emergence ABL Loan Agreement, the Subordination and Intercreditor Agreement, and any and all other securities, notes, stock, instruments, certificates, and other documents or agreements required to be issued, executed or delivered pursuant to this Plan.

91. "New Warrants" means the Warrants, on the terms set forth in Exhibit K hereto, to be issued by the Reorganized Parent to the Prepetition Second Lien Lenders pursuant to this Plan, exercisable for New Common Stock.

92. "Notice Parties" means the entities listed in Article XV.K hereof.

93. "Option Agreement" means the Option Agreement, substantially in the form attached as Exhibit E hereto, to be entered into between Reorganized Parent and a newly formed holding company that will be the parent of the Butler Companies.

94. "Ordinary Course Professionals Order" means an order of the Bankruptcy Court, if any, approving a motion to employ ordinary course professionals in the Chapter 11 Cases.

95. "Other Secured Claim" means any Secured Claim other than an Administrative Claim, DIP Facility Claim, Secured Tax Claim, or Prepetition Secured Loan Agreement Claim.

96. "Parent" means New Koosharem Corporation, a California corporation."Parent Equity Interests" means all Equity Interests in Parent.

97. "Participating Lenders" shall have the meaning set forth in the Lender RSA.

98. "Person" means a "person" as defined in section 101(41) of the Bankruptcy Code and also includes any natural person, corporation, general or limited partnership, limited liability company, firm, trust, association, government, governmental agency or other Entity, whether acting in an individual, fiduciary or other capacity.

99. "Petition Date" means the date on which the Debtors commence the Chapter 11 Cases.

100. "Plan" means this Prepackaged Joint Plan of Reorganization for Ablest Inc., et al., including the Exhibits and Plan Schedules and all supplements, appendices, and schedules thereto, either in its present form or as the same may be altered, amended, modified or otherwise supplemented from time to time.

101. "Plan Schedule" means a schedule annexed to either this Plan or as an appendix to the Disclosure Statement (as amended, modified or otherwise supplemented from time to time).

102. "Plan Supplement" means, collectively, the compilation of documents and forms of documents, and all exhibits, attachments, schedules, agreements, documents and instruments referred to therein, ancillary or otherwise, including, without limitation, the Exhibits and Plan Schedules, all of which are incorporated by reference into, and are an integral part of, this Plan, as all of the same may be amended, modified, replaced and/or supplemented from time to time, which shall be filed with the Bankruptcy Court on or before 10 days prior to the Confirmation Hearing. For the avoidance of doubt, the Plan Supplement will include the Management Incentive Plan, the New Securities and Debt Documents, the Reorganized Parent Organizational Documents, the disclosure related to officers and directors required under Article V.M, and list of contracts, if any, to be rejected under Article VI.

103. "Post-Emergence ABL Agent" means Royal Bank of Canada in its capacity as administrative agent and/or collateral agent under the Post-Emergence ABL Loan Agreement, and its successors.

104. "Post-Emergence ABL Loan Agreement" means that certain agreement providing for a secured asset based revolving loan, which shall be contained or described in the Plan Supplement.

105. "Post-Emergence Term Loan Agent" means Credit Suisse AG, acting through one or more of its branches or affiliates, in its capacity as administrative agent and/or collateral agent under the Post-Emergence Term Loan Agreement, and its successors.

106. "Post-Emergence Term Loan Agreement" means that certain agreement providing for a secured term loan in the principal amount of $350 million, which shall be contained or described in the Plan Supplement.

107. "Postpetition" means the time period beginning immediately upon the filing of the Chapter 11 Cases and ending on the Effective Date.

108. "Prepetition Agents" means collectively, the Prepetition First Lien Agent and the Prepetition Second Lien Agent.

109. "Prepetition First Lien Agent" means Bank of the West in its capacity as administrative agent and/or collateral agent under the Prepetition First Lien Credit Agreement, and its successors.

110. "Prepetition First Lien Agent Professionals" means Katten Muchin Rosenman LLP and Cousins Chipman & Brown LLP.

111. "Prepetition First Lien Credit Agreement" means that certain First Lien Credit and Guaranty Agreement (as amended, restated, supplemented or otherwise modified from time to time), dated as of July 12, 2007, by and among the Borrower, as borrower, the Prepetition Guarantors, as guarantors, the Prepetition First Lien Agent, as administrative and collateral agent, and the Prepetition First Lien Lenders party thereto.

112. "Prepetition First Lien Lender Warrants" has the meaning ascribed to "First Lien Lender Warrants" in the Prepetition First Lien Credit Agreement.

113. "Prepetition First Lien Lenders" means the banks, financial institutions and other parties identified as "Lenders" in the Prepetition First Lien Credit Agreement from time to time.

114. "Prepetition First Lien Loan Claim" means any Claim arising under the Prepetition First Lien Credit Agreement and the "Transaction Documents" as defined therein.

115. "Prepetition First Lien Loans" means "Loans" as such term is defined in the Prepetition First Lien Credit Agreement that are outstanding on the Petition Date.

116. "Prepetition Guarantors" means the Debtors other than the Parent and the Borrower.

117. "Prepetition Intercreditor Agreement" means that certain Intercreditor Agreement (as amended, restated, supplemented or otherwise modified from time to time), dated as of July 12, 2007, by and among the Borrower, Bank of the West, in its capacity as collateral agent under the Prepetition First Lien Credit Agreement and BNP Paribas, in its capacity as collateral agent under the Prepetition Second Lien Credit Agreement.

118. "Prepetition Second Lien Agent" means Wilmington Trust, National Association (as successor by merger to Wilmington Trust FSB) in its capacity as successor administrative agent and/or collateral agent to BNP Paribas, under the Prepetition Second Lien Credit Agreement and the Prepetition Intercreditor Agreement, respectively, and its successors.

119. "Prepetition Second Lien Agent Professionals" means Dechert LLP.

120. "Prepetition Second Lien Credit Agreement" means that certain Second Lien Credit and Guaranty Agreement (as amended, restated, supplemented or otherwise modified from time to time), dated as of July 12, 2007, by and among the Borrower, as borrower, the Prepetition Guarantors, as guarantors, BNP Paribas, as administrative and collateral agent, and the Prepetition Second Lien Lenders party thereto.

121. "Prepetition Second Lien Lender Warrants" has the meaning ascribed to "Second Lien Lender Warrants" in the Prepetition Second Lien Credit Agreement.

122. "Prepetition Second Lien Lenders" means the banks, financial institutions and other parties identified as "Lenders" in the Prepetition Second Lien Credit Agreement from time to time.

123. "Prepetition Second Lien Loan Claim" means any Claim arising under the Prepetition Second Lien Credit Agreement and the "Transaction Documents" as defined therein.

124. "Prepetition Second Lien Loans" means "Loans" as such term is defined in the Prepetition Second Lien Credit Agreement that are outstanding on the Petition Date.

125. "Prepetition Secured Lenders" means collectively, the Prepetition First Lien Lenders and the Prepetition Second Lien Lenders.

126. "Prepetition Secured Loan Agreements" means collectively, the Prepetition First Lien Credit Agreement and the Prepetition Second Lien Credit Agreement.

127. "Prepetition Secured Loans" means collectively, the Prepetition First Lien Loans and the Prepetition Second Lien Loans.

128. "Prepetition Secured Loan Claim" means any Prepetition First Lien Loan Claim or Prepetition Second Lien Loan Claim.

129. "Prepetition Warrants" means, collectively, the 2010 Term Loan Lender Warrants, the Fifth Amendment First Lien Lender Warrants, the Prepetition First Lien Lender Warrants, the Fifth Amendment Second Lien Lender Warrants and the Prepetition Second Lien Lender Warrants.

130. "Priority Claim" means any Claim accorded priority in right of payment under section 507(a) of the Bankruptcy Code, other than a Priority Tax Claim or an Administrative Claim.

131. "Priority Tax Claim" means any Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.

132. "Pro Rata" means the proportion that (a) the Allowed principal amount of a Claim in a particular Class (or several Classes taken as a whole) bears to (b) the aggregate Allowed principal amount of all Claims in such Class (or several Classes taken as a whole), unless this Plan provides otherwise.

133. "Professional" means: (a) any Entity employed in the Chapter 11 Cases pursuant to section 327, 328, 363 or 1103 of the Bankruptcy Code or otherwise and (b) any Entity seeking compensation or reimbursement of expenses in connection with the Chapter 11 Cases pursuant to section 503(b)(4) of the Bankruptcy Code.

134. "Professional Fee Claim" means a Claim under sections 328, 330(a), 331, 363, 503 or 1103 of the Bankruptcy Code for Accrued Professional Compensation.

135. "Professional Fee Escrow Account" means an account to be funded by the Debtors upon receipt of the proceeds of the Rights Offering, pursuant to Article II.A.1 of the Plan, in an amount equal to the Professional Fee Reserve Amount.

136. "Professional Fee Reserve Amount" means the aggregate amount of unpaid Professional Fee Claims through the Effective Date, as estimated in accordance with Article II.A.1 of the Plan.

137. "Proof of Claim" means a proof of Claim or Equity Interest Filed against any Debtor in the Chapter 11 Cases.

138. "Reinstated" means, with respect to any Claim: (a) leaving unaltered the legal, equitable, and contractual rights to which a Claim entitles the holder of such Claim in accordance with Section 1124 of the Bankruptcy Code or (b) notwithstanding any contractual provision or applicable law that entitles the holder of such Claim to demand or receive accelerated payment of such Claim after the occurrence of a default: (i) curing any such default that occurred before or after the Petition Date, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code or of a kind that section 365(b)(2) of the Bankruptcy Code expressly does not require to be cured; (ii) reinstating the maturity of such Claim as such maturity existed before such default; (iii) compensating the holder of such Claim for any damages incurred as a result of any reasonable reliance by such Holder on such contractual provision or such applicable law; (iv) if such Claim arises from any failure to perform a non-monetary obligation, other than a default arising from failure to operate a non-residential real property lease subject to section 365(b)(1)(A) of the Bankruptcy Code, compensating the Holder of such Claim (other than any Debtor or an insider of any Debtor) for any actual pecuniary loss incurred by such Holder as a result of such failure; and (v) not otherwise altering the legal, equitable, or contractual rights to which such Claim entitles the Holder of such Claim.

139. "Related Persons" means, with respect to any Person, such Person's predecessors, successors, assigns and present and former Affiliates (whether by operation of law or otherwise) and subsidiaries, and each of their respective current and former officers, directors, principals, employees, shareholders, members (including ex officio members), general partners, limited partners, agents, managers, managing members, financial advisors, attorneys, accountants, investment bankers, investment advisors, consultants, representatives, and other professionals, in each case acting in such capacity on or any time before or after the Petition Date, and any Person claiming by or through any of them.

140. "Related Party Notes" means those certain notes listed on Schedule 1 to the Sorensen Support Agreement and identified as "Related Party Notes" therein.

141. "Release Matter" means: (a) the Debtors, (b) the Debtors' restructuring, (c) the conduct of the Debtors' businesses, (d) the Chapter 11 Cases, (e) the Prepetition Secured Loans, (f) the subject matter of, or the transactions or events giving rise to, any Claim or interest that is treated in the Plan, (g) the business or contractual arrangements between any Debtor and any agent thereof, (h) the Rights Offering, (i) the Backstop Agreement, (j) the Lender RSA, (k) the Sorensen Support Agreement, (l) the DIP Facility, (m) the Disclosure Statement, (n) the Plan, (o) the solicitation of votes on the Plan and any transactions related thereto, and (p) the restructuring of Claims and interests prior to or in the Chapter 11 Cases, which Claims are based in whole or in part on any act, omission, transaction, event or other occurrence taking place before the Effective Date.

142. "Released Party" means collectively, each in its capacity as such: (a) the Debtors; (b) the Reorganized Debtors; (c) the current and former members of the Steering Committee; (d) the DIP Agent; (e) the DIP Lenders; (f) the Prepetition Secured Lenders; (g) the Backstop Investors; (h) the Prepetition Agents; (i) the Sorensen Parties; (j) the Participating Lenders and (k) the respective Related Persons of each of the foregoing Entities.

143. "Reorganized Borrower" means the Borrower, as reorganized pursuant to his Plan on or after the Effective Date.

144. "Reorganized Debtors" means: (a) Reorganized Parent and (b) each other Debtor, as reorganized pursuant to this Plan on or after the Effective Date.

145. "Reorganized Parent" means the Parent, as reorganized pursuant to this Plan on or after the Effective Date.

146. "Reorganized Parent Organizational Documents" means the certificate of incorporation and by-laws or other applicable organizational documents of the Reorganized Parent.

147. "Required Backstop Investors" means Backstop Investors representing 60% or more of the Backstop Proportions of all Backstop Investors.

148. "Restricted Stock Award Agreement" means the Restricted Stock Award Agreement, substantially in the form attached as Exhibit I hereto.

149. "Rights Offering" means that certain rights offering of Rights Offering Securities to be offered to the Eligible Participants, the terms of which are set forth in Article V.G of this Plan.

150. "Rights Offering Purchase Price" means $225.0 million in Cash for the Rights Offering Securities. When used with respect to a particular Rights Offering Purchaser, an amount of Cash equal to $175.0 million of the Rights Offering Purchase Price multiplied by such Rights Offering Purchaser's subscribed-for portion of the Rights Offering Securities. When used with respect to a particular Backstop Investor, the sum of: (a) an amount of Cash equal to $50.0 million of the Rights Offering Purchase Price multiplied by such Backstop Investor's Backstop Proportion; and (b) an amount of Cash equal to $175.0 million of the Rights Offering Purchase Price multiplied by such Backstop Investor's Backstop Proportion of all of the Rights Offering Securities that are eligible to be subscribed for by the Prepetition First Lien Lenders (that are Eligible Participants) that are not subscribed for by such Prepetition First Lien Lenders.

151. "Rights Offering Purchaser" means an Eligible Participant who timely and properly executes and delivers the Subscription Documents to the Debtors or other Entity specified in the Subscription Documents prior to the expiration of the Subscription Deadline.

152. "Rights Offering Record Date" means the date for determining which Prepetition Secured Lenders are Eligible Participants and shall be March 20, 2014.

153. "Rights Offering Securities" means the New Common Stock.

154. "SCIF" means the State Compensation Insurance Fund.

155. "SCIF Claims" means all Claims by SCIF against any of the Debtors in connection with the SCIF Settlement Agreement, which Claims shall not exceed $22,900,000.

156. "SCIF Settlement Agreement" means that certain Confidential Settlement Agreement dated as of November 3, 2012 by and between SCIF and Parent and its subsidiaries, as amended by that certain First Amendment to Confidential Settlement Agreement dated October 7, 2013.

157. "Secured Claim" means a Claim that is secured by a Lien on property in which any Debtor's Estate has an interest or that is subject to setoff under section 553 of the Bankruptcy Code, to the extent of the value of the Claim holder's interest in such Estate's interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to section 506(a) of the Bankruptcy Code or, in the case of setoff, pursuant to section 553 of the Bankruptcy Code.

158. "Secured Tax Claim" means any Secured Claim which, absent its secured status, would be entitled to priority in right of payment under section 507(a)(8) of the Bankruptcy Code.

159. "Securities Act" means the Securities Act of 1933, 15 U.S.C. §§ 77c-77aa, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder, and any similar federal, state or local law.

160. "Solicitation" means the solicitation of votes of those parties in Classes 4 and 5 to accept or reject the Plan.

161. "Sorensen Parties" means, collectively, (i) the Consenting Equity Holder, (ii) the Butler Companies, (iii) Shannon Sorensen, Stephanie Sorensen, John Sorensen, Paul Sorensen, Allyson Sorensen, the Sorensen Family Trust U/D/T July 26, 1991, as amended, SB Group Holdings, Inc., Battle Mountain Specialty Insurance, Inc., Esperer Holdings, Inc., SSST Holdings, LLC, 1640 Grove, LLC, and (iv) New Butler Holdco (as defined in the Sorensen Support Agreement".

162. "Sorensen Support Agreement" means the Sorensen Support Agreement, entered into by and among (i) the Parent (ii) the Backstop Investors and (iii) each of the Sorensen Parties, substantially in the form attached as Exhibit C hereto.

163. "SSA Motion" means a motion, in form and substance reasonably acceptable to the Required Backstop Investors, the Debtors and the Consenting Equity Holder that must be filed by the Debtors on or after the Petition Date seeking Bankruptcy Court approval of the Sorensen Support Agreement and authorizing the Debtors to assume the Sorensen Support Agreement.

164. "SSA Order" means an order of the Bankruptcy Court granting the relief requested in the SSA Motion and approving the Sorensen Support Agreement and authorizing the Debtors to assume the Sorensen Support Agreement Postpetition.

165. "Stamp or Similar Tax" means any stamp tax, recording tax, personal property tax, real estate transfer tax, sales tax, use tax, transaction privilege tax (including, without limitation, such taxes on prime contracting and owner-builder sales), privilege taxes (including, without limitation, privilege taxes on construction contracting with regard to speculative builders and owner builders), and other similar taxes imposed or assessed by any Governmental Unit.

166. "Steering Committee" means that certain committee comprised of certain Lenders under the Prepetition First Lien Credit Agreement and certain Lenders under the Prepetition Second Lien Credit Agreement, represented by the Steering Committee Professionals.

167. "Steering Committee Professionals" means, collectively: (a) Milbank, Tweed, Hadley & McCloy LLP, (b) Morris, Nichols, Arsht & Tunnell LLP, (c) Zarco Einhorn Salkowski & Brito, P.A., (d) Halloran & Sage LLP., (e) Winston & Strawn, LLP, (f) Stikeman

Elliot LLP, (g) any other attorneys or financial and diligence advisors retained by the Steering Committee as provided for in the Lender RSA and (h) any successor law firm or financial or diligence advisor to any of the foregoing entities or individuals.

168. "Stockholders Agreement" means the Stockholders Agreement, substantially in the form attached as Exhibit F hereto.

169. "Subordination and Intercreditor Agreement" means the intercreditor agreement to be entered into as of the Effective Date, by and among the Reorganized Parent, the Post-Emergence Term Loan Agent and the Post-Emergence ABL Agent.

170. "Subscription Commencement Date" means the date on which the Subscription Period commences, which shall be March 11, 2014.

171. "Subscription Deadline" means the date on which the Rights Offering shall expire as set forth in the Subscription Documents, which shall be March 27, 2014.

172. "Subscription Documents" means, collectively, that certain subscription form and subscription agreement to be distributed to Eligible Participants pursuant to which each Eligible Participant may exercise its Subscription Rights.

173. "Subscription Period" means the time period during which the Eligible Participant may subscribe to purchase the Rights Offering Securities, which period shall commence on the Subscription Commencement Date and expire on the Subscription Deadline.

174. "Subscription Right" means the right of Eligible Participant to participate in the Rights Offering, which right shall be non-Transferable and non-certificated as set forth in Article V.G of this Plan.

175. "Subsidiaries" means the Entities listed on Plan Schedule 1 other than the Parent.

176. "Transaction Expenses" means the Transaction Expenses as defined in Section 35 of the Lender RSA.

177. "Transfer" or "Transferable" means, with respect to any security or the right to receive a security or to participate in any offering of any security, including the Rights Offering: (a) the sale, transfer, pledge, hypothecation, encumbrance, assignment, constructive sale, participation in, or other disposition of such security or right or the beneficial ownership thereof, (b) the offer to make such a sale, transfer, constructive sale, or other disposition, and (c) each option, agreement, arrangement, or understanding, whether or not in writing and whether or not directly or indirectly, to effect any of the foregoing. The term "constructive sale" for purposes of this definition means (i) a short sale with respect to such security or right, (ii) entering into or acquiring an offsetting derivative contract with respect to such security or right, (iii) entering into or acquiring a futures or forward contract to deliver such security or right, or (iv) entering into any transaction that has substantially the same effect as any of the foregoing. The term "beneficially owned" or "beneficial ownership" as used in this definition shall include, with respect to any security or right, the beneficial ownership of such security or right by a Person and by any direct or indirect subsidiary of such Person.

178. "Unexpired Lease" means a lease to which any Debtor is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

179. "Unimpaired" means, with respect to a Class of Claims or Equity Interests that is not impaired within the meaning of section 1124 of the Bankruptcy Code.

180. "Voting Agent" means Kurtzman Carson Consultants LLC, and any successor.

181. "Voting Classes" means, collectively, Classes 4 and 5.

182. "Voting Deadline" means March 27, 2014 at 5:00 p.m. prevailing Pacific Time for all Holders of Claims, which is the date and time by which all Ballots must be received by the Voting Agent, or such other date and time as may be established by the Debtors with respect to any Voting Class.

183. "Voting Record Date" means the date for determining which Holders of Claims are entitled to receive the Disclosure Statement and vote to accept or reject this Plan, as applicable, which date is March 20, 2014 for all Holders of Claims.

## ARTICLE II.
## ADMINISTRATIVE, DIP FACILITY AND PRIORITY TAX CLAIMS

**A.** Administrative Claims

Subject to sub-paragraph (1) below, on the later of the Effective Date or the date on which an Administrative Claim becomes an Allowed Administrative Claim, or, in each such case, as soon as practicable thereafter, each Holder of an Allowed Administrative Claim will receive, in full satisfaction, settlement, discharge and release of, and in exchange for, such Claim either (i) payment in full in Cash for the unpaid portion of such Allowed Administrative Claim; or (ii) such other less favorable treatment as agreed to in writing by the Debtors or Reorganized Debtors, as applicable, and such Holder; provided, however, that Administrative Claims incurred by the Debtors in the ordinary course of business may be paid in the ordinary course of business in the discretion of the Debtors or Reorganized Debtors in accordance with such applicable terms and conditions relating thereto without further notice to or order of the Bankruptcy Court. All statutory fees payable under 28 U.S.C. § 1930(a) shall be paid as such fees become due.

1. Professional Compensation and Reimbursement Claims

Professional Fee Claims. Professionals or other Entities asserting a Professional Fee Claim for services rendered before the Effective Date must File and serve on the Reorganized Debtors and such other Entities who are designated by the Bankruptcy Rules, the Confirmation Order or other order of the Bankruptcy Court an application for final allowance of such Professional Fee Claim; provided that the Reorganized Debtors will pay Professionals in the ordinary course of business for any work performed after the Effective Date, including those fees and expenses incurred by Professionals in connection with the implementation and consummation of the Plan, in each case without further application or notice to or order of the Bankruptcy Court; provided, further, that any professional who may receive compensation or reimbursement of expenses pursuant to the Ordinary Course Professionals Order may continue to receive such compensation and reimbursement of expenses for services rendered before the Effective Date, without further Bankruptcy Court order, pursuant to the Ordinary Course Professionals Order. Objections to any Professional Fee Claim must be Filed and served on the Reorganized Debtors and the requesting party by the later of (a) 60 days after the Effective Date or (b) 30 days after the Filing of the applicable request for payment of the Professional Fee Claim.

Professional Fee Escrow Account. On the Effective Date, the Debtors shall establish the Professional Fee Escrow Account and fund such account with Cash equal to the Professional Fee Reserve Amount. The Professional Fee Escrow Account shall be maintained in trust for the Professionals. Each Holder of an Allowed Professional Fee Claim will be paid by the Reorganized Debtors in Cash from the Professional Fee Escrow Account within five (5) Business Days of entry of the order approving such Allowed Professional Fee Claim. If the Professional Fee Escrow Account is depleted, each Holder of an Allowed Professional Fee Claim will be paid the full amount of such Allowed Professional Fee Claim by the Reorganized Debtors in Cash within five (5) Business Days of entry of the order approving such Allowed Professional Fee Claim. All amounts remaining in the Professional Fee Escrow Account after all Allowed Professional Fee Claims have been paid in full shall revert to the Debtors and be distributed pursuant to the Plan.

Professional Fee Reserve Amount. Prior to the Effective Date, the Professionals have provided good faith estimates of their Professional Fee Claims through the Effective Date for the purpose of determining the amount held in the Professional Fee Escrow Account and have deliver such estimates to the Debtors. If a Professional has not provided such an estimate, the Debtors may, in their reasonable discretion, estimate the Professional Fee Claims of such Professional for the purpose of determining the amount held in the Professional Fee Escrow Account.

Transaction Expenses, DIP Agent Fees and Expenses, DIP Lenders' Fees and Expenses. The Transaction Expenses and the reasonable fees and expenses, including the reasonable fees and expenses of attorneys or financial advisors, incurred by the Backstop Investors, the Prepetition Agents, the DIP Agent's, the DIP Lenders' and the Steering Committee members' professionals will be paid as administrative expenses as set forth in any applicable orders entered by the Bankruptcy Court or in the ordinary course or pursuant to the Backstop Agreement or the Lender RSA, as the case may be. Nothing herein shall require any professionals, including the Prepetition First Lien Agent Professionals, the Prepetition Second Lien Agent Professionals, other parties entitled to be paid its Transaction Expenses, DIP Agent fees and expenses, DIP Lenders' fees and expenses, or Prepetition Agents' fees and expenses, to file an application with, or otherwise seek approval of, the Bankruptcy Court as a condition precedent to the payment of such fees and expenses.

**B.** DIP Facility Claims

Unless otherwise agreed to by the DIP Lenders, the Allowed DIP Facility Claims will be indefeasibly paid and satisfied in full in Cash on the Effective Date in full satisfaction, settlement, discharge and release of, and in exchange for, such DIP Facility Claims in accordance with any applicable order entered by the Bankruptcy Court. Upon indefeasible payment and satisfaction in full of all Allowed DIP Facility Claims, the DIP Facility Secured Loan Agreement as well as all related and ancillary documents thereto, and all Liens and security interests granted to secure the DIP Facility Claims, will be immediately terminated, extinguished and released, and the DIP Agent will promptly execute and deliver to the Reorganized Debtors, at the Reorganized Debtors' sole cost and expense, such instruments of termination, release, satisfaction and/or assignment (in recordable form) as may be reasonably requested by the Reorganized Debtors. Notwithstanding the above, any indemnity provisions contained in any agreement or related document in connection with the DIP Facility will survive such termination, release and satisfaction in the manner and to the extent set forth therein.

**C.** Priority Tax Claims

On or as soon as reasonably practicable after, the later of (i) the Initial Distribution Date if such Priority Tax Claim is an Allowed Priority Tax Claim as of the Effective Date or (ii) the

date on which such Priority Tax Claim becomes an Allowed Priority Tax Claim, each Holder of an Allowed Priority Tax Claim due and payable on or prior to the Effective Date will receive in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Priority Tax Claim, at the election of the Debtors or Reorganized Debtors: (a) Cash in an amount equal to the amount of such Allowed Priority Tax Claim; or (b) such other less favorable treatment as agreed to in writing by the Debtors or Reorganized Debtors, as applicable, and such Holder; provided, however, that such parties may further agree for the payment of such Allowed Priority Tax Claim at a later date. Payment of statutory fees due pursuant to 28 U.S.C. § 1930(a)(6) will be made at all appropriate times until the entry of a final decree or order converting or dismissing the Chapter 11 Cases provided, however, that the Debtors may prepay any or all such Claims at any time, without premium or penalty.

## ARTICLE III.
## CLASSIFICATION AND TREATMENT OF CLASSIFIED CLAIMS AND EQUITY INTERESTS

**A.** Summary

The Plan is a single plan of reorganization for the jointly administered Chapter 11 Cases, but does not constitute a substantive consolidation of the Debtors' Estates. The Plan, though proposed jointly, constitutes a separate plan for each of the Debtors. Therefore, except as expressly specified herein, all Claims against a particular Debtor are placed in Classes for each of the Debtors (as designated by subclasses A through V for each of the twenty two Debtors). Class 9 Claims shall not have any subclasses and Class 10 Claims shall only have subclasses A through U for each of the twenty one Subsidiaries. All Claims and Equity Interests, except Administrative Claims, DIP Facility Claims and Priority Tax Claims, are placed in the Classes set forth below. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, DIP Facility Claims and Priority Tax Claims have not been classified as described in Article III.B of the Plan.

The categories of Claims and Equity Interests listed below classify Claims and Equity Interests for all purposes, including, without limitation, voting, Confirmation and distribution pursuant to the Plan and pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code. The Plan deems a Claim or Equity Interest to be classified in a particular Class only to the extent that the Claim or Equity Interest qualifies within the description of that Class and will be deemed classified in a different Class to the extent that any remainder of such Claim or Equity Interest qualifies within the description of such different Class. A Claim or Equity Interest is in a particular Class only to the extent that any such Claim or Equity Interest is Allowed in that Class and has not been paid, released or otherwise settled prior to the Effective Date.

Summary of Classification and Treatment of Classified Claims and Equity Interests

| Class | Claim | Status | Voting Rights |
|---|---|---|---|
| 1 | Priority Claims | Unimpaired | Deemed to Accept |
| 2 | Other Secured Claims | Unimpaired | Deemed to Accept |
| 3 | Secured Tax Claims | Unimpaired | Deemed to Accept |
| 4 | Prepetition First Lien Loan Claims | Impaired | Entitled to Vote |
| 5 | Prepetition Second Lien Loan Claims | Impaired | Entitled to Vote |
| 6 | SCIF Claims | Unimpaired | Deemed to Accept |
| 7 | General Unsecured Claims | Unimpaired | Deemed to Accept |

| Class | Claim | Status | Voting Rights |
|---|---|---|---|
| 8 | Prepetition Warrants | Impaired | Deemed to Reject |
| 9 | Equity Interests in Parent | Impaired | Deemed to Reject |
| 10 | Equity Interests in Subsidiaries | Unimpaired | Deemed to Accept |

**B.** Classification and Treatment of Claims and Equity Interests

1. Class 1 – Priority Claims

- Classification: Class 1 consists of the Priority Claims.

- Treatment: The legal, equitable and contractual rights of the Holders of Class 1 Claims are unaltered by the Plan. With respect to each Class 1 Claim that becomes due and payable prior to the Effective Date, on or as soon as reasonably practicable after the later of (i) the Initial Distribution Date if such Class 1 Claim is an Allowed Class 1 Claim on the Effective Date or (ii) the date on which such Class 1 Claim becomes an Allowed Class 1 Claim, each Holder of an Allowed Class 1 Claim will receive in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 1 Claim, at the election of the Debtors or Reorganized Debtors: (A) Cash equal to the amount of such Allowed Class 1 Claim; (B) such other less favorable treatment as to which the Debtors or Reorganized Debtors and the Holder of such Allowed Class 1 Claim will have agreed upon in writing; or (C) such other treatment such that it will not be impaired pursuant to section 1124 of the Bankruptcy Code.

- Voting: Class 1 is an Unimpaired Class, and the Holders of Class 1 Claims are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Class 1 Claims will not be entitled to vote to accept or reject the Plan.

2. Class 2 – Other Secured Claims

- Classification: Each Class 2 Claim is an Other Secured Claim against the applicable Debtors. With respect to each applicable Debtors this Class will be further divided into subclasses designated by letters of the alphabet (Class 2.1, Class 2.2 and so on), so that each holder of any Other Secured Claim against such Debtor is in a Class by itself, except to the extent that there are Other Secured Claims that are substantially similar to each other and may be included within a single Class, and except for a precautionary class of otherwise unclassified Other Secured Claims.

- Treatment: The legal, equitable and contractual rights of the Holders of Class 2 Claims are unaltered by the Plan. With respect to each Class 2 Claim that becomes due and payable prior to the Effective Date, on or as soon as reasonably practicable after the later of (i) the Initial Distribution Date if such Class 2 Claim is an

Allowed Class 2 Claim on the Effective Date or (ii) the date on which such Class 2 Claim becomes an Allowed Class 2 Claim, each Holder of an Allowed Class 2 Claim will receive in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 2 Claim, at the election of the Debtors or Reorganized Debtors: (A) Cash equal to the amount of such Allowed Class 2 Claim; (B) such other less favorable treatment as to which the Debtors or Reorganized Debtors and the Holder of such Allowed Class 2 Claim will have agreed upon in writing; (C) any defaults shall be cured and shall be paid or satisfied in accordance with and pursuant to the terms of the applicable agreement between the Debtors and the Holder of the Allowed Class 2 Claim; or (D) such other treatment such that it will not be impaired pursuant to section 1124 of the Bankruptcy Code. Each Holder of an Allowed Other Secured Claim will retain the Liens securing its Allowed Other Secured Claim as of the Effective Date until full and final payment of such Allowed Other Secured Claim is made as provided herein. On the full payment or other satisfaction of such obligations, the Liens securing such Allowed Other Secured Claim will be deemed released, terminated and extinguished, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity.

- Voting: Class 2 is an Unimpaired Class, and the Holders of Class 2 Claims are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Class 2 Claims will not be entitled to vote to accept or reject the Plan.

3. Class 3 – Secured Tax Claims

- Classification: Each Class 3 Claim is a Secured Tax Claim against the applicable Debtors. With respect to each applicable Debtor, this Class will be further divided into subclasses designated by letters of the alphabet (Class 3.1, Class 3.2 and so on), so that each holder of any Secured Tax Claim against such Debtor is in a Class by itself, except to the extent that there are Secured Tax Claims that are substantially similar to each other and may be included within a single Class, and except for a precautionary class of otherwise unclassified Secured Tax Claims.

- Treatment: The legal, equitable and contractual rights of the Holders of Class 3 Claims are unaltered by the Plan. On or as soon as reasonably practicable after the later of (i) the Initial Distribution Date if such Class 3 Claim is an Allowed Class 3 Claim as of the Effective Date or (ii) the date on which such Class 3 Claim becomes an Allowed Class 3 Claim, each Holder of an Allowed Class 3 Claim will receive in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 3 Claim, at the election of the Debtors or Reorganized Debtors: (A) Cash in an amount equal to the amount of such Allowed Class 3 Claim; or (B) such other less favorable treatment as agreed to in

writing by the Debtors or Reorganized Debtors, as applicable, and such Holder; provided, however, that such parties may further agree for the payment of such Allowed Class 3 Claim at a later date; provided, further, that Class 3 Claims incurred by the Debtors in the ordinary course of business may be paid in the ordinary course of business in accordance with such applicable terms and conditions relating thereto in the discretion of the Debtors or Reorganized Debtors without further notice to or order of the Bankruptcy Court. Each Holder of an Allowed Class 3 Claim will retain the Liens securing its Allowed Class 3 Claim as of the Effective Date until full and final payment of such Allowed Class 3 Claim is made as provided herein. On the full payment or other satisfaction of such obligations, the Liens securing such Allowed Class 3 Claim will be deemed released, terminated and extinguished, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity.

- Voting: Class 3 is an Unimpaired Class, and the Holders of Class 3 Claims will be conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 3 Claims will not be entitled to vote to accept or reject the Plan.

4. Class 4 – Prepetition First Lien Loan Claims

- Classification: Class 4 consists of all Allowed Prepetition First Lien Loan Claims.

- Allowance: The Prepetition First Lien Loan Claims are deemed Allowed in an aggregate principal amount equal to $492 million, plus accrued interest and fees.

- Treatment: Treatment:

- On the Initial Distribution Date, in full and final satisfaction, settlement, release, and discharge and in exchange for all Allowed Class 4 Claims, all Allowed Class 4 Claims shall be indefeasibly satisfied through the distribution by the Reorganized Debtors to each Holder of an Allowed Class 4 Claim of:

  1) its Pro Rata share of $365 million in Cash; and

  2) a Subscription Right.

- Voting: Class 4 is Impaired, and Holders of Class 4 Claims are entitled to vote to accept or reject the Plan.

5. Class 5 – Prepetition Second Lien Loan Claims

- Classification: Class 5 consists of all Allowed Prepetition Second Lien Loan Claims.

- Allowance: The Prepetition Second Lien Loan Claims are deemed Allowed in an aggregate principal amount equal to $159 million, plus accrued interest and fees.

- Treatment: Treatment:

- On the Initial Distribution Date, in full and final satisfaction, settlement, release, and discharge and in exchange for all Allowed Class 5 Claims, all Allowed Class 5 Claims shall be indefeasibly satisfied through the distribution by the Reorganized Debtors to each Holder of an Allowed Class 5 Claim of:

  1) its Pro Rata share of $12 million in Cash; and

  2) its Pro Rata share of the New Warrants.

- Voting: Class 5 is Impaired, and Holders of Class 5 Claims are entitled to vote to accept or reject the Plan.

6. Class 6 – SCIF Claims

- Classification: Class 6 consists of the SCIF Claims.

- Allowance: On the Effective Date, the SCIF Claims will be deemed Allowed in an aggregate amount equal to all amounts outstanding under the SCIF Settlement Agreement.

- Treatment: The legal, equitable and contractual rights of the Holders of Class 6 Claims are unaltered by the Plan. On the Initial Distribution Date, the Holders of Allowed Class 6 Claims will receive in full satisfaction, settlement, discharge and release of, and in exchange for, such Allowed Class 6 Claims: (A) Cash equal to the unpaid amount under the SCIF Settlement Agreement; or (B) such other treatment as to which the Debtors or Reorganized Debtors and the Holders of Allowed Class 6 Claims will have agreed upon in writing with the consent of the Required Backstop Investors.

- Voting: Class 6 is an Unimpaired Class, and the Holders of Class 6 Claims are conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Class 1 Claims will not be entitled to vote to accept or reject the Plan.

7. Class 7 – General Unsecured Claims

- Classification: Class 7 consists of the General Unsecured Claims.

- Treatment: With respect to each Class 7 Claim that becomes due and payable prior to the Effective Date, on or as soon as reasonably practicable after the Effective Date, solely to the extent that any of the legal, equitable and contractual rights in respect of any Class 7 Claim under applicable non-bankruptcy law, each Allowed Class 7 Claim will be, at the Debtors' option: (i)

Reinstated, and paid without default interest, subject to the terms and conditions thereof, in Cash on the later to occur of the Effective Date or when such Claims become due in the ordinary course of the Debtors' business operations; or (ii) otherwise rendered not impaired pursuant to section 1124 of the Bankruptcy Code, including with respect to payment on the Effective Date or as soon as practicable thereafter, except to the extent that the Reorganized Debtors and such Holder agree to other less favorable treatment in writing.

- Related Party Notes: On the Initial Distribution Date, in full and final satisfaction, settlement and discharge of all Claims related to or arising under the Related Party Notes, the Holders of Related Party Notes shall contribute such Related Party Notes to the Company in exchange for New Common Stock as set forth in the Sorensen Support Agreement.

- Specified Related Party Claims: In full and final satisfaction, settlement and discharge of certain specified related party claims identified in Schedule 2 hereto, the Debtors and certain non-debtor parties have agreed to the treatment of such claims as set forth in Schedule 2 hereto.

- Voting: Class 7 is an Unimpaired Class, and the Holders of Class 7 Claims will be conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code, Therefore, Holders of Class 7 Claims are not entitled to vote to accept or reject the Plan.

8. Class 8 – Prepetition Warrants

- Classification: Class 8 consists of the Prepetition Warrants.

- Treatment: On the Effective Date, all Class 8 Prepetition Warrants will be deemed canceled, settled, released, and discharge and the Class 8 Prepetition Warrants will be of no further force and effect, whether surrendered for cancellation or otherwise. Holders of Class 8 Claims will not receive any distribution on account of their Prepetition Warrants.

- Voting: Class 8 is Impaired, and the Holders of Class 8 Claims are deemed to reject the Plan.

9. Class 9 - Equity Interests in Parent

- Classification: Class 9 consists of the Parent Equity Interests.

- Treatment: On the Effective Date, all Class 9 Parent Equity Interests will be deemed canceled and Class 9 Parent Equity Interests will be of no further force and effect, whether surrendered for cancellation or otherwise. Holders of Class 9 Claims will not receive any distribution on account of their Parent Equity Interests.

- Voting: Class 9 is Impaired, and the Holders of Class 9 Claims are deemed to reject the Plan.

10. Class 10 – Equity Interests in Subsidiaries

- Classification: Class 10 consists of the Equity Interests in the Subsidiaries.

- Treatment: On the Effective Date, the Reorganized Parent or the Reorganized Borrower, as applicable, will own, directly or indirectly, 100% of the Equity Interests in the Subsidiaries.

- Voting: Class 10 is an Unimpaired Class, and the Holders of Class 10 Equity Interests will be conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 10 Equity Interests are not entitled to vote to accept or reject the Plan.

**C.** Special Provision Governing Unimpaired Claims

Except as otherwise provided in the Plan, nothing under the Plan will affect the Debtors' rights in respect of any Unimpaired Claims, including, without limitation, all rights in respect of legal and equitable defenses to or setoffs or recoupments against any such Unimpaired Claims, including the right to cure any arrears or defaults that may exist with respect to contracts to be assumed under the Plan.

**D.** Discharge of Claims

Except as otherwise provided in the Plan and effective as of the Effective Date: (i) the rights afforded herein and the treatment of all Claims and Equity Interests will be in exchange for and in complete satisfaction, settlement, discharge, and release of all Claims and Equity Interests of any nature whatsoever, including any interest accrued on such Claims from and after the Petition Date, against the Debtors or any of their assets, property, or Estates; (ii) the Plan will bind all Holders of Claims and Equity Interests, notwithstanding whether any such Holders abstained from voting to accept or reject the Plan or voted to reject the Plan; (iii) all Claims and Equity Interests will be satisfied, discharged, and released in full, and the Debtors' liability with respect thereto will be extinguished completely, including any liability of the kind specified under section 502(g) of the Bankruptcy Code; and (iv) all Entities will be precluded from asserting against the Debtors, the Debtors' Estates, the Reorganized Debtors, each of their successors and assigns, and each of their assets and properties, any other Claims or Equity Interests based upon any documents, instruments or any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date.

## ARTICLE IV.
## ACCEPTANCE OR REJECTION OF THE PLAN

**A.** Presumed Acceptance of Plan

Classes 1, 2, 3, 6, 7, and 10 are Unimpaired under the Plan, and are, therefore, presumed to have accepted the Plan pursuant to section 1126 of the Bankruptcy Code.

**B.** Presumed Rejection of Plan

Classes 8 and 9 are Impaired and Holders of Class 8 and 9 Claims are deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code.

**C.** Voting Classes

Each Holder of an Allowed Claim as of the applicable Voting Record Date in each of the Voting Classes (Classes 4 and 5) will be entitled to vote to accept or reject the Plan.

**D.** Acceptance by Impaired Classes of Claims

Pursuant to section 1126(c) of the Bankruptcy Code and except as otherwise provided in section 1126(e) of the Bankruptcy Code, an Impaired Class of Claims has accepted the Plan if the Holders of at least two-thirds in dollar amount and more than one-half in number of the Allowed Claims in such Class actually voting have voted to accept the Plan.

**E.** Confirmation Pursuant to Section 1129(b) of the Bankruptcy Code

The Debtors request Confirmation of the Plan under section 1129(b) of the Bankruptcy Code with respect to any Impaired Class that does not accept the Plan pursuant to section 1126 of the Bankruptcy Code. The Debtors (subject to any consents that may be required under the Lender RSA or the Backstop Agreement) reserve the right to modify the Plan or any Exhibit thereto or Plan Schedule in order to satisfy the requirements of section 1129(b) of the Bankruptcy Code, if necessary.

## ARTICLE V.
MEANS FOR IMPLEMENTATION OF THE PLAN

**A.** General Settlement of Claims

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, distributions, releases and other benefits provided under the Plan, upon the Effective Date, the provisions of the Plan (including, without limitation, the treatment of the Consenting Equity Holder under the Plan) will constitute a good faith compromise and settlement of all Claims and Equity Interests and controversies resolved pursuant to the Plan. Without limiting the foregoing, the treatment of the Sorensen Parties as set forth in the Plan will constitute a good faith compromise and settlement of all Claims and Equity Interests among the Sorensen Parties and the Debtors pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, distributions, releases and other benefits provided under the Plan.

**B.** Corporate Existence

On or prior to the Effective Date, the Parent will be merged with and into a newly formed Delaware corporation, with the newly formed Delaware corporation surviving the merger and becoming the parent entity of the Debtor entities. Following this merger, the certificate of incorporation and by-laws of the surviving corporation will be substantially in the form of the Reorganized Parent Organizational Documents. All other Debtors will continue to exist after the Effective Date as separate legal entities, with all the powers of corporations, limited liability companies, memberships and partnerships pursuant to the applicable law in their respective jurisdictions of incorporation or organization.

**C.** Vesting of Assets in the Reorganized Debtors

Except as otherwise provided in the Plan or the Confirmation Order, on or after the Effective Date, all property and assets of the Estates (including, without limitation, Causes of Action and, unless otherwise waived or released pursuant to an order of the Bankruptcy Court or the Plan, Avoidance Actions) and any property and assets acquired by the Debtors pursuant to the Plan, will vest in the Reorganized Debtors, free and clear of all Liens, Claims, charges or other encumbrances. Except as may be otherwise provided in the Plan, on and after the Effective Date, the Reorganized Debtors may operate their businesses and may use, acquire or dispose of property and compromise or settle any Claims without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan and the Confirmation Order. Without limiting the foregoing, the Reorganized Debtors will pay the charges that they incur after the Effective Date for Professionals' fees, disbursements, expenses or related support services (including reasonable fees relating to the preparation of Professional fee applications) in the ordinary course of business and without application or notice to, or order of, the Bankruptcy Court.

**D.** Post-Emergence Term Loan Agreement, Post-Emergence ABL Loan Agreement and Sources of Cash for Plan Distribution

On the Effective Date, the applicable Reorganized Debtors will be authorized to execute and deliver the Post-Emergence Term Loan Agreement and the Post-Emergence ABL Loan Agreement, and will be authorized to execute, deliver, file, record and issue any other notes, guarantees, deeds of trust, documents (including UCC financing statements), amendments to the foregoing, or agreements in connection therewith, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity (other than expressly required by the Post-Emergence Term Loan Agreement or the Post-Emergence ABL Loan Agreement, as applicable).

Except as otherwise provided in the Plan or the Confirmation Order, all Cash necessary for the Reorganized Debtors to make payments required pursuant to the Plan will be obtained from the Reorganized Debtors' Cash balances, including Cash from operations, the Rights Offering Purchase Price, and the Post-Emergence Term Loan Agreement. Cash payments to be made pursuant to the Plan will be made by the Reorganized Debtors.

**E.** New Common Stock Issued Under the Plan

On the Effective Date, Reorganized Parent will distribute the New Common Stock pursuant to the terms set forth in the Plan, including, without limitation, pursuant to the Rights Offering, the Backstop Agreement, the DRV Purchase Agreement, the Restricted Stock Award Agreement and the Sorensen Support Agreement, in each case subject to each such recipient entering into the Stockholders Agreement.

**F.** New Warrants Issued Under the Plan

On the Effective Date, Reorganized Parent will issue the New Warrants to the Holders of Class 5 Claims, pursuant to the terms set forth herein and in the Reorganized Parent Organizational Documents.

**G.** Rights Offering and Backstop Commitment

1. Issuance of Subscription Rights.

Each Prepetition First Lien Lender (that is an Eligible Participant) will receive Subscription Rights to subscribe for its Pro Rata share of the Rights Offering Securities for an aggregate purchase price in Cash equal to $175 million. In accordance with the terms and conditions of the Backstop Agreement, each Backstop Investor (that is an Eligible Participant) has committed to subscribe for its Backstop Proportion of all of the Rights Offering Securities that are eligible to be subscribed for by the Prepetition First Lien Lenders (that are Eligible Participants) that are not subscribed for by such Prepetition First Lien Lenders. Furthermore, in accordance with the terms and conditions of the Backstop Agreement, each Backstop Investor (that is an Eligible Participant) has committed to subscribe for its Backstop Proportion of additional Rights Offering Securities for an aggregate purchase price in Cash equal to $50 million. The Rights Offering Securities will be issued to the Eligible Participants (including the Backstop Investors), for the Rights Offering Purchase Price.

2. Subscription Period.

The Rights Offering will commence on the Subscription Commencement Date and expire on the Subscription Deadline. Each Eligible Participant that wishes to participate in the Rights Offering will be required to affirmatively elect to exercise its Subscription Rights, and provide written notice thereof to the Entities specified in the Subscription Documents, on or prior to the Subscription Deadline in accordance with the terms of the Plan and the Subscription Documents. All remaining Rights Offering Securities will be allocated to the Backstop Investors on the Subscription Deadline, and will be purchased by the Backstop Investors on the Effective Date, all in accordance with the terms and conditions of the Backstop Agreement.

3. Exercise of Subscription Rights and Payment of Rights Offering Purchase Price.

On the Subscription Commencement Date, the Prepetition First Lien Agent posted on the Prepetition First Lien Lenders' website on Intralinks the Subscription Documents and the related materials listed below. Each Eligible Participant known as of the Rights Offering Record Date had access through Intralinks to the Subscription Documents, together with appropriate instructions for the proper completion, due execution, and timely delivery of the Subscription Documents, as well as instructions for the payment of the eventual Rights Offering Purchase Price for that portion of the Subscription Rights sought to be exercised by such Person. The Debtors may adopt such additional detailed procedures consistent with the provisions of the Plan as the Debtors may deem necessary to effectuate, or desirable to more efficiently administer the exercise of the Subscription Rights and ascertain payment of the Rights Offering Purchase Price, to the extent authorized by the Bankruptcy Court.

4. No Assignment; No Revocation.

Except as set forth in the Backstop Agreement, the Subscription Rights will not be assignable, and cannot be assigned by the Eligible Participants. Any impermissible assignment, or attempted assignment, will be null and void. Once an Eligible Participant has exercised any of its Subscription Rights by properly executing and delivering the Subscription Documents to the Debtors or other Entity specified in the Subscription Documents, such exercise may only be revoked, rescinded or annulled in the sole discretion of the Debtors or Reorganized Debtors or as provided for in the Backstop Agreement.

5. Distribution of Rights Offering Securities.

On the Effective Date, Reorganized Parent or another applicable Distribution Agent will distribute the Rights Offering Securities purchased by each Rights Offering Purchaser or Backstop Investor to such Rights Offering Purchaser or Backstop Investor; provided, however, that, as a condition precedent to the Rights Offering Purchaser or Backstop Investor to receive its share of Rights Offering Securities, such Rights Offering Purchaser or Backstop Investor must first execute the Stockholders Agreement.

6. Validity of Exercise of Subscription Rights.

All questions concerning the timeliness, validity, form, and eligibility of any exercise, or purported exercise, of Subscription Rights will be determined by the Debtors or Reorganized Debtors. The Debtors, in their discretion reasonably exercised in good faith, may waive any defect or irregularity, or permit a defect or irregularity to be corrected within such times as they may determine, or reject the purported exercise of any Subscription Rights. Subscription Documents will be deemed not to have been received or accepted until all irregularities have been waived or cured within such time as the Debtors determine in their discretion reasonably exercised in good faith. The Debtors will use commercially reasonable efforts to give written notice to any Eligible Participant regarding any defect or irregularity in connection with any purported exercise of Subscription Rights by such Person and may permit such defect or irregularity to be cured within such time as they may determine in good faith to be appropriate; provided, however, that neither the Debtors and Reorganized Debtors nor any of their Related Persons will incur any liability for giving, or failing to give, such notification and opportunity to cure.

7. Rights Offering Proceeds.

The proceeds of the Rights Offering will fund Cash payments required to be made under the Plan, including, without limitation, payments in respect of Allowed Claims, Chapter 11 Transaction Expenses and repayment of the DIP Facility Claims, and be used for general corporate purposes by the Debtors to the extent approved by the Bankruptcy Court, and by the Reorganized Debtors after the Effective Date.

**H.** Sorensen Party Transactions

On the Effective Date, the applicable Reorganized Debtors will be authorized to deliver the DRV Purchase Agreement and the Restricted Stock Award Agreement and will be authorized to execute and deliver any other agreements in connection therewith, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity (other than expressly required by the DRV Purchase Agreement or the Restricted Stock Award Agreement).

Concurrently with the closing of the Rights Offering, the Reorganized Parent will deliver or grant to certain of the Sorensen Parties who have timely executed the Stockholders Agreement: (a) New Common Stock of the Reorganized Parent in consideration for contributing new assets to the Reorganized Parent under the terms of the DRV Purchase Agreement, (b) New Common Stock under the terms of the Restricted Stock Award Agreement, (c) New Common Stock in connection with the conversion of certain Related Party Notes under the terms of the Sorensen Support Agreement, and (d) an option to designate and purchase additional New

Common Stock for Cash in an aggregate amount of $4 million under the terms of the Sorensen Support Agreement.

On the Effective Date, the applicable Reorganized Debtors will be authorized to deliver the Option Agreement, and will be authorized to execute and deliver any other agreements in connection therewith without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity (other than expressly required by the Option Agreement).

**I.** Management Incentive Plan

Following the Effective Date, the Reorganized Parent will adopt and implement the Management Incentive Plan, which would, subject to certain terms and conditions, provide for, the issuance of up to 9.35% of the New Common Stock for grant to key executives of the Company, of which, up to 4% may be granted to executives of the Company, other than the Consenting Equity Holder, on the Effective Date. At least 5.35% of such New Common Stock will be held for potential future grants to executives, including the Consenting Equity Holder, at the discretion of the compensation committee of the New Board.

**J.** Issuance of New Securities and Related Documentation

On the Effective Date, the Reorganized Parent will be authorized to, and will, issue and execute, as applicable, the New Securities and Debt Documents, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity. The (a) issuance, distribution and exercise of the Subscription Rights, (b) issuance and distribution of the New Common Stock in connection with the Subscription Rights, Backstop Agreement, DRV Purchase Agreement, Sorensen Support Agreement, and Restricted Stock Award Agreement, (c) issuance and distribution of the New Warrants, and (d) issuance and distribution of New Common Stock upon exercise of the New Warrants, will be made in reliance on the exemption from registration provided by section 1145(a) of the Bankruptcy Code, or section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder, and will be exempt from registration under applicable securities laws. Without limiting the effect of section 1145 of the Bankruptcy Code, or section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder, all financing documents, agreements, and instruments entered into and delivered on or as of the Effective Date contemplated by or in furtherance of the Plan, including, without limitation, the Post-Emergence Term Loan Agreement, the Post-Emergence ABL Loan Agreement, the Post-Emergence Term Loan Agreement, the DRV Purchase Agreement, the Sorensen Support Agreement, the New Common Stock and any other agreement or document related to or entered into in connection with any of the foregoing, will become, and the Backstop Agreement will remain, effective and binding in accordance with their respective terms and conditions upon the parties thereto, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity (other than as expressly required by such applicable agreement).

Upon the Effective Date, after giving effect to the transactions contemplated hereby, the authorized capital stock or other equity securities of the Reorganized Debtors will be that number of shares of New Capital Stock as may be designated in the Reorganized Parent Organizational Documents. In connection with the distribution of New Capital Stock to current or former employees of the Debtors, the Reorganized Parent may take whatever actions are necessary to comply with applicable federal, state, local and international tax withholding obligations, including withholding from distributions a portion of the New Capital Stock and selling such

securities to satisfy tax withholding obligations including, without limitation, income, social security and Medicare taxes.

**K.** Release of Liens, Claims and Equity Interests

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan, all Liens, Claims, Equity Interests, mortgages, deeds of trust, or other security interests against the property of the Estates will be fully released, terminated, extinguished and discharged, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity. Any Entity holding such Liens or interests will, pursuant to section 1142 of the Bankruptcy Code, promptly execute and deliver to the Reorganized Debtors such instruments of termination, release, satisfaction and/or assignment (in recordable form) as may be reasonably requested by the Reorganized Debtors.

**L.** Certificate of Incorporation and Bylaws

The Reorganized Parent Organizational Documents shall succeed the certificate of incorporation, by-laws and other organizational documents of the Parent to satisfy the provisions of the Plan and the Bankruptcy Code, and will (i) include, among other things, pursuant to section 1123(a)(6) of the Bankruptcy Code, a provision prohibiting the issuance of non-voting equity securities, but only to the extent required by section 1123(a)(6) of the Bankruptcy Code; (ii) authorize the issuance of New Capital Stock in an amount not less than the amount necessary to permit the distributions thereof required or contemplated by the Plan; and (iii) to the extent necessary or appropriate, include such provisions as may be needed to effectuate and consummate the Plan and the transactions contemplated herein. After the Effective Date, the Reorganized Parent may amend and restate its certificate of incorporation, by-laws, and other applicable organizational documents, as permitted by applicable law.

**M.** Directors and Officers of Reorganized Parent

The New Board will initially be comprised of the following five individuals: Alvaro Jose Aguirre, Greg Netland, Steve Giusto, Gary DiCamillo and D. Stephen Sorensen. Further details regarding these individuals is provided in Exhibit I to the Disclosure Statement.

As of the Effective Date, D. Stephen Sorensen will be the Chief Executive Officer of the Reorganized Parent, employed on the terms set forth in the employment agreement, substantially in the form attached as Exhibit H hereto. As of the Effective Date, the initial officers of the Reorganized Debtors, other than as described above will be the officers of the Debtors existing immediately prior to the Effective Date and the existing directors of the Reorganized Debtors, other than Reorganized Parent, will be the directors of such Debtors existing immediately prior to the Effective Date.

To the extent not previously disclosed, the Debtors will disclose, prior to the Confirmation Hearing, the affiliations of each Person proposed to serve on the initial board of directors or as an officer of the Reorganized Debtors, and, to the extent such Person is an insider other than by virtue of being a director or officer, the nature of any compensation for such Person. Each such director and each officer will serve from and after the Effective Date pursuant to applicable law and the terms of the Reorganized Parent Organizational Documents and the other constituent and organizational documents of the Reorganized Debtors. The existing board of directors of Parent will be deemed to have resigned on and as of the Effective Date, in each

case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity.

**N.** Corporate Action

Each of the Debtors and the Reorganized Debtors, as applicable, may take any and all actions to execute, deliver, File or record such contracts, instruments, releases and other agreements or documents and take such actions as may be necessary or appropriate to effectuate and implement the provisions of the Plan, including, without limitation, the distribution of the securities to be issued pursuant hereto in the name of and on behalf of the Reorganized Debtors and in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by the security holders, officers or directors of the Debtors or the Reorganized Debtors and as applicable or by any other Person (except for those expressly required pursuant to the Plan).

Prior to, on or after the Effective Date (as appropriate), all matters provided for pursuant to the Plan that would otherwise require approval of the stockholders, directors or members of any Debtor (as of prior to the Effective Date) will be deemed to have been so approved and will be in effect prior to, on or after the Effective Date (as appropriate) pursuant to applicable law and without any requirement of further action by the stockholders, directors, managers or partners of such Debtors, or the need for any approvals, authorizations, actions or consents of any Person.

All matters provided for in the Plan involving the legal or corporate structure of any Debtor or any Reorganized Debtors, as applicable, and any legal or corporate action required by any Debtor or any Reorganized Debtor as applicable, in connection with the Plan, will be deemed to have occurred and will be in full force and effect in all respects, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by the security holders, officers or directors of any Debtor or any Reorganized Debtors, as applicable, or by any other Person. On the Effective Date, the appropriate officers of each Debtor and each Reorganized Debtors, as applicable, are authorized to issue, execute, and deliver, and consummate the transactions contemplated by, the contracts, agreements, documents, guarantees, pledges, consents, securities, certificates, resolutions and instruments contemplated by or described in the Plan in the name of and on behalf of the Debtor and each Reorganized Debtors, as applicable, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by any Person. The secretary and any assistant secretary of each Debtor and each Reorganized Debtor, as applicable, will be authorized to certify or attest to any of the foregoing actions.

**O.** Cancellation of Notes, Certificates and Instruments

On the Effective Date and provided that the New Securities and Debt Documents have been authorized by the Bankruptcy Court, executed by the Reorganized Debtors and delivered, all notes, stock, instruments, certificates, agreements and other documents evidencing the DIP Facility Claims, the Prepetition First Lien Loan Claim, the Prepetition Second Lien Loan Claim, the Prepetition Intercreditor Agreement, the Related Party Notes, the Prepetition Warrants and the Parent Equity Interests will be canceled, and the obligations of the Debtors thereunder or in any way related thereto will be fully released, terminated, extinguished and discharged, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or any requirement of further action, vote or other approval or authorization by any Person. On the day following the date that the final distribution is made by Prepetition Agents, the Prepetition Agents will be released and discharged from any further

responsibility under the Prepetition Secured Loan Agreements; provided, however, that any and all rights of indemnification applicable to the Prepetition Agents, respectively, under the Prepetition Secured Loan Agreements and related documents shall survive and remain in full force and effect; provided further, however, until the Prepetition Agents' fees and expenses have been paid in full, the Prepetition Agents will retain their respective charging liens under the Prepetition Secured Loan Agreements with respect to any cash distributions to be made under the Plan by the Prepetition Agents.

**P.** Intercompany Claims

On the Effective Date, all net Allowed Intercompany Claims (taking into account any setoffs of Intercompany Claims) held by the Debtors between and among the Debtors or between one or more Debtors and any Affiliate of one of the Debtors that is not itself a Debtor shall, at the election of the Reorganized Debtors, be either (a) Reinstated, (b) released, waived, and discharged, (c) treated as a dividend, or (d) contributed to capital or exchanged for equity.

**Q.** Lease Amendments

On the Effective Date, the applicable Reorganized Debtors will be authorized to deliver the Lease Amendments and will be authorized to execute and deliver any other agreements in connection therewith, in each case without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any Entity (other than expressly required by the Lease Amendments).

**R.** Plan Supplement, Other Documents and Orders and Consents Required Under the Lender RSA and the Backstop Agreement

So long as the Lender RSA or the Backstop Agreement, as applicable, have not been terminated, the Plan, the Confirmation Order and all other documents to be Filed as part of the Plan Supplement and the other documents and orders referenced herein, or otherwise to be executed in connection with the transactions contemplated hereunder, shall be subject to the consents and the approval rights, as applicable, of (a) the Backstop Investors to the extent set forth in the Lender RSA and the Backstop Agreement, (b) the Participating Lenders to the extent set forth in the Lender RSA and (c) the Consenting Equity Holder to the extent set forth in the Lender RSA and the Sorensen Support Agreement. To the extent that there is any inconsistency between the Lender RSA, the Backstop Agreement, or the Sorensen Support Agreement, on the one hand, and the Plan, on the other hand, as to such consents and the approval rights and the Lender RSA, the Backstop Agreement, or the Sorensen Support Agreement, as applicable, has not been terminated, then the consents and the approval rights required in the Lender RSA, the Backstop Agreement, or the Sorensen Support Agreement, as applicable, shall govern.

## ARTICLE VI.
## TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

**A.** Assumption and Rejection of Executory Contracts and Unexpired Leases

On the Effective Date, all Executory Contracts and Unexpired Leases of the Debtors will be deemed assumed in accordance with, and subject to, the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, except for those Executory Contracts (including, without limitation, employment agreements) and Unexpired Leases that:

- have been rejected by order of the Bankruptcy Court;
- are the subject of a motion to reject pending on the Effective Date;

- are identified in the Plan Supplement with the consent of the Required Backstop Investors (in either case which list may be amended by the Debtors to add or remove Executory Contracts and Unexpired Leases by filing with the Bankruptcy Court an amended list and serving it on the affected contract parties at least ten (10) days prior to the Confirmation Hearing); or

- are rejected pursuant to the terms of the Plan.

Without amending or altering any prior order of the Bankruptcy Court approving the assumption or rejection of any Executory Contract or Unexpired Lease, entry of the Confirmation Order by the Bankruptcy Court will constitute approval of such assumptions and rejections pursuant to sections 365(a) and 1123 of the Bankruptcy Code. To the extent any provision in any Executory Contract or Unexpired Lease assumed pursuant to the Plan (including, without limitation, any "change of control" provision) restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the Reorganized Debtors' assumption of such Executory Contract or Unexpired Lease, then such provision will be deemed modified such that the transactions contemplated by the Plan will not entitle the non-debtor party thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto. Each Executory Contract and Unexpired Lease assumed pursuant to this Article of the Plan will revest in and be fully enforceable by the Reorganized Debtors in accordance with its terms, except as modified by the provisions of the Plan, any order of the Bankruptcy Court authorizing and providing for its assumption, or applicable law.

**B.** Assignment of Executory Contracts or Unexpired Leases

In the event of an assignment of an Executory Contract or Unexpired Lease, at least twenty (20) days prior to the Confirmation Hearing, the Debtors will serve upon counterparties to such Executory Contracts and Unexpired Leases, a notice of the proposed assumption and assignment, which will: (a) list the applicable cure amount, if any; (b) identify the party to which the Executory Contract or Unexpired Lease will be assigned; (c) describe the procedures for filing objections thereto; and (d) explain the process by which related disputes will be resolved by the Bankruptcy Court; additionally, the Debtors will file with the Bankruptcy Court a list of such Executory Contracts and Unexpired Leases to be assigned and the proposed cure amounts. Any applicable cure amounts will be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the cure amount in Cash on the Effective Date or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree.

Any objection by a counterparty to an Executory Contract or Unexpired Lease to a proposed assignment or any related cure amount must be filed, served and actually received by the Debtors at least five (5) days prior to the Confirmation Hearing. Any counterparty to an Executory Contract and Unexpired Lease that fails to object timely to the proposed assignment or cure amount will be deemed to have consented to such assignment of its Executory Contract or Unexpired Lease. The Confirmation Order will constitute an order of the Bankruptcy Court approving any proposed assignments of Executory Contracts or Unexpired Leases pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date.

In the event of a dispute regarding (a) the amount of any cure payment, (b) the ability of any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assigned or (c) any other matter pertaining to assignment, the applicable cure payments required by section 365(b)(1) of the Bankruptcy Code will be made following the entry of a Final Order or orders resolving the dispute and approving the assignment. If an objection to assignment or

cure amount is sustained by the Bankruptcy Court, the Reorganized Debtors in their sole option, may elect to reject such Executory Contract or Unexpired Lease in lieu of assuming and assigning it.

**C.** Rejection of Executory Contracts or Unexpired Leases

All Executory Contracts and Unexpired Leases designated for rejection in the Plan Supplement will be deemed rejected as of the Effective Date. The Confirmation Order will constitute an order of the Bankruptcy Court approving the rejections described in this Article of the Plan pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date.

**D.** Claims on Account of the Rejection of Executory Contracts or Unexpired Leases

All Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, pursuant to the Plan or the Confirmation Order, if any, must be filed with the Bankruptcy Court within thirty (30) days after the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection. The Debtor or Reorganized Debtor, as the case may be, will provide notice of such rejection and specify the appropriate deadline for the filing of such Proof of Claim.

Any Entity that is required to file a Proof of Claim arising from the rejection of an Executory Contract or an Unexpired Lease that fails to timely do so will be forever barred, estopped and enjoined from asserting such Claim, and such Claim will not be enforceable, against the Debtors, the Reorganized Debtors or the Estates, and the Debtors, the Reorganized Debtors and their Estates and property will be forever discharged from any and all indebtedness and liability with respect to such Claim unless otherwise ordered by the Bankruptcy Court or as otherwise provided in the Plan. All such Claims will, as of the Effective Date, be subject to the permanent injunction set forth in Article XII.F of the Plan. All claims arising from the rejection of any Executory Contract or Unexpired Lease shall be treated as General Unsecured Claims, subject to any applicable limitation or defense under the Bankruptcy Code and applicable law. Rejection damages claims are Class 7 Claims.

**E.** Cure of Defaults for Assumed Executory Contracts and Unexpired Leases

Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan will be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the default amount in Cash as and when due in the ordinary course or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree.

Any objection by a counterparty to an Executory Contract or Unexpired Lease to a proposed assumption must be filed, served and actually received by the Debtors at least ten (10) days prior to the Confirmation Hearing. Any counterparty to an Executory Contract and Unexpired Lease that fails to object timely to the proposed assumption will be deemed to have assented and will be deemed to have forever released and waived any objection to the proposed assumption other than with respect to any alleged cure amount, which may be asserted at any time. In the event of a dispute regarding (1) the amount of any payments to cure a default, (2) the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the contract or lease to be assumed or (3) any other matter pertaining to assumption, the cure payments required by section 365(b)(1) of the Bankruptcy Code will be made following the entry of a Final Order or orders resolving the dispute and approving the assumption. If an objection to cure is sustained by the Bankruptcy Court, the Debtors or Reorganized Debtors, as applicable, in their sole option, may elect to reject such Executory Contract or Unexpired Lease in lieu of assuming it.

**F.** Assumption of Director and Officer Insurance Policies

The Debtors, and upon the Effective Date, the Reorganized Debtors, will assume all of the D&O Liability Insurance Policies pursuant to section 365(a) of the Bankruptcy Code. Unless previously effectuated by separate order entered by the Bankruptcy Court, entry of the Confirmation Order will constitute the Bankruptcy Court's approval of the Debtors' foregoing assumption of each of the D&O Liability Insurance Policies. Notwithstanding anything to the contrary contained in the Plan, Confirmation of the Plan will not discharge, impair or otherwise modify any indemnity obligations assumed by the foregoing assumption of the D&O Liability Insurance Policies, and each such indemnity obligation will be deemed and treated as an Executory Contract that has been assumed by the Debtors under the Plan as to which no Proof of Claim need be Filed. Notwithstanding anything to the contrary contained in the Plan, Confirmation of the Plan will not impair or otherwise modify any rights of the Reorganized Debtors under the D&O Liability Insurance Policies.

**G.** Indemnification Provisions

All indemnification provisions currently in place (whether in the by-laws, certificate of incorporation, board resolutions, contracts, or otherwise) for the following: (i) Prepetition Agents; (ii) Prepetition Secured Lenders; (iii) the current and former members of the Steering Committee; (iv) the Backstop Investors; (v) the Participating Lenders; and (vi) directors, officers and employees of the Debtors who served in such capacity as of the Petition Date with respect to or based upon any act or omission taken or omitted in such capacities will be Reinstated (or assumed, as the case may be), and will survive effectiveness of the Plan. No such Reinstatement or assumption shall in any way extend the scope or term of any indemnification provision beyond that contemplated in the underlying contract or document as applicable.

**H.** Compensation and Benefit Programs

Except as otherwise provided in the Plan (including the compensation for the Consenting Equity Holder pursuant to an employment agreement as described herein, which will exclusively address the benefits for the Consenting Equity Holder), or any order of the Bankruptcy Court, all employment and severance policies, and all compensation and benefit plans, policies, and programs of the Debtors applicable to its employees, retirees, and non-employee directors and the employees and retirees of its subsidiaries, including, without limitation, all savings plans, retirement plans, healthcare plans, disability plans, severance benefit plans, incentive plans (other than equity incentive plans, which will be replaced by the Management Incentive Plan), life, and accidental death and dismemberment insurance plans, are treated as Executory Contracts under the Plan and on the Effective Date will be assumed pursuant to the provisions of sections 365 and 1123 of the Bankruptcy Code. Any payment obligations under any assumed employment contracts and benefit plans that have been or purport to have been accelerated as a result of the commencement of the Chapter 11 Cases or the consummation of any transactions contemplated by the Plan will be Reinstated and such acceleration will be rescinded and deemed not to have occurred.

The Debtors maintain what is commonly referred to as a non-qualified deferred compensation plan that defers payment of compensation of approximately 50 current or former employees of the Debtors. Such plan is administered pursuant to that certain Select Staffing Amended and Restated Deferred Compensation Plan, effective December 28, 2008 (the "Deferred Compensation Plan"), and that certain Amended and Restated Trust Under the Select Staffing Deferred Compensation Plan, dated December 18, 2008 (the "Trust"). The Deferred Compensation Plan was frozen or suspended on December 27, 2011 such that further deferrals are no longer permitted under the Deferred Compensation Plan. As of November 3, 2013, the cash surrender value of the assets in the Trust was $4,797,196.70 and the benefit liability to

Deferred Compensation Plan participants was $5,394,831.89. The Trustee of the Deferred Compensation Plan is Reliance Trust Company and the Third Party Plan Administrator is The Newport Group.

**I.** Workers' Compensation Benefits

Except as otherwise provided in the Plan, as of the Effective Date, the Debtors and the Reorganized Debtors will continue to honor their obligations under: (i) all applicable workers' compensation laws in states in which the Reorganized Debtors operate; and (ii) the Debtors' written contracts, agreements, agreements of indemnity, self-insurer workers' compensation bonds, and any other policies, programs, and plans regarding or relating to workers' compensation and workers' compensation insurance, All such contracts and agreements are treated as Executory Contracts under the Plan and on the Effective Date will be assumed pursuant to the provisions of sections 365 and 1123 of the Bankruptcy Code, Notwithstanding anything to the contrary contained in the Plan, Confirmation of the Plan will not impair or otherwise modify any rights of the Reorganized Debtors under any such contracts, agreements, policies, programs or plans regarding or relating to workers' compensation or workers' compensation insurance.

## ARTICLE VII.
## PROVISIONS GOVERNING DISTRIBUTIONS

**A.** Dates of Distributions

Except as otherwise provided in the plan, on the Effective Date or as soon as reasonably practicable thereafter (or if a Claim is not an Allowed Claim on the Effective Date, on the date that such Claim becomes an Allowed Claim, or as soon as reasonably practicable thereafter), each Holder of an Allowed Claim against the Debtors shall receive the full amount of the distributions that the Plan provides for Allowed Claims in the applicable Class and in the manner provided herein. In the event that any payment or act under the Plan is required to be made or performed on a date that is not on a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date. If and to the extent there are Disputed Claims, distributions on account of any such Disputed Claims shall be made pursuant to the provisions provided in the Plan. Except as otherwise provided in the Plan, Holders of Claims shall not be entitled to interest, dividends or accruals on the distributions provided for therein, regardless of whether distributions are delivered on or at any time after the Effective Date.

Upon the Effective Date, all debts of the Debtors shall be deemed fixed and adjusted pursuant to the Plan and the Reorganized Debtors shall have no liability on account of any Claims or Equity Interests except as set forth in the Plan and in the Confirmation Order. All payments and all distributions made by the Reorganized Debtors under the Plan shall be in full and final satisfaction, settlement and release of all Claims against the Reorganized Debtors.

**B.** Distribution Agent

Except as provided therein, all distributions under the Plan shall be made by the Reorganized Parent or the Prepetition Agents, respectively, as Distribution Agent, or by such other Entity designated by the Reorganized Parent as a Distribution Agent on the Effective Date. The Distribution Agent shall not be required to give any bond or surety or other security for the performance of the Reorganized Debtors' duties as Distribution Agent unless otherwise ordered by the Bankruptcy Court. For purposes of distributions under this Plan to the Holders of Allowed DIP Facility Claims and Allowed Prepetition Secured Loan Claims, the DIP Agent and the Prepetition Agents, respectively, will be and shall act as the Distribution Agent.

The Distribution Agent shall be empowered to (a) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan; (b) make all distributions contemplated hereby; (c) employ professionals to represent it with respect to its responsibilities; and (d) exercise such other powers as may be vested in the Distribution Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Distribution Agent to be necessary and proper to implement the provisions hereof. If the Distribution Agent is an entity other than the Reorganized Parent, such entity shall be paid its reasonable fees and expenses, including the reasonable fees and expenses of its attorneys or other professionals.

**C.** Cash Distributions

Distributions of Cash may be made either by check drawn on a domestic bank or wire transfer from a domestic bank, at the option of the Reorganized Debtors, except that Cash payments made to foreign creditors may be made in such funds and by such means as are necessary or customary in a particular foreign jurisdiction.

**D.** Rounding of Payments

Whenever payment of a fraction of a cent would otherwise be called for, the actual payment shall reflect a rounding down of such fraction to the nearest whole dollar or zero if the amount is less than one dollar. To the extent Cash, notes, warrants, shares, stock are to be distributed under the Plan remain undistributed as a result of the rounding of such fraction to the nearest whole cent, such Cash, notes, or shares shall be treated as "Unclaimed Property" under the Plan.

Whenever payment of a fraction of a dollar would otherwise be called for, the actual payment shall reflect a rounding down of such fraction to the nearest whole dollar. To the extent that any Cash or any shares of New Capital Stock to be distributed under the Plan remain undistributed as a result of the rounding of such fraction to the nearest whole cent, such Cash or shares shall be treated as "Unclaimed Property" under the Plan.

No fractional shares shall be issued or distributed under the Plan. Each Person entitled to receive shares of New Capital Stock shall receive the total number of whole shares of New Capital Stock to which such Person is entitled. Whenever any distribution to a particular Person would otherwise call for distribution of a fraction of shares of New Capital Stock, the actual distribution of shares of such stock shall be rounded to the next lower whole number.

**E.** Distributions on Account of Claims Allowed After the Effective Date

Except as otherwise agreed by the Holder of a particular Claim, or as provided in the Plan, all distributions shall be made pursuant to the terms of the Plan and the Confirmation Order. Distributions to any Holder of an Allowed Claim shall be allocated first to the principal amount of any such Allowed Claim, as determined for United States federal income tax purposes, and then, to the extent the consideration exceeds such amount, to the remainder of such Claim comprising interest, if any (but solely to the extent that interest is an allowable portion of such Allowed Claim). Whenever any payment of a fraction of a dollar would otherwise be called for, the actual distribution shall reflect a rounding of such fraction down to the nearest dollar.

**F.** General Distribution Procedures.

The Reorganized Debtors, or any other duly appointed Distribution Agent, shall make all distributions of Cash or other property required under the Plan, unless the Plan specifically

provides otherwise. All Cash and other property held by the Reorganized Debtors for distribution under the Plan shall not be subject to any claim by any Person, except as provided under the Plan.

**G.** Address for Delivery of Distributions.

Distributions to Holders of Allowed Claims, to the extent provided for under the Plan, shall be made (1) at the address set forth on any proofs of claim filed by such Holders (to the extent such proofs of claim are filed in the Chapter 11 Cases), (2) at the addresses set forth in any written notices of address change delivered to the Debtors, (3) at the addresses in the Debtors' books and records, (4) in accordance with the DIP Facility Secured Loan Agreement, (5) in accordance with the Prepetition First Lien Credit Agreement, or (6) in accordance with the Prepetition Second Lien Credit Agreement.

**H.** Undeliverable Distributions and Unclaimed Property.

If the distribution to the Holder of any Allowed Claim is returned to the Reorganized Debtors as undeliverable, no further distribution shall be made to such Holder, and the Reorganized Debtors shall have no obligation to make any further distribution to the Holder, unless and until the Reorganized Debtors is notified in writing of such Holder's then current address.

Any Entity which fails to claim any Cash within one year from the date upon which a distribution is first made to such entity shall forfeit all rights to any distribution under the Plan. Entities which fail to claim Cash shall forfeit their rights thereto and shall have no claim whatsoever against the Debtors or the Reorganized Debtors or against any Holder of an Allowed Claim to whom distributions are made by the Reorganized Debtors.

**I.** Withholding Taxes.

Pursuant to section 346(f) of the Bankruptcy Code, the Reorganized Debtors shall be entitled to deduct any federal, state or local withholding taxes from any Cash payments made with respect to Allowed Claims, as appropriate. From and as of the Effective Date, the Reorganized Debtors shall comply with all reporting obligations imposed on it by any Governmental Unit in accordance with applicable law with respect to such withholding taxes. As a condition to receiving any distribution under the Plan, the Reorganized Debtors may require that the Holder of an Allowed Claim entitled to receive a distribution pursuant to the Plan provide such Holder's taxpayer identification number and such other information and certification as may be deemed necessary for the Reorganized Debtors to comply with applicable tax reporting and withholding laws.

**J.** Setoffs.

The Reorganized Debtors may, to the extent permitted under applicable law, setoff against any Allowed Claim and any distributions to be made pursuant to the Plan on account of such Allowed Claim, the claims, rights and causes of action of any nature that the Reorganized Debtors may hold against the Holder of such Allowed Claim that are not otherwise waived, released or compromised in accordance with the Plan; provided, however, that neither such a setoff nor the allowance of any Claim hereunder shall constitute a waiver or release by the Reorganized Debtors of any such claims, rights and causes of action that the Reorganized Debtors possesses against such Holder.

**K.** Surrender of Cancelled Instruments or Securities

As a condition precedent to receiving any distribution pursuant to the Plan on account of an Allowed Claim evidenced by the instruments, securities, notes, or other documentation canceled pursuant to Article V.O of the Plan, the Holder of such Claim will tender the applicable instruments, securities, notes or other documentation evidencing such Claim (or a sworn affidavit identifying the instruments, securities, notes or other documentation formerly held by such Holder and certifying that they have been lost), to Reorganized Parent or another applicable Distribution Agent unless waived in writing by the Debtors or the Reorganized Debtors, as applicable.

**L.** Lost, Stolen, Mutilated or Destroyed Securities

In addition to any requirements under any applicable agreement and applicable law, any Holder of a Claim or Equity Interest evidenced by a security or note that has been lost, stolen, mutilated, or destroyed will, in lieu of surrendering such security or note to the extent required by the Plan, deliver to Reorganized Parent and other applicable Distribution Agents: (x) evidence reasonably satisfactory to Reorganized Parent and other applicable Distribution Agents of such loss, theft, mutilation, or destruction; and (y) such security or indemnity as may be required by Reorganized Parent and other applicable Distribution Agents to hold such party harmless from any damages, liabilities, or costs incurred in treating such individual as a Holder of an Allowed Claim or Allowed Equity Interest. Upon compliance with Article VII.K of the Plan as determined by the Debtors or Reorganized Debtors by a Holder of a Claim or Equity Interest evidenced by a security or note, such Holder will, for all purposes under the Plan, be deemed to have surrendered such security or note to Reorganized Parent and other applicable Distribution Agents.

## ARTICLE VIII.
## PROCEDURES FOR RESOLVING CONTINGENT, UNLIQUIDATED AND DISPUTED CLAIMS

**A.** Disputed Claims

In the event a Claim is not an Allowed Claim as of the Effective Date, the Holder of such Claim or the Reorganized Debtors may commence an action or proceeding to determine the amount and validity of such Claim in (a) any venue in which such Claim could have been determined, resolved or adjudicated if the Chapter 11 Cases had not been commenced, or (b) the Bankruptcy Court; provided, that the parties may agree that any dispute will be determined, resolved or adjudicated in the appropriate non-bankruptcy forum and not before the Bankruptcy Court.

**B.** Procedures Regarding Disputed Claims

No payment or other distribution or treatment shall be made on account of a Disputed Claim, even if a portion of the Claim is not disputed, unless and until such Disputed Claim becomes an Allowed Claim and the amount of such Allowed Claim is determined by a Final Order or by stipulation between the Debtors and the Holder of the Claim. No distribution or other payment or treatment shall be made on account of a Disallowed Claim at any time.

The Debtors (prior to the Effective Date) or the Reorganized Debtors (after the Effective Date) may, at any time, and from time to time, request that the Bankruptcy Court estimate any Disputed Claim pursuant to section 502(c) of the Bankruptcy Code regardless of whether an objection was previously filed with the Bankruptcy Court with respect to such Claim, or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain

jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including during the pendency of any appeal relating to such objection. Any Final Order of the Bankruptcy Court that estimates a Disputed Claim pursuant to the Plan shall irrevocably constitute and be a conclusive and final determination of the maximum allowable amount of Claim, should it become an Allowed Claim. Accordingly, the Holder of a Disputed Claim that is estimated by the Bankruptcy Court pursuant to the Plan will not be entitled to any subsequent reconsideration or upward adjustment of the maximum allowable amount of such Claim as a result of any subsequent adjudication or actual determination of the allowed amount of such Disputed Claim or otherwise, and the Holder of such Claim shall not have recourse to the Debtors or the Reorganized Debtors in the event the allowed amount of the Claim of such Holder is at any time later determined to exceed the estimated maximum allowable amount.

**C.** Allowance of Claims

Following the date on which a Disputed Claim becomes an Allowed Claim after the Initial Distribution Date, the Reorganized Debtors shall pay directly to the Holder of such Allowed Claim the amount provided for under the Plan, as applicable, and in accordance therewith.

1. Allowance of Claims

Notwithstanding anything to the contrary herein, after the Effective Date and subject to the other provisions of the Plan, the Reorganized Debtors will have and will retain any and all rights and defenses that the Debtors had with respect to any Claim or Equity Interest, except with respect to any Claim or Equity Interest deemed Allowed under the Plan or by orders of the Bankruptcy Court. Except as expressly provided in the Plan or in any order entered in the Chapter 11 Cases prior to the Effective Date (including, without limitation, the Confirmation Order and the DIP Orders), no Claim or Equity Interest will become an Allowed Claim unless and until such Claim or Equity Interest is deemed Allowed under the Plan or the Bankruptcy Code or the Bankruptcy Court has entered a Final Order, including, without limitation, the Confirmation Order, in the Chapter 11 Cases allowing such Claim or Equity Interest.

2. Prosecution of Objections to Claims and Equity Interests

After the Confirmation Date but before the Effective Date, the Debtors, and after the Effective Date, the Reorganized Debtors, will have the exclusive authority to File objections to Claims and settle, compromise, withdraw or litigate to judgment objections to any and all Claims, regardless of whether such Claims or Equity Interests are in an Unimpaired Class or otherwise; provided, however, this provision will not apply to Professional Fee Claims, the Transaction Expenses, or the DIP Facility Claim. From and after the Effective Date, the Reorganized Debtors may settle or compromise any Disputed Claim or Equity Interest without any further notice to or action, order or approval of the Bankruptcy Court. The Reorganized Debtors will have the sole authority to administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order or approval of the Bankruptcy Court.

3. Estimation

After the Confirmation Date but before the Effective Date, the Debtors, and after the Effective Date, the Reorganized Debtors may, at any time, request that the Bankruptcy Court estimate (a) any Disputed Claim or Equity Interest pursuant to applicable law and (b) any contingent or unliquidated Claim or Equity Interest pursuant to applicable law, including, without limitation, section 502(c) of the Bankruptcy Code, and the Bankruptcy Court will retain jurisdiction under 28 U.S.C. §§ 157 and 1334 to estimate any Disputed Claim or Equity Interest,

contingent Claim or Equity Interest or unliquidated Claim or Equity Interest, including during the litigation concerning any objection to any Claim or Equity Interest or during the pendency of any appeal relating to any such objection. All of the aforementioned Claim or Equity Interests and objection, estimation and resolution procedures are cumulative and not exclusive of one another, Claim or Equity Interests may be estimated and subsequently compromised, settled, withdrawn or resolved by any mechanism approved by the Bankruptcy Court. The rights and objections of all parties are reserved in connection with any such estimation proceeding.

## ARTICLE IX.
## CONDITIONS PRECEDENT TO CONFIRMATION AND CONSUMMATION OF THE PLAN

**A.** Conditions Precedent to Confirmation

Confirmation of the Plan will be conditioned upon the satisfaction or waiver pursuant to the provisions of Article IX.C of the Plan of the following:

- The Plan and all schedules, documents, supplements and exhibits to the Plan will have been filed in form and substance acceptable to the Debtors, the Required Backstop Investors and the Consenting Equity Holder and consistent with the terms of the Lender RSA and Backstop Agreement.

- None of the Plan, the Disclosure Statement or any other Plan-related documents, notices, exhibits, appendices of the Debtors, or orders of the Bankruptcy Court (including, without limitation, documents included in the Plan Supplement), shall have been amended or modified, or shall have become the subject of a motion seeking to amend or modify same, if such amendment, modification or filing is materially inconsistent with the Lender RSA or the Backstop Agreement in a manner that is not acceptable to the Required Backstop Investors and the Majority Participating Lenders, in their sole discretion.

- The Lender RSA Order shall have been entered by the 45th day after the Petition Date (or, if such day is not a Court Date (as defined in the Lender RSA), the next succeeding Court Date), (ii) the Confirmation Hearing shall have concluded by the 90th day after the Petition Date (or, if such day is not a Court Date, the next succeeding Court Date) and (iii) the Confirmation Order shall have been entered by the Bankruptcy Court by the earlier of the 92nd day after the Petition Date (or, if such day is not a Court Date, the next succeeding Court Date) and June 30, 2014.

- The entry of an order by the Bankruptcy Court approving the Disclosure Statement and other Solicitation materials shall have occurred by the 60th day after the Petition Date (or, if such day is not a Court Date, the next succeeding Court Date), (ii) the Confirmation Hearing shall have concluded by the 100th day after the Petition Date (or if such day is not a Court Date, the next succeeding Court Date) and (iii) the Confirmation Order shall have been entered by the Bankruptcy Court by the 102nd day after the Petition Date (or if such day is not a Court Date, the next succeeding Court Date).

- The Confirmation Order, as entered, is in form and in substance reasonably satisfactory to the Debtors, the Required Backstop Investors and the Consenting Equity Holder and consistent with the terms of the Lender RSA and the Backstop Agreement.

- The Debtors shall have filed the Lender RSA Motion, the Backstop Agreement Assumption Motion and the SSA Motion by the third Court Date after the Petition Date.

- Each of the Lender RSA Order, the SSA Order and the Backstop Agreement Assumption Order shall have been entered by the Bankruptcy Court by the 45th day after the Petition Date (or, if such day is not a Court Date, the next succeeding Court Date) and shall be in form and in substance reasonably satisfactory to the Debtors, the Required Backstop Investors and the Consenting Equity Holder and consistent with the terms of the Lender RSA and the Backstop Agreement.

- The Debtors shall have filed the DIP Facility Motion on or before the first Court Date after the Petition Date.

- Each of the DIP Orders shall be in form and substance acceptable to the Required Backstop Investors. The Interim DIP Order shall have been entered on by the 7th day after the Petition Date and the Final DIP Order shall have been entered by the 45th day after the Petition Date.

- No Debtor shall have breached any of its representations, warranties, covenants and agreements under the Lender RSA or the Backstop Agreement in any material respect.

- The Lender RSA shall not have been terminated by the Required Backstop Investors, the Debtors or the Consenting Equity Holder.

- The Sorensen Support Agreement shall not have been terminated.

- No Event of Default (as defined in the DIP Facility Secured Loan Agreement) under the DIP Facility shall have occurred.

- Neither of the DIP Orders shall have been vacated by any court of competent jurisdiction.

- No material term or condition of the DIP Facility or either DIP Order shall have been modified, amended, or supplemented in a manner that is materially adverse to the Backstop Investors without the prior consent of the Required Backstop Investors,

- Each of the Reorganized Parent Organizational Documents and the organizational documents of each of the other Debtors are in form and substance satisfactory to the Required Backstop Investors.

- There has been no material breach by any of the Debtors or by the Consenting Equity Holder of any of their respective obligations under the Lender RSA, or any other agreement governing the

restructuring contemplated therein, or, if any such breach has occurred and is curable, such breach has been cured by 10 days after receipt of written notice and opportunity to cure from the Majority Participating Lenders or the Required Backstop Investors.

- No court of competent jurisdiction or other competent governmental or regulatory authority shall have issued an order making illegal or otherwise restricting, preventing, or prohibiting the restructuring transactions contemplated in the Lender RSA or this Plan, in a manner that cannot be reasonably remedied by the Debtors or the Backstop Investors.

- None of the Debtors or the Consenting Equity Holder has filed any motion in the Chapter 11 Cases under section 363, 364, or 365 of the Bankruptcy Code that is materially inconsistent with the terms and conditions of the Lender RSA in a manner that is not reasonably acceptable to the Required Backstop Investors and the Majority Participating Lenders.

- The Backstop Agreement has not terminated or been terminated and remains in full force and effect.

- No order has been entered by the Bankruptcy Court invalidating or disallowing any Prepetition First Lien Lender Claim or any Prepetition Second Lien Lender Claim of any Backstop Investor or any documents governing or giving rise to such Claim.

- No governmental authority, including any regulatory authority or court of competent jurisdiction, shall have issued of any ruling or order enjoining the consummation of a material portion of the Plan.

- No event, development, condition or state of affairs will exist or have occurred which resulted, or would reasonably be expected to result in, a material adverse effect on (i) the business, properties, financial condition or results of operations of the Companies, taken as a whole, or (ii) the ability of the Debtors to implement the restructuring of the Companies in accordance with the Lender RSA (together, a "Material Adverse Effect"); provided, however, that the voluntary filing or announcement of the voluntary Chapter 11 Cases made pursuant to the Lender RSA shall not constitute a Material Adverse Effect, or be taken into account in determining whether any Material Adverse Effect has occurred.

- Each other Backstop Investor shall have fulfilled its obligations under Section 2 of the Backstop Agreement; provided, however, that such condition shall be deemed to be satisfied and each non-defaulting Backstop Investor shall be obligated to fund its share of such defaulting Backstop Party's Purchase Commitment (as defined in the Backstop Agreement) and Backstop Commitment (as defined in the Backstop Agreement), each to the extent provided in Section 5(c) of the Backstop Agreement, if (x) the aggregate amount to be funded by the non-defaulting Backstop Investors pursuant to Section 2 of the Backstop Agreement and

after giving effect to the funding contemplated by this proviso is less than or equal to (y) the amount that would have been required to be funded by the non-defaulting Backstop Investors pursuant to Section 2 of the Backstop Agreement assuming no other persons participated in the Rights Offering and the defaulting Backstop Investors performed their respective obligations under Section 2 of the Backstop Agreement.

- The representations and warranties of the Debtors contained in the Backstop Agreement shall be true and correct in all material respects at and as of the Confirmation Date as if made at and as of such time (other than those representations and warranties that address matters only as of a particular date or only with respect to a specific period of time, which need only be true and correct as of such date or with respect to such period), and the Debtors shall have performed or complied in all material respects with all agreements and covenants required by the Backstop Agreement to be performed or complied with by them prior to or at and as of the Confirmation Date.

- Each of the Plan and all documents related to the Plan that are to be approved by the Bankruptcy Court are be in form and substance reasonably acceptable to the Required Backstop Investors.

- One of the Debtors or a non-Debtor subsidiary of a Reorganized Debtor shall have entered into an employment agreement with each of Barry Ahearn and Dean Foley, in each case, in form and substance reasonably acceptable to the Required Backstop Investors.

- No taxing authority having appropriate jurisdiction over the Company shall have reasonably and in good faith asserted a claim for the payment of taxes by the Company relating to periods on or prior to the consummation of the restructuring that exceeds, in the aggregate, the amount of tax liabilities of the Company reasonably expected by the Backstop Investors to exist as of the date of consummation of the restructuring.

- The Required Backstop Investors shall be reasonably satisfied with the proposed allocation of shares of common stock to be issued on or promptly following the Effective Date under the MIP (as defined in the Lender RSA).

- The Subscription Documents shall be in form and substance reasonably acceptable to the Required Backstop Investors.

- Each of the Debtors and the Consenting Equity Holder and the other Sorensen Parties have performed all obligations required of them under the Lender RSA, the Backstop Agreement and the Sorensen Support Agreement.

**B.** Conditions Precedent to Consummation

Consummation of the Plan will be conditioned upon the satisfaction or waiver pursuant to the provisions of Article IX.C of the Plan of the following:

- Immediately prior to the effectiveness of the Plan pursuant to Article IX, each of the conditions precedent to confirmation of the Plan either remain satisfied or have been waived pursuant to the provisions of Article IX.C of the Plan.

- The Confirmation Order shall have been entered and either (a) become a Final Order or (b) the 14-day stay contemplated by Bankruptcy Rule 3020(e) in respect thereof shall have been terminated unless waived by the Debtors, and (c) the Confirmation Order shall otherwise be in a form and in substance reasonably satisfactory to the Debtors, the Required Backstop Investors and the Consenting Equity Holder and consistent with the terms of the Lender RSA and Backstop Agreement, and no stay of the Confirmation Order will have been entered and be in effect. The Confirmation Order will provide that, among other things, the Debtors or the Reorganized Debtors, as appropriate, are authorized to take all actions necessary or appropriate to consummate the Plan, including, without limitation, entering into, implementing and consummating the contracts, instruments, releases and other agreements or documents created in connection with or described in the Plan.

- The Bankruptcy Court will have entered one or more Final Orders (which may include the Confirmation Order) authorizing the assumption and rejection of Executory Contracts and Unexpired Leases by the Debtors as contemplated in the Plan and the Plan Supplement.

- The representations and warranties of the Debtors contained in the Backstop Agreement shall be true and correct in all material respects at and as of the Effective Date as if made at and as of such time (other than those representations and warranties that address matters only as of a particular date or only with respect to a specific period of time, which need only be true and correct as of such date or with respect to such period), and the Debtors shall have performed or complied in all material respects with all agreements and covenants required by the Backstop Agreement to be performed or complied with by them prior to or at and as of the Effective Date.

- All documents and agreements and all schedules, exhibits, and ancillary agreements thereto necessary to implement the Plan, including, without limitation, the Post-Emergence Term Loan Agreement, the Post-Emergence ABL Loan Agreement and the Subordination and Intercreditor Agreement will have been (a) approved by the Required Backstop Investors, (b) tendered for delivery, and (c) effected by, executed by, or otherwise deemed binding upon, all Entities party thereto. All conditions precedent

to such documents and agreements will have been satisfied or waived pursuant to the terms of such documents or agreements.

- All material consents, actions, documents, certificates and agreements necessary to implement the Plan will have been effected or executed and delivered to the required parties and, to the extent required, Filed with the applicable governmental units in accordance with applicable laws.

- The Debtors will have received the Rights Offering Purchase Price, in Cash, net of any fees or expenses authorized by order of the Bankruptcy Court to be paid from the Rights Offering Purchase Price.

- The Debtors will have received (i) the stock to be purchased under the DRV Purchase Agreement, (ii)any and all consents necessary to consummate the transactions set forth in the DRV Purchase Agreement, (iii) the Transferred Agreement (as defined in the DRV Purchase Agreement), and (iv) the Option Agreement.

- All Transaction Expenses have been paid in full.

- The Confirmation Date will have timely occurred.

- The Effective Date will have occurred within 17 days after the entry of the Confirmation Order.

**C.** Waiver of Conditions

The conditions to Confirmation of the Plan and to Consummation of the Plan set forth in this Article IX may be waived by the Debtors without notice, leave or order of the Bankruptcy Court or any formal action other than proceeding to confirm or consummate the Plan subject to any consents that may be required under the Lender RSA or the Backstop Agreement to the extent that such agreements have not been terminated. To the extent that a condition to Consummation of the Plan requires the consent of the Required Backstop Investors, or the Majority Participating Lenders, respectively, such conditions may only be waived by the Debtors with the consent of the Required Backstop Investors or the Majority Participating Lenders, as the case may be. The failure to satisfy or waive a condition to Consummation may be asserted by the Debtors or the Reorganized Debtors regardless of the circumstances giving rise to the failure of such condition to be satisfied. The failure of the Debtors or Reorganized Debtors to exercise any of the foregoing rights will not be deemed a waiver of any other rights, and each right will be deemed an ongoing right that may be asserted at any time.

**D.** Effect of Non Occurrence of Conditions to Consummation

If the Consummation of the Plan does not occur, the Plan will be null and void in all respects and nothing contained in the Plan or the Disclosure Statement will: (a) constitute a waiver or release of any claims by or Claims against or Equity Interests in the Debtors; (b) prejudice in any manner the rights of the Debtors, any Holders or any other Entity; (c) constitute an allowance of any Claim or Equity Interest; or (d) constitute an admission, acknowledgment, offer or undertaking by the Debtors, any Holders or any other Entity in any respect.

## ARTICLE X.
DEBTORS' RELEASES

Notwithstanding anything to the contrary in the Plan, the failure of the Bankruptcy Court to approve any or all of the provisions set forth in Article XI of the Plan shall not constitute a failure of any condition to either Confirmation or the effectiveness of the Plan, but without prejudice to the respective parties' rights under the Lender RSA or the Backstop Agreement.

## ARTICLE XI.
RELEASE, INJUNCTION AND RELATED PROVISIONS

**A.** General

Notwithstanding anything contained in the Plan to the contrary, the allowance, classification and treatment of all Allowed Claims and Equity Interests and their respective distributions and treatments under the Plan, takes into account the relative priority and rights of the Claims and the Equity Interests in each Class in connection with any contractual, legal and equitable subordination rights relating thereto whether arising under general principles of equitable subordination, section 510 of the Bankruptcy Code or otherwise. As of the Effective Date, any and all contractual, legal and equitable subordination rights, whether arising under general principles of equitable subordination, section 510 of the Bankruptcy Code or otherwise, relating to the allowance, classification and treatment of all Allowed Claims and their respective distributions and treatments under the Plan will be settled, compromised, terminated and released pursuant to the Plan; provided, however, that nothing contained in the Plan will preclude any Person or Entity from exercising their rights pursuant to and consistent with the terms of the Plan and the contracts, instruments, releases and other agreements or documents delivered under or in connection with the Plan.

In accordance with the provisions of the Plan and pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019, without any further notice to or action, order or approval of the Bankruptcy Court, after the Effective Date (1) the Reorganized Debtors may, in their sole and absolute discretion, compromise and settle Claims against them and (2) the Reorganized Debtors may, in their sole and absolute discretion, compromise and settle Causes of Action against other Entities.

**B.** Release

EFFECTIVE AS OF THE EFFECTIVE DATE, FOR GOOD AND VALUABLE CONSIDERATION PROVIDED BY EACH OF THE RELEASED PARTIES, THE ADEQUACY OF WHICH IS HEREBY ACKNOWLEDGED AND CONFIRMED, THE DEBTORS AND REORGANIZED DEBTORS, IN THEIR INDIVIDUAL CAPACITIES AND AS DEBTORS IN POSSESSION (COLLECTIVELY, THE "DEBTOR RELEASING PARTIES") WILL BE DEEMED TO HAVE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY, AND FOREVER PROVIDED A FULL DISCHARGE, WAIVER AND RELEASE TO THE RELEASED PARTIES (AND EACH SUCH RELEASED PARTY SO RELEASED SHALL BE DEEMED FOREVER RELEASED, WAIVED AND DISCHARGED BY THE DEBTOR RELEASING PARTIES) AND THEIR RESPECTIVE PROPERTIES FROM ANY AND ALL CLAIMS, CAUSES OF ACTION, LITIGATION CLAIMS AND ANY OTHER DEBTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, ACTIONS, REMEDIES, AND LIABILITIES WHATSOEVER, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING AS OF THE EFFECTIVE DATE OR THEREAFTER ARISING, IN LAW, AT EQUITY, WHETHER FOR TORT, CONTRACT, OR OTHERWISE, BASED IN WHOLE OR IN PART UPON ANY ACT OR OMISSION, TRANSACTION, OR OTHER OCCURRENCE OR CIRCUMSTANCES

EXISTING OR TAKING PLACE PRIOR TO OR ON THE EFFECTIVE DATE ARISING FROM OR RELATED IN ANY WAY IN WHOLE OR IN PART TO THE DEBTORS, THE CHAPTER 11 CASES, INCLUDING, WITHOUT LIMITATION, THE PREPETITION SECURED LOANS, THE BACKSTOP AGREEMENT, THE LENDER RSA, THE RIGHTS OFFERING, THE SORENSEN SUPPORT AGREEMENT, THE DIP FACILITY, THE DISCLOSURE STATEMENT, THE PLAN OR THE SOLICITATION OF VOTES ON THE PLAN THAT SUCH DEBTOR RELEASING PARTY WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR THAT ANY HOLDER OF A CLAIM OR EQUITY INTEREST OR OTHER ENTITY WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT FOR OR ON BEHALF OF THE DEBTORS, THEIR ESTATES OR THE REORGANIZED DEBTORS (WHETHER DIRECTLY OR DERIVATIVELY) AGAINST ANY OF THE RELEASED PARTIES; PROVIDED, HOWEVER, THAT THE FOREGOING PROVISIONS OF THIS RELEASE SHALL NOT OPERATE TO WAIVE OR RELEASE (I) ANY CAUSES OF ACTION EXPRESSLY SET FORTH IN AND PRESERVED BY THE PLAN OR THE PLAN SUPPLEMENT; (II) ANY CAUSES OF ACTION ARISING FROM FRAUD, GROSS NEGLIGENCE, OR WILLFUL MISCONDUCT AS DETERMINED BY FINAL ORDER OF THE BANKRUPTCY COURT OR ANY OTHER COURT OF COMPETENT JURISDICTION; AND/OR (III) THE RIGHTS OF SUCH DEBTOR RELEASING PARTY TO ENFORCE THE PLAN AND THE CONTRACTS, INSTRUMENTS, RELEASES AND OTHER AGREEMENTS OR DOCUMENTS DELIVERED UNDER OR IN CONNECTION WITH THE PLAN OR ASSUMED PURSUANT TO THE PLAN OR ASSUMED PURSUANT TO FINAL ORDER OF THE BANKRUPTCY COURT. THE FOREGOING RELEASE SHALL BE EFFECTIVE AS OF THE EFFECTIVE DATE WITHOUT FURTHER NOTICE TO OR ORDER OF THE BANKRUPTCY COURT, ACT OR ACTION UNDER APPLICABLE LAW, REGULATION, ORDER, OR RULE OR THE VOTE, CONSENT, AUTHORIZATION OR APPROVAL OF ANY PERSON AND THE CONFIRMATION ORDER WILL PERMANENTLY ENJOIN THE COMMENCEMENT OR PROSECUTION BY ANY PERSON OR ENTITY, WHETHER DIRECTLY, DERIVATIVELY OR OTHERWISE, OF ANY CLAIMS, OBLIGATIONS, SUITS, JUDGMENTS, DAMAGES, DEMANDS, DEBTS, RIGHTS, CAUSES OF ACTION, OR LIABILITIES RELEASED PURSUANT TO THIS RELEASE. NOTWITHSTANDING THE FOREGOING, THE DEBTORS ARE NOT RELEASING THE DEBTORS (BUT THEY ARE RELEASING THE RELATED PERSONS TO THE DEBTORS PURSUANT TO THIS PARAGRAPH.

## ARTICLE XII.
THIRD PARTY RELEASE

**A.** Creditors Release

AS OF AND SUBJECT TO THE OCCURRENCE OF THE EFFECTIVE DATE, EACH CREDITOR RELEASING PARTY, FOR ITSELF AND ITS RESPECTIVE RELATED PERSONS, IN EACH CASE IN THEIR CAPACITY AS SUCH RELATED PERSON, SHALL BE DEEMED TO HAVE RELEASED (I) EACH OTHER CREDITOR RELEASING PARTY AND (II) THE SORENSEN PARTIES AND EACH NON-DEBTOR AFFILIATE OF ANY SORENSEN PARTY FROM ANY AND ALL DIRECT CLAIMS AND CAUSES OF ACTION HELD BY SUCH CREDITOR RELEASING PARTY WHATSOEVER, OR IN ANY MANNER ARISING FROM OR RELATED TO, IN WHOLE OR IN PART, THE RELEASE MATTERS; PROVIDED, HOWEVER, THAT THE FOREGOING PROVISIONS OF THIS RELEASE SHALL NOT OPERATE TO WAIVE OR RELEASE (i) ANY CAUSES OF ACTION EXPRESSLY SET FORTH IN AND PRESERVED BY THE PLAN OR THE PLAN SUPPLEMENT AND/OR (ii) THE RIGHTS OF SUCH CREDITOR RELEASING PARTY TO ENFORCE THE PLAN AND THE CONTRACTS, INSTRUMENTS, RELEASES AND OTHER AGREEMENTS OR DOCUMENTS DELIVERED UNDER OR IN CONNECTION

WITH THE PLAN OR ASSUMED PURSUANT TO THE PLAN OR ASSUMED PURSUANT TO FINAL ORDER OF THE BANKRUPTCY COURT.

THE FOREGOING RELEASE SHALL BE EFFECTIVE AS OF THE EFFECTIVE DATE WITHOUT FURTHER NOTICE TO OR ORDER OF THE BANKRUPTCY COURT, ACT OR ACTION UNDER APPLICABLE LAW, REGULATION, ORDER, OR RULE OR THE VOTE, CONSENT, AUTHORIZATION OR APPROVAL OF ANY PERSON AND THE CONFIRMATION ORDER WILL PERMANENTLY ENJOIN THE COMMENCEMENT OR PROSECUTION BY ANY PERSON OR ENTITY, WHETHER DIRECTLY, DERIVATIVELY OR OTHERWISE, OF ANY CLAIMS, OBLIGATIONS, SUITS, JUDGMENTS, DAMAGES, DEMANDS, DEBTS, RIGHTS, CAUSES OF ACTION, OR LIABILITIES RELEASED PURSUANT TO THIS RELEASE.

**B.** Sorensen Parties and Affiliates Release

AS OF AND SUBJECT TO THE OCCURRENCE OF THE EFFECTIVE DATE, EACH OF THE SORENSEN PARTIES AND EACH OF THEIR NON-DEBTOR AFFILIATES SHALL BE DEEMED TO HAVE RELEASED EACH OF THE CREDITOR RELEASING PARTIES AND THEIR RESPECTIVE RELATED PERSONS, EACH IN ITS CAPACITY AS SUCH RELATED PERSON, FROM ANY AND ALL DIRECT CLAIMS AND CAUSES OF ACTION HELD BY SUCH SORENSEN PARTY OR ANY NON-DEBTOR AFFILIATE OF SUCH SORENSEN PARTY WHATSOEVER, OR IN ANY MANNER ARISING FROM OR RELATED TO, IN WHOLE OR IN PART, THE RELEASE MATTERS; PROVIDED, HOWEVER, THAT THE FOREGOING PROVISIONS OF THIS RELEASE SHALL NOT OPERATE TO WAIVE OR RELEASE (i) ANY CAUSES OF ACTION EXPRESSLY SET FORTH IN AND PRESERVED BY THE PLAN OR THE PLAN SUPPLEMENT AND/OR (ii) THE RIGHTS OF SUCH SORENSEN PARTY OR ANY NON-DEBTOR AFFILIATE OF SUCH SORENSEN PARTY TO ENFORCE THE PLAN AND THE CONTRACTS, INSTRUMENTS, RELEASES AND OTHER AGREEMENTS OR DOCUMENTS DELIVERED UNDER OR IN CONNECTION WITH THE PLAN OR ASSUMED PURSUANT TO THE PLAN OR ASSUMED PURSUANT TO FINAL ORDER OF THE BANKRUPTCY COURT.

THE FOREGOING RELEASES SHALL BE EFFECTIVE AS OF THE EFFECTIVE DATE WITHOUT FURTHER NOTICE TO OR ORDER OF THE BANKRUPTCY COURT, ACT OR ACTION UNDER APPLICABLE LAW, REGULATION, ORDER, OR RULE OR THE VOTE, CONSENT, AUTHORIZATION OR APPROVAL OF ANY PERSON AND THE CONFIRMATION ORDER WILL PERMANENTLY ENJOIN THE COMMENCEMENT OR PROSECUTION BY ANY PERSON OR ENTITY, WHETHER DIRECTLY, DERIVATIVELY OR OTHERWISE, OF ANY CLAIMS, OBLIGATIONS, SUITS, JUDGMENTS, DAMAGES, DEMANDS, DEBTS, RIGHTS, CAUSES OF ACTION, OR LIABILITIES RELEASED PURSUANT TO THESE RELEASES.

**C.** Discharge of Claims

To the fullest extent provided under section 1141(d)(1)(A) and other applicable provisions of the Bankruptcy Code, except as otherwise expressly provided by the Plan or the Confirmation Order, all consideration distributed under the Plan will be in exchange for, and in complete satisfaction, settlement, discharge, and release of, all Claims and Equity Interests of any kind or nature whatsoever against the Debtors or any of their assets or properties, and regardless of whether any property will have been distributed or retained pursuant to the Plan on account of such Claims or Equity Interests. Except as otherwise expressly provided by the Plan or the Confirmation Order, upon the Effective Date, the Debtors and their Estates will be deemed discharged and released under and to the fullest extent provided under section 1141(d)(1)(A) and

other applicable provisions of the Bankruptcy Code from any and all Claims and Equity Interests of any kind or nature whatsoever, including, but not limited to, demands and liabilities that arose before the Confirmation Date, and all debts of the kind specified in section 502(g), 502(h), or 502(i) of the Bankruptcy Code.

**D.** Exculpation

The Exculpated Parties will neither have nor incur any liability to any Entity for any claims or Causes of Action arising before, on or after the Petition Date and prior to or on the Effective Date for any act taken or omitted to be taken in connection with, or related to formulating, negotiating, preparing, disseminating, implementing, administering, confirming or effecting the Consummation of the Plan, the Disclosure Statement, the Lender RSA, the Backstop Agreement, the Sorensen Support Agreement, or any other contract, instrument, release or other agreement or document created or entered into in connection with the Plan or any other prepetition or postpetition act taken or omitted to be taken in connection with or in contemplation of the restructuring of the Debtors, the approval of the Disclosure Statement or confirmation or Consummation of the Plan; provided, however, that the foregoing provisions will have no effect on the liability of any Entity that results from any such act or omission that is determined in a Final Order of the Bankruptcy Court or other court of competent jurisdiction to have constituted gross negligence or willful misconduct; provided, further, that each Exculpated Party will be entitled to rely upon the advice of counsel concerning its duties pursuant to, or in connection with, the above referenced documents, actions or inactions; provided, further, however that the foregoing provisions will not apply to any acts, omissions, Claims, Causes of Action or other obligations expressly set forth in and preserved by the Plan or the Plan Supplement.

**E.** Preservation of Rights of Action

1. Maintenance of Causes of Action

Except as otherwise provided in Article XI or elsewhere in the Plan or the Confirmation Order, after the Effective Date, the Reorganized Debtors will retain all rights to commence, pursue, litigate or settle, as appropriate, any and all Causes of Action and Litigation Claims, whether existing as of the Petition Date or thereafter arising, in any court or other tribunal including, without limitation, in an adversary proceeding Filed in the Chapter 11 Cases. The Reorganized Debtors, as the successors in, interest to the Debtors and the Estates, may, and will have the exclusive right to, enforce, sue on, settle, compromise, transfer or assign (or decline to do any of the foregoing) any or all of the Litigation Claims without notice to or approval from the Bankruptcy Court.

2. Preservation of All Causes of Action Not Expressly Settled or Released

Unless a Cause of Action or Litigation Claim against a Holder of a Claim or an Equity Interest or other Entity is expressly waived, relinquished, released, compromised or settled in the Plan or any Final Order (including, without limitation, the Confirmation Order), the Debtors expressly reserve such Cause of Action or Litigation Claim for later adjudication by the Debtors or the Reorganized Debtors (including, without limitation, Causes of Action and Litigation Claims not specifically identified or of which the Debtors may presently be unaware or which may arise or exist by reason of additional facts or circumstances unknown to the Debtors at this time or facts or circumstances that may change or be different from those the Debtors now believe to exist) and, therefore, no preclusion doctrine, including, without limitation, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, waiver, estoppel (judicial, equitable or otherwise) or laches will apply to such Causes of Action or Litigation Claims upon or after the Confirmation of the Plan or Consummation of the Plan based on the

Disclosure Statement, the Plan or the Confirmation Order, except where such Causes of Action or Litigation Claims have been expressly released in the Plan (including, without limitation, and for the avoidance of doubt, the release contained in Article XI of the Plan) or any other Final Order (including, without limitation, the Confirmation Order). In addition, the Debtors and the Reorganized Debtors expressly reserve the right to pursue or adopt any claims alleged in any lawsuit in which any Debtor is a plaintiff, defendant or an interested party, against any Entity, including, without limitation, the plaintiffs or co-defendants in such lawsuits.

**F.** Injunction

EXCEPT AS OTHERWISE PROVIDED IN THE PLAN, FROM AND AFTER THE EFFECTIVE DATE, ALL ENTITIES ARE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER, ANY SUIT, ACTION OR OTHER PROCEEDING, OR CREATING, PERFECTING OR ENFORCING ANY LIEN OF ANY KIND, ON ACCOUNT OF OR RESPECTING ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, EQUITY INTEREST, OR REMEDY RELEASED OR TO BE RELEASED, EXCULPATED OR TO BE EXCULPATED, OR DISCHARGED OR TO BE DISCHARGED PURSUANT TO THE PLAN OR THE CONFIRMATION ORDER. BY ACCEPTING DISTRIBUTIONS PURSUANT TO THE PLAN, EACH HOLDER OF AN ALLOWED CLAIM OR EQUITY INTEREST WILL BE DEEMED TO HAVE SPECIFICALLY CONSENTED TO THIS INJUNCTION. ALL INJUNCTIONS OR STAYS PROVIDED FOR IN THE CHAPTER 11 CASES UNDER SECTION 105 OR 362 OF THE BANKRUPTCY CODE, OR OTHERWISE, AND IN EXISTENCE ON THE CONFIRMATION DATE, WILL REMAIN IN FULL FORCE AND EFFECT UNTIL THE EFFECTIVE DATE.

## ARTICLE XIII.
BINDING NATURE OF PLAN

ON THE EFFECTIVE DATE, AND EFFECTIVE AS OF THE EFFECTIVE DATE, THE PLAN WILL BIND, AND WILL BE DEEMED BINDING UPON, ALL HOLDERS OF CLAIMS AGAINST AND EQUITY INTERESTS IN THE DEBTORS, AND SUCH HOLDER'S RESPECTIVE SUCCESSORS AND ASSIGNS, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NOTWITHSTANDING WHETHER OR NOT SUCH HOLDER (I) WILL RECEIVE OR RETAIN ANY PROPERTY OR INTEREST IN PROPERTY UNDER THE PLAN, (II) HAS FILED A PROOF OF CLAIM OR INTEREST IN THE CHAPTER 11 CASES OR (III) FAILED TO VOTE TO ACCEPT OR REJECT THE PLAN OR AFFIRMATIVELY VOTED TO REJECT THE PLAN.

## ARTICLE XIV.
RETENTION OF JURISDICTION

**A.** Retention of Jurisdiction

Pursuant to sections 105(c) and 1142 of the Bankruptcy Code and notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall, after the Effective Date, retain such jurisdiction over the Chapter 11 Cases and all Entities with respect to all matters related to the Chapter 11 Cases, the Debtors and this Plan as legally permissible, including, without limitation, jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim or Equity Interest, including, without limitation, the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the allowance or priority of any Claim or Equity Interest;

2. grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or this Plan, for periods ending on or before the Confirmation Date; provided, however, that, from and after the Effective Date, the Reorganized Debtors shall pay Professionals in the ordinary course of business for any work performed after the Effective Date and such payment shall not be subject to the approval of the Bankruptcy Court;

3. resolve any matters related to the assumption, assignment or rejection of any Executory Contract or Unexpired Lease to which any Debtor is party or with respect to which any Debtor or Reorganized Debtor may be liable and to adjudicate and, if necessary, liquidate, any Claims arising therefrom, including, without limitation, those matters related to any amendment to this Plan after the Effective Date to add Executory Contracts or Unexpired Leases to the list of Executory Contracts and Unexpired Leases to be assumed;

4. resolve any issues related to any matters adjudicated in the Chapter 11 Cases;

5. ensure that distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of this Plan;

6. decide or resolve any motions, adversary proceedings, contested or litigated matters and any other Causes of Action that are pending as of the Effective Date or that may be commenced in the future, and grant or deny any applications involving the Debtors that may be pending on the Effective Date or instituted by the Reorganized Debtors after the Effective Date, provided that the Reorganized Debtors shall reserve the right to commence actions in all appropriate forums and jurisdictions;

7. enter such orders as may be necessary or appropriate to implement or consummate the provisions of this Plan and all other contracts, instruments, releases and other agreements or documents adopted in connection with this Plan, the Plan Supplement or the Disclosure Statement;

8. resolve any cases, controversies, suits or disputes that may arise in connection with the Consummation, interpretation or enforcement of this Plan or any Entity's obligations incurred in connection with this Plan;

9. hear and determine all Causes of Action that are pending as of the Effective Date or that may be commenced in the future;

10. issue injunctions and enforce them, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Entity with Consummation or enforcement of this Plan, except as otherwise provided in this Plan;

11. enforce the terms and condition of this Plan and the Confirmation Order;

12. resolve any cases, controversies, suits or disputes with respect to the release, the Exculpation, the Indemnification and other provisions contained in Article XII hereof and enter such orders or take such others actions as may be necessary or appropriate to implement or enforce all such releases, injunctions and other provisions;

13. hear and determine the Litigation Claims by or on behalf of the Debtors or Reorganized Debtors;

14. enter and implement such orders or take such others actions as may be necessary or appropriate if the Confirmation Order is modified, stayed, reversed, revoked or vacated;

15. resolve any other matters that may arise in connection with or relate to this Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document adopted in connection with this Plan or the Disclosure Statement; and

16. enter an order concluding or closing the Chapter 11 Cases.

**B.** Failure of Bankruptcy Court to Exercise Jurisdiction

If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter, including the matters set for in Article XIV.A of the Plan, the provisions of this Article XIV shall have no effect upon and shall not control, prohibit, or limit the exercise of jurisdiction by any other court having jurisdiction with respect to such matter.

## ARTICLE XV.
MISCELLANEOUS PROVISIONS

**A.** Dissolution of the Committee

On the Effective Date, the Committee (if any) and any other statutory committee formed in connection with the Chapter 11 Cases shall dissolve automatically and all members thereof shall be released and discharged from all rights, duties and responsibilities arising from, or related to, the Chapter 11 Cases.

**B.** Payment of Statutory Fees

All outstanding fees payable pursuant to section 1930 of title 28, United States Code shall be paid on the Effective Date. All such fees payable after the Effective Date shall be paid prior to the closing of the Chapter 11 Case when due or as soon thereafter as practicable.

**C.** Payment of Fees and Expenses of Prepetition Agents

On the Effective Date or as soon as reasonably practicable thereafter, to the extent not previously paid during the pendency of the Chapter 11 Cases and subject to the terms of the Prepetition Secured Loan Agreements, the Reorganized Debtors shall pay in full in Cash all outstanding reasonable and documented fees and expenses of the Prepetition Agents and their respective counsel, including, without limitation, all prepetition and Postpetition expenses incurred by the Prepetition Agents and their respective counsel.

**D.** Modification of Plan

Effective as of the date hereof and subject to the limitations and rights contained in this Plan and in the Lender RSA and the Backstop Agreement: (a) the Debtors reserve the right, in accordance with the Bankruptcy Code and the Bankruptcy Rules, to amend or modify this Plan prior to the entry of the Confirmation Order; and (b) after the entry of the Confirmation Order, the Debtors or the Reorganized Debtors, as applicable, may, after notice and hearing and entry of an order of the Bankruptcy Court, amend or modify this Plan, in accordance with section 1127(b) of the Bankruptcy Code or remedy any defect or omission or reconcile any inconsistency in this Plan in such manner as may be necessary to carry out the purpose and intent of this Plan. A

Holder of a Claim or Equity Interest that has accepted this Plan shall be deemed to have accepted this Plan, as altered, amended or modified, if the proposed alteration, amendment or modification does not materially and adversely change the treatment of such Claim or Equity Interest of such Holder.

**E.** Revocation of Plan

The Debtors reserve the right to revoke or withdraw this Plan prior to the Confirmation Date and to File subsequent chapter 11 plans, but without prejudice to the respective parties' rights under the Lender RSA or the Backstop Agreement. If the Debtors revoke or withdraw this Plan, or if confirmation of this Plan or Consummation of this Plan does not occur, then: (1) this Plan shall be null and void in all respects; (2) any settlement or compromise embodied in this Plan, assumption or rejection of Executory Contracts or Unexpired Leases effected by this Plan and any document or agreement executed pursuant hereto shall be deemed null and void except as may be set forth in a separate order entered by the Bankruptcy Court; and (3) nothing contained in this Plan shall: (a) constitute a waiver or release of any Claims by or against, or any Equity Interests in, the Debtors or any other Entity; (b) prejudice in any manner the rights of the Debtors or any other Entity; or (c) constitute an admission, acknowledgement, offer or undertaking of any sort by the Debtors or any other Entity.

**F.** Successors and Assigns

This Plan shall be binding upon and inure to the benefit of the Debtors, and their respective successors and assigns, including, without limitation, the Reorganized Debtors. The rights, benefits, and obligations of any Person or Entity named or referred to in this Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor, or assign of such Person or Entity.

**G.** Reservation of Rights

Except as expressly set forth herein, this Plan shall have no force or effect unless and until the Bankruptcy Court enters the Confirmation Order and this Plan is Consummated. Neither the filing of this Plan, any statement or provision contained herein, nor the taking of any action by the Debtors or any other Entity with respect to this Plan shall be or shall be deemed to be an admission or waiver of any rights of: (1) the Debtors with respect to the Holders of Claims or Equity Interests or other Entity; or (2) any Holder of a Claim or an Equity Interest or other Entity prior to the Effective Date.

**H.** Further Assurances

The Debtors or the Reorganized Debtors, as applicable, all Holders of Claims and Equity Interests receiving distributions hereunder and all other Entities shall, from time to time, prepare, execute and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of this Plan or the Confirmation Order. On or before the Effective Date, the Debtors shall File with the Bankruptcy Court all agreements and other documents that may be necessary or appropriate to effectuate and further evidence the terms and conditions hereof.

**I.** Additional Debtors

The Debtors reserve the right to commence Chapter 11 Case(s) on behalf of Additional Debtor(s) through the Confirmation Date. Upon entry of an order jointly administering such Additional Debtor's chapter 11 case with the Chapter 11 Cases, such Additional Debtor shall automatically become a party to this Plan. Each holder of a Claim that accepts distributions

pursuant to this Plan is conclusively deemed to have agreed to the inclusion of any Additional Debtors to all of the provisions set forth in this Plan.

**J.** Severability

If, prior to the Confirmation Date, any term or provision of this Plan is determined by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court will have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision will then be applicable as altered or interpreted. Notwithstanding any such holding, but subject to the consent of the Required Backstop Investors, alteration or interpretation, the remainder of the terms and provisions of this Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order will constitute a judicial determination and will provide that each term and provision of this Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

**K.** Service of Documents

All notices, requests, and demands to or upon the Debtors or the Reorganized Debtors to be effective shall be in writing and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed as follows:

ABLEST INC.
3820 State Street
Santa Barbara, California 93105
Attn: D. Stephen Sorensen
Tel: (805) 882-2200
Fax: (805) 898-7111
Email: steve@select.com

with copies to counsel for the Debtors (which shall not constitute notice):

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
4 Times Square
New York, New York 10036
Attention: Kenneth S. Ziman
Tel: (212) 735-3310
Email: ken.ziman@skadden.com

– and –

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
300 South Grand Avenue, Suite 3400
Los Angeles, CA 90071
Attention: Glenn S. Walter
Tel: (213) 687-5149
Email: glenn.walter@skadden.com

– and –

PACHULSKI STANG ZIEHL & JONES LLP
10100 Santa Monica Boulevard, 13th Floor
Los Angeles, CA 90067
Attention: Jeffrey N. Pomerantz
Tel: (310) 277-6910
Email: jpomerantz@pszjlaw.com

– and –

PACHULSKI STANG ZIEHL & JONES LLP
150 California St., 15th Floor
San Francisco, CA 94111
Attention: Joshua M. Fried
Tel: (415) 263-7000
Email: jfried@pszjlaw.com

with copies to counsel for the Steering Committee (which shall not constitute notice):

MILBANK, TWEED, HADLEY & MCCLOY LLP
601 South Figueroa Street, 30th Floor
Los Angeles, CA 90017
Attention: Mark Shinderman
Tel: (213) 892-4411
Email: mshinderman@milbank.com
Attention: Brett Goldblatt
Tel: (213) 892-4471
Email: bgoldblatt@milbank.com

with copies to counsel for the Consenting Equity Holder (which shall not constitute notice):

COLE, SCHOTZ, MEISEL, FORMAN & LEONARD, P.A.
301 Commerce Street, Suite 1700
Fort Worth, TX 76102
Attention: Michael D. Warner
Tel: (817) 810-5265
Email: mwarner@coleschotz.com

– and –

COLE, SCHOTZ, MEISEL, FORMAN & LEONARD, P.A.
Court Plaza North
25 Main Street

Hackensack, NJ 07601
Attention: Adam J. Sklar
Tel: (201) 525-6234
Email: asklar@coleschotz.com

with copies to counsel for the Prepetition First Lien Agent (which shall not constitute notice):

KATTEN MUCHIN ROSENMAN LLP
515 S. Flower Street, Suite 1000
Los Angeles, CA 90071-2212
Attn: William B. Freeman
Tel: (213) 788-7450
Email: bill.freeman@kattenlaw.com

– and –

KATTEN MUCHIN ROSENMAN LLP
575 Madison Avenue
New York, NY 10022-2585
Attn: Karen B. Dine
Tel: (212) 940-8772
Email: karen.dine@kattenlaw.com

with copies to counsel for the Prepetition Second Lien Agent (which shall not constitute notice):

DECHERT LLP
1095 Avenue of the Americas
New York, New York 10036-6797
Attn: Allan S. Brilliant, Craig P. Druehl and James O. Moore
Tel: (212) 641-5616
Email: allan.brilliant@dechert.com
Email: craig.druehl@dechert.com
Email: james.moore@dechert.com

**L.** Exemption from Certain Transfer Taxes Pursuant to Section 1146(a) of the Bankruptcy Code

To the extent permitted by applicable law, pursuant to section 1146(a) of the Bankruptcy Code, any transfers of property pursuant hereto shall not be subject to any Stamp or Similar Tax or governmental assessment in the United States, and the Confirmation Order shall direct the appropriate federal, state or local governmental officials or agents or taxing authority to forgo the collection of any such Stamp or Similar Tax or governmental assessment and to accept for filing and recordation instruments or other documents pursuant to such transfers of property without the payment of any such Stamp or Similar Tax or governmental assessment. Such exemption specifically applies, without limitation, to (i) all actions, agreements and documents necessary to evidence and implement the provisions of and the distributions to be made under this Plan, including the Post-Emergence Term Loan Agreement and the Post-Emergence ABL Loan

Agreement, (ii) the issuance of New Common Stock and the New Warrants (under this Plan and pursuant to the Rights Offering), (iii) the maintenance or creation of security or any Lien as contemplated by the Post-Emergence Term Loan Agreement and the Post-Emergence ABL Loan Agreement; and (iv) assignments executed in connection with any transaction occurring under the Plan.

**M.** Governing Law

Except to the extent that the Bankruptcy Code, the Bankruptcy Rules or other federal law is applicable, or to the extent that an exhibit or schedule to this Plan provides otherwise, the rights and obligations arising under this Plan shall be governed by, and construed and enforced in accordance with, the laws of Delaware, without giving effect to the principles of conflicts of law of such jurisdiction.

**N.** Tax Reporting and Compliance

The Reorganized Debtors are hereby authorized, on behalf of the Debtors, to request an expedited determination under section 505(b) of the Bankruptcy Code of the tax liability of the Debtors are for all taxable periods ending after the Petition Date through, and including, the Effective Date.

**O.** Schedules

All exhibits and schedules to this Plan, including the Exhibits and Plan Schedules, are incorporated and are a part of this Plan as if set forth in full herein.

**P.** No Strict Construction

This Plan is the product of extensive discussions and negotiations between and among, inter alia, the Debtors, the Backstop Investors, the Steering Committee, the Prepetition Secured Lenders and their respective professionals. Each of the foregoing was represented by counsel of its choice who either (a) participated in the formulation and documentation of, or (b) was afforded the opportunity to review and provide comments on, this Plan, the Disclosure Statement, Exhibits and Plan Schedules, and the agreements and documents ancillary or related thereto. Accordingly, unless explicitly indicated otherwise, the general rule of contract construction known as "contra proferentem" or other rule of strict construction shall not apply to the construction or interpretation of any provision of this Plan, the Disclosure Statement, Exhibits and Plan Schedules, and the documents ancillary and related thereto.

**Q.** Conflicts

In the event that a provision of the Disclosure Statement conflicts with a provision of this Plan, the terms of this Plan shall govern and control to the extent of such conflict.

**R.** Confirmation Request

The Debtors request the Bankruptcy Court confirm the Plan and that it do so, if applicable, pursuant to section 1129(b) of the Bankruptcy Code notwithstanding any rejection of the Plan by an Impaired Class.

Dated: March 11, 2014

Respectfully submitted,

ABLEST INC., on behalf of itself and its affiliates listed below

Name: D. Stephen Sorensen
Title: Chief Executive Officer

NEW KOOSHAREM CORPORATION
KOOSHAREM, LLC,
TANDEM STAFFING SOLUTIONS, INC.
SELECT PEO, INC.
SELECT SPECIALIZED STAFFING, INC.
SELECT TRUCKING SERVICES, INC.
SELECT NURSING SERVICES, INC.
REMEDY STAFFING, INC.
WESTAFF, INC.
WESTAFF (USA), INC.
WESTAFF SUPPORT, INC.
REAL TIME STAFFING SERVICES, INC.
SELECT TEMPORARIES, INC.
SELECT PERSONNEL SERVICES, INC.
SELECT CORPORATION
REMEDYTEMP, INC.
REMEDY TEMPORARY SERVICES, INC.
REMEDY INTELLIGENT STAFFING, INC.
REMX, INC.
REMSC LLC
REMUT LLC

SCHEDULE 1

The Debtors

The Debtors, along with the last four digits of each Debtor's federal tax identification number, are:

1. Ablest Inc. (8462);
2. New Koosharem Corporation (9356);
3. Koosharem, LLC (4537);
4. Real Time Staffing Services, Inc. (8189);
5. Remedy Intelligent Staffing, Inc. (0963);
6. Remedy Staffing, Inc. (0080);
7. RemedyTemp, Inc. (0471);
8. Remedy Temporary Services, Inc. (7385);
9. RemX, Inc. (7388);
10. Select Corporation (6624);
11. Select Nursing Services, Inc. (5846);
12. Select PEO, Inc. (8521);
13. Select Personnel Services, Inc. (8298);
14. Select Specialized Staffing, Inc. (5550);
15. Select Temporaries, Inc. (7607);
16. Select Trucking Services, Inc. (5722);
17. Tandem Staffing Solutions, Inc. (5919);
18. Westaff, Inc. (6151);
19. Westaff (USA), Inc. (5781);
20. Westaff Support, Inc. (1039);
21. RemSC LLC (8072); and
22. RemUT LLC (0793).

Schedule 2

**Summary of Terms of**
**Treatment of Certain Related Party**
**and Other Transactions of**
**New Koosharem Corporation and its Subsidiaries**

*This term sheet (this "Term Sheet") describes the principal terms for the treatment of certain related party and other transactions in connection with the Prepackaged Joint Plan of Reorganization for Ablest Inc., et al., dated March 11, 2014 (the "Plan"), to which this Term Sheet is attached as an exhibit. This Term Sheet is a summary of the material terms of the transactions described herein and does not purport to be complete. Capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to such terms in the Plan.*

| Transaction | Description |
|---|---|
| 1. Par Alma Note Receivable | On the Effective Date, as part of the restructuring, any claims arising under or in connection with the note from Par Alma, a limited liability company wholly owned by the Company's principal shareholder, the amount of which totaled approximately $47,245,000 as of December 29, 2013, will be released, waived, and discharged. |
| 2. Related Party Receivables | As set forth in more detail below, as part of the company's year-end review process of its accounts receivable, it has determined that the balance due from Trishan Air should be removed and written off, as this amount will be satisfied upon disposition of the related aircraft. Further, as part of the Company's year-end review of its accounts receivable, it has determined certain other balances totaling $914,500, not intended to be included in the assets of the ongoing operation, have been written off. Accordingly, the Company has scheduled that such balances be written down to zero.<br><br>The balances that will be written down to zero includes the following:<br><br>• Trishan Air – $10,065,111.94<br>• Forage – $339,820.38<br>• Esperer – $17,076.17<br>• Top Dollar – $417,623.29<br>• Butler Precision – $122,557.00<br>• Diffraction – $4,905.66<br>• All Radiator – $12,496.11 |

| Transaction | Description |
|---|---|
| | In addition, the following receivables are owed to the Company by entities that will be acquired by the Company in connection with the restructuring, and will therefore become intercompany receivables upon consummation of the restructuring:<br><br>• Decca Consulting, Inc. – $123,100.20<br>• Decca Consulting, Ltd. – $70,217.73<br><br>The following related party receivables will remain outstanding following the Effective Date, and will not be released, waived or discharged in connection with the restructuring:<br><br>• POGO – $1,331,407.80<br>• Dave Tonick – $988,954.83<br>• PDP – $24,369.30 |
| 3. Airplanes | Any claims arising under the lease and sublease agreements related to airplanes Tail Number N72PX and N8822SS, including any claims arising from or relating to the termination of such agreements, will be paid by the Company as a Class 7 General Unsecured Claim. The Company projects an $11 million termination fee with respect to the lease associated with airplane Tail Number N72PX that will be payable on the Effective Date and a $4 million termination fee with respect to the lease for airplane Tail Number N8822SS. |
| 4. Letter of Credit Recollateralization | On the Effective Date, as part of the restructuring, the Company will recollateralize certain letters of credit in the aggregate amount of approximately $14,200,000 that are currently backstopped by the Company's principal stockholder and/or certain of his affiliates. |
| 5. Equity Sharing Arrangement for Employee Residences | The Company is a party to equity sharing arrangements with certain executives with respect to their houses. In the aggregate, the Company pays $42,204.89 per month on account of these equity arrangements, excluding taxes, insurance, and repairs. On the maturity dates of the equity arrangements, each house is scheduled to be transferred to the non-Company counterparty to such equity arrangement. The Company and the Required Backstop Investors are currently evaluating the terms under which these equity arrangements may be terminated on the Effective Date, as part of the restructuring, in a manner that will terminate the Company's obligation to make additional payments under these arrangements, convey the subject houses to the |

| Transaction | Description |
|---|---|
| | respective executives subject to the remaining payment obligations on the house, and reimburse, on a grossed up basis, the executives for the tax amounts that become payable by such executives as a result of the termination of the equity sharing arrangements. |
| 6. Commercial Relationships | The parties acknowledge that the Debtors and the Reorganized Debtors will continue to have commercial relationships with affiliates of the Sorensen Parties on and after the Effective Date. Such related party relationships, as disclosed in the documents delivered in connection with the Plan, will continue in the ordinary course of business, subject to the consent of the Required Backstop Parties, and will not be modified by the Plan or the releases contained therein. A schedule of such permitted related party transactions will be contained in the Plan Supplement. |

# EXHIBIT A

## BACKSTOP AGREEMENT

# BACKSTOP AGREEMENT

This BACKSTOP AGREEMENT (this "Agreement"), dated as of March 11, 2014, is entered into by and among New Koosharem Corporation, a California corporation (the "Company"), on behalf of itself and its direct and indirect subsidiaries, and each of the signatories hereto under the heading "Backstop Party" (each, a "Backstop Party" and collectively the "Backstop Parties"). Capitalized terms used and not otherwise defined in this Agreement shall have the meanings set forth in the RSA (as defined below).

## RECITALS

**WHEREAS**, on or prior to the date hereof, the Company and certain of its subsidiaries (collectively, the "Companies") entered into that certain Amended and Restated Restructuring Support Agreement (the "RSA") with D. Stephen Sorensen and the Participating Lenders;

**WHEREAS,** on or prior to the date hereof, the Company, the Backstop Parties, Butler America, Inc., Butler America TCS, Inc., Butler America Staffing LLC, Butler Technical Services India (P) Ltd., Party to DRV PA, SSST Holdings, LLC, 1640 Grove, LLC; D. Stephen Sorensen, Shannon Sorensen, Stephanie Sorensen, John Sorensen, Paul Sorensen, Allyson Sorensen, Sorensen Family Trust U/D/T July 26, 1991, as amended, SB Group Holdings, Inc., and Battle Mountain Specialty Insurance, Inc. entered into the Sorensen Support Agreement (the "Sorensen Support Agreement"); and

**WHEREAS**, pursuant to the terms of the RSA, (1) the First Lien Lenders will be given the opportunity to purchase in the Rights Offering, on a pro rata basis in proportion to their First Lien Lender Claims, up to $175,000,000 of shares (such shares, the "Rights Offering Shares") of common stock (the "New Common Stock") of Restructured New Koosharem Corporation, a Delaware corporation ("Reorganized Parent") at a price per share to be provided in the Plan (the "Subscription Purchase Price"); (2) the Backstop Parties have agreed to purchase the Rights Offering Shares not purchased by the First Lien Lenders in the Rights Offering (the "Backstop Shares"); and (3) the Backstop Parties have agreed to purchase $50,000,000 of New Common Stock at a per share price equal to the Subscription Purchase Price (the "Additional Shares").

## AGREEMENT

**NOW, THEREFORE**, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and each of the Backstop Parties hereby agree as follows:

1. Defined Terms.

(a) "Sharing Percentage" means the percentage set forth opposite such Backstop Party's name on Exhibit A hereto under the heading "Sharing Percentage" or in such Backstop Party's joinder to this Agreement, as such percentage may be adjusted pursuant to Section 10.

(b) "Required Backstop Parties" means Backstop Parties representing 60% or more of the Sharing Percentages of all Backstop Parties.

2. Backstop Party Commitments. Subject to the terms and conditions of this Agreement and the occurrence of the Effective Date:

(a) On the Effective Date, each Backstop Party, severally and not jointly, shall purchase, and the Company shall cause Reorganized Parent to sell and issue to such Backstop Party, its full pro rata share of the Rights Offering Shares offered in the Rights Offering (the "Rights Offering Commitment").

(b) On the Effective Date, each Backstop Party, severally and not jointly, shall purchase, and the Company shall cause Reorganized Parent to sell and issue to such Backstop Party, Additional Shares with a purchase price (at a per share price equal to the Subscription Purchase Price) equal to (i) $50,000,000 multiplied by (ii) the Sharing Percentage of such Backstop Party (such Backstop Party's "Purchase Commitment").

(c) If the First Lien Lenders shall not have agreed to purchase all of the Rights Offering Shares by the Effective Date, or if any such First Lien Lender fails to consummate any agreed upon purchase of Rights Offering Shares on or after the Effective Date, each Backstop Party, severally and not jointly, hereby commits to purchase from Reorganized Parent, and the Company agrees to cause Reorganized Parent to sell and issue to such Backstop Party, on the Effective Date, a number of Backstop Shares equal to (i) the number of Rights Offering Shares that were not purchased by the First Lien Lenders on the Effective Date pursuant to the Rights Offering multiplied by (ii) the Sharing Percentage of such Backstop Party (such Backstop Party's "Backstop Commitment"), which purchase shall be made at a per share price equal to the Subscription Purchase Price.

(d) One or more Backstop Parties may, by agreement among them, reallocate among themselves their respective Purchase Commitments and Backstop Commitments (and the shares of New Common Stock to be purchased pursuant to paragraphs (b) and (c) above) by providing written notice to the Company and the other Backstop Parties, which notice shall set forth such reallocations and be signed by each Backstop Party whose Purchase Commitment and Backstop Commitment are being so reallocated.

(e) All Rights Offering Shares, Additional Shares and Backstop Shares purchased in accordance with this Section 2 shall be delivered to the Backstop Parties with any and all issue, stamp, transfer or similar taxes or duties payable in connection with such delivery paid by Reorganized Parent or the Company to the extent required under any applicable law.

(f) Notwithstanding anything to the contrary in this Agreement, each Backstop Party, in its sole discretion, may designate that some or all of the Rights Offering Shares, Backstop Shares and/or Additional Shares be issued in the name of and delivered to, one or more of its affiliates without the prior written consent of any other parties hereto, provided that written notice of such designation shall be given to the Company at least two (2) Business Days prior to the Effective Date.

(g) If any Backstop Party defaults on its obligations to purchase Rights Offering Shares, Additional Shares or Backstop Shares in accordance with its Rights Offering Commitment, Purchase Commitment or Backstop Commitment, then the non-defaulting Backstop Parties shall be entitled to (but shall not be obligated to) purchase such Rights Offering Shares, Additional Shares or Backstop Shares, as the case may be, in proportion to their respective Sharing Percentages or such other proportion as agreed to by all non-defaulting Backstop Parties, or arrange for the purchase of any such Rights Offering Shares, Additional Shares or Backstop Shares, as the case may be, by other Persons reasonably satisfactory to the Company on the terms set forth in this Agreement.

3. Representations and Warranties of the Company. The Company represents and warrants to each Backstop Party as follows:

(a) the Company is duly incorporated, validly existing, and in good standing under the laws of the jurisdiction of its incorporation, and has all requisite corporate power and authority to enter into this Agreement and to carry out the transactions contemplated by, and perform its obligations under, this Agreement;

(b) The execution, delivery and performance of this Agreement by the Company does not (x) violate any provision of law, rule or regulation applicable to it or any of its subsidiaries or its organizational documents or those of any of its subsidiaries or (y) conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default under any material contractual obligations to which it or any of its subsidiaries is a party or under its organizational documents;

(c) The execution, delivery and performance by the Company of this Agreement does not and shall not require any registration or filing with, consent or approval of, or notice to, or other action to, with or by, any federal, state or other governmental authority or regulatory body, except such filing as may be necessary and/or required for disclosure by the Securities and Exchange Commission or pursuant to state securities or "blue sky" laws, and the approval by the Bankruptcy Court of the Company's authority to enter into and implement this Agreement;

(d) Subject to the provisions of sections 1125 and 1126 of the Bankruptcy Code, this Agreement is the legally valid and binding obligation of the Company, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws, both foreign and domestic, relating to or limiting creditors' rights generally or by equitable principles relating to enforceability; and

(e) The New Common Stock to be issued to each Backstop Party pursuant to this Agreement and the Plan, when issued in accordance with the terms hereof and thereof, will be duly and validly issued, fully paid and nonassessable.

4. Representations and Warranties of the Backstop Parties. Each Backstop Party, severally and not jointly, represents and warrants to the Company as follows:

(a) Such Backstop Party is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its formation, and has all requisite limited liability company or limited partnership power and authority to enter into this Agreement and to carry out the transactions contemplated by, and perform its obligations under, this Agreement;

(b) The execution, delivery and performance of this Agreement by such Backstop Party does not (x) violate any provision of law, rule or regulation applicable to it or its organizational documents or those of any of its subsidiaries or (y) conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default under any material contractual obligations to which it or any of its subsidiaries is a party or under its organizational documents;

(c) The execution, delivery and performance by such Backstop Party of this Agreement does not and shall not require any registration or filing with, consent or approval of, or notice to, or other action to, with or by, any federal, state or other governmental authority or regulatory body, except such filing as may be necessary and/or required for disclosure by the Securities and Exchange Commission or pursuant to state securities or "blue sky" laws, and the approval by the Bankruptcy Court of such Backstop Party's authority to enter into and implement this Agreement;

(d) Subject to the provisions of sections 1125 and 1126 of the Bankruptcy Code, this Agreement is the legally valid and binding obligation of such Backstop Party, enforceable against such Backstop Party in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws, both foreign and domestic, relating to or limiting creditors' rights generally or by equitable principles relating to enforceability;

(e) Such Backstop Party has, and at the Effective Date will have, sufficient available cash and other assets necessary to pay, perform, fulfill and satisfy in full such Backstop Party's Rights Offering Commitment, Purchase Commitment and Backstop Commitment, and to perform such Backstop Party's other obligations under this Agreement.

(f) Such Backstop Party is acquiring the New Common Stock pursuant to this Agreement for the Backstop Party's own account, for investment and not with a view to the distribution thereof, nor with any present intention of distributing the same. Such Backstop Party understands that the New Common Stock has not been registered under the Securities Act of 1933, as amended (the "Securities Act"), by reason of its issuance in a transaction exempt from the registration requirements of the Securities Act. Such Backstop Party is an "accredited investor" as such term is defined in Regulation D under the Securities Act. Such Backstop Party has such knowledge and experience in business and financial matters and with respect to investments in securities of privately held companies as to enable such Backstop Party to understand and evaluate the risks of such investment and form an investment decision with respect thereto. Such Backstop Party (i) has been advised and understands that no public market now exists for the New Common Stock and that a public market may never exist for New Common Stock, (ii) is able to bear the economic risk of such investment for an indefinite period and to afford a complete loss thereof, and understands all of the risks associated with the acquisition of New Common Stock. Such Backstop Party acknowledges and agrees that the New Common Stock purchased by it pursuant to this Agreement are and shall be subject to

restrictions on transfer under the Corporate Governance Documents, the Securities Act and applicable state securities laws, and may not be resold in violation thereof.

5. Conditions. The obligations of each Backstop Party set forth in Section 2 above shall be subject to the fulfillment, or waiver by the Required Backstop Parties, of each of the following conditions:

(a) Conditions to RSA Effectiveness. Each of the conditions precedent to the effectiveness of the RSA shall have been satisfied.

(b) Material Adverse Change. No event, development, condition or state of affairs will exist or have occurred which resulted, or would reasonably be expected to result in, a material adverse effect on (i) the business, properties, financial condition or results of operations of the Companies, taken as a whole, (ii) the ability of the Companies to implement the restructuring of the Companies in accordance with the RSA, (iii) the business, properties, financial condition or results of operations of Decca Consulting, Inc., Decca Consulting Ltd., Resdin Industries Ltd., Vaughan Business Solutions, Inc., and, with respect to the assets of Esperer Holdings, Inc. to be transferred pursuant to the DRV Purchase Agreement (as defined in the Sorensen Support Agreement), Esperer Holdings, Inc., taken as a whole, or (iv) the ability of SB Group Holdings, Inc. and Esperer Holdings, Inc. to implement the transactions contemplated by the DRV Purchase Agreement (together, a "Material Adverse Effect"); provided, however, that (A) neither the filing, pendency nor announcement of the voluntary Chapter 11 Cases or the Restructuring made pursuant to the RSA shall constitute a Material Adverse Effect, or be taken into account in determining whether any Material Adverse Effect has occurred and (B) no event, developments, condition or state of affairs existing as of the date hereof which was disclosed in writing to the Backstop Parties shall constitute a Material Adverse Effect, or be taken into account in determining whether a Material Adverse Effect has occurred, to the extent that it is reasonably apparent on its face that the information disclosed would reasonably be expected to give rise to a Material Adverse Effect.

(c) Concurrent Funding by Each Other Backstop Party. Each other Backstop Party shall have fulfilled its obligations under Section 2; provided, however, that such condition shall be deemed to be satisfied and each non-defaulting Backstop Party shall be obligated to fund its share of such defaulting Backstop Party's Purchase Commitment (in proportion to their respective Sharing Percentages set forth on Exhibit A) and Backstop Commitment (in proportion to such Backstop Parties' respective Sharing Percentages set forth on Exhibit A) if (x) the aggregate amount to be funded by the non-defaulting Backstop Parties pursuant to Section 2 and after giving effect to the funding contemplated by this proviso is less than or equal to (y) the amount that would have been required to be funded by the non-defaulting Backstop Parties pursuant to Section 2 assuming no other persons participated in the Rights Offering and the defaulting Backstop Parties performed their respective obligations under Section 2.

(d) Representations and Warranties. The representations and warranties of the Company contained in this Agreement shall be true and correct in all material respects at and as of the Effective Date as if made at and as of such time (other than those representations and warranties that address matters only as of a particular date or only with respect to a specific period of time, which need only be true and correct as of such date or with respect to such

period), and the Company shall have performed or complied in all material respects with all agreements and covenants required by this Agreement to be performed or complied with by it prior to or at and as of the Effective Date.

(e) Plan and Plan-Related Documents. Each of the Plan and all Plan-Related Documents approved by the Bankruptcy Court shall be in form and substance reasonably acceptable to the Required Backstop Parties.

(f) Confirmation Order. The entry by the Bankruptcy Court of a Confirmation Order in form and substance reasonably acceptable to the Required Backstop Parties and such Confirmation Order shall be a Final Order.

(g) Exit Financing. On the Effective Date, the Company shall have obtained and received exit financing on terms and conditions and pursuant to agreements reasonably satisfactory to the Required Backstop Parties.

(h) DRV Employment Agreements. The Company or a subsidiary of the Company shall have entered into an employment agreement with each of Barry Ahearn and Dean Foley, in each case, in form and substance reasonably acceptable to the Required Backstop Parties.

(i) MIP Allocations. The Required Backstop Parties shall be reasonably satisfied with the proposed allocation of shares of common stock to be issued on or promptly following the Effective Date under the MIP.

(j) Absence of Certain Claims. No taxing authority having appropriate jurisdiction over the Company shall have reasonably and in good faith asserted a claim for the payment of employment taxes by the Company, including Federal and state unemployment taxes, relating to periods on or prior to the consummation of the Restructuring that exceeds, in the aggregate, by more than fifteen percent (15%) the amount of employment tax liabilities of the Company reasonably expected by the Backstop Parties to exist as of the date of consummation of the Restructuring, based on the analysis performed by the Company's advisors prior to the date hereof.

6. Indemnity and Limitation on Liability.

(a) On and after the date hereof, whether or not the Rights Offering is consummated, the Company agrees to (on behalf of itself and its direct and indirect subsidiaries on a joint and several basis) (the Company together with each of its direct and indirect subsidiaries are collectively referred to herein as the "Indemnifying Party") indemnify and hold harmless each Backstop Party, their respective successors and assigns, their respective affiliates, and the officers, directors, managing directors, employees, agents, members, partners, managers, advisors, controlling persons, attorneys, investment bankers and financial advisors of any of the foregoing (each, an "Indemnified Person") from and against any and all losses, claims, damages and liabilities and reasonable fees and expenses, joint or several, to which any such Indemnified Person may become subject arising out of or in connection with (i) any third party claim, challenge, litigation, investigation or proceeding with respect to the Rights Offering or this Agreement, (ii) any breach by the Company of this Agreement, or (iii) any related transaction or

any claim, litigation, investigation or proceeding relating to any of the foregoing, and to reimburse each Indemnified Person upon demand for any legal or other costs and expenses incurred in connection with investigating or defending, participating or testifying in any of the foregoing; provided, however, that the foregoing indemnity will not, as to any Indemnified Person, apply to losses, claims, damages, liabilities or related expenses to the extent they are found by a final, non-appealable judgment of a court to have been incurred as a direct result of the willful misconduct, bad faith or gross negligence of such Indemnified Person. If for any reason the foregoing indemnification is unavailable to any Indemnified Person or insufficient to hold it harmless, then the Indemnifying Party shall contribute to the amount paid or payable by such Indemnified Person as a result of such loss, claim, damage, liability or expense in such proportion as is appropriate to reflect not only the relative benefits received by the Indemnifying Party, on the one hand, and such Indemnified Person, on the other hand, but also the relative fault of the Indemnifying Party, on the one hand, and such Indemnified Person, on the other hand, as well as any relevant equitable considerations. No Indemnified Person shall be liable to any Person for any punitive, exemplary, indirect or consequential damages in connection with its activities related to the Backstop Commitments or which may be alleged as a result of the Rights Offering or this Agreement.

(b) Promptly after receipt by an Indemnified Person of notice of the commencement of any claim, litigation, investigation or proceeding relating to this Agreement, the Rights Offering or any of the transactions contemplated hereby or thereby ("Proceedings"), such Indemnified Person will, if a claim is to be made hereunder against the Indemnifying Party in respect thereof, notify the Company in writing of the commencement thereof; provided that the omission so to notify the Company will not relieve the Indemnifying Party from any liability that it may have hereunder except to the extent it has been materially prejudiced by such failure. In case any such Proceedings are brought against any Indemnified Person and it notifies the Company of the commencement thereof, the Indemnifying Party will be entitled to participate therein, and, to the extent that it may elect by written notice delivered to such Indemnified Person, to assume the defense thereof, with counsel reasonably satisfactory to such Indemnified Person; provided that if the defendants in any such Proceedings include both such Indemnified Person and the Indemnifying Party and such Indemnified Person shall have reasonably concluded that there may be legal defenses available to it that are different from or additional to those available to the Indemnifying Party, such Indemnified Persons shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such Proceedings (provided, that the Indemnifying Party shall not be responsible for any legal fees or expenses related to more than one such separate counsel) on behalf of such Indemnified Person. Upon receipt of notice from the Indemnifying Party to such Indemnified Person of its election so to assume the defense of such Proceedings and approval by such Indemnified Person of counsel, the Indemnifying Party shall not be liable to such Indemnified Person for expenses incurred by such Indemnified Person in connection with the defense thereof (other than reasonable costs of investigation) unless (i) such Indemnified Person shall have employed separate counsel in connection with the assertion of legal defenses in accordance with the proviso to the next preceding sentence (it being understood, however, that the Indemnifying Party shall not be liable for the expenses of more than one separate counsel representing the Indemnified Persons who are parties to such Proceedings), (ii) the Indemnifying Party shall not have employed counsel reasonably satisfactory to such Indemnified Person to represent such Indemnified Person within

a reasonable time after notice of commencement of the Proceedings or (iii) the Indemnifying Party shall have authorized in writing the employment of counsel for such Indemnified Person.

(c) The Indemnifying Party shall not be liable for any settlement of any Proceedings effected without the prior written consent of the Company (which consent shall not be unreasonably withheld or delayed). If any settlement of any Proceedings is consummated with the written consent of the Company or if there is a final judgment for the plaintiff in any such Proceedings, the Indemnifying Party agrees to indemnify and hold harmless each Indemnified Person from and against any and all losses, claims, damages, liabilities and expenses by reason of such settlement or judgment in accordance with, and subject to the limitations of, the provisions of this Section 6. The Company shall not (and shall not permit any other Indemnifying Party to), without the prior written consent of an Indemnified Person (which consent shall not be unreasonably withheld or delayed), effect any settlement of any pending or threatened Proceedings in respect of which indemnity has been sought hereunder by such Indemnified Person unless such settlement (i) includes an unconditional release of such Indemnified Person in form and substance reasonably satisfactory to such Indemnified Person from all liability on the claims that are the subject matter of such Proceedings and (ii) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnified Person.

(d) The foregoing provisions of this paragraph shall be in addition to any rights that the Backstop Parties or any other Indemnified Person may have at common law or otherwise. The obligations set forth in this Section 6 shall survive any termination hereof, and shall remain in effect even if the Rights Offering is not consummated.

7. Covenants of the Company.

(a) Conduct; Access. Except as provided in this Agreement or otherwise consented to in writing by the Required Backstop Parties, during the period from the date of this Agreement to the Effective Date, the Company shall and shall cause each of its subsidiaries to:

(i) except as set forth in the Plan or the Disclosure Statement, and subject to any limitations under the Bankruptcy Code, conduct its business in the ordinary course in substantially the same manner as heretofore conducted and, without limitation of the foregoing, the Company shall, and shall cause each of its subsidiaries to, use commercially reasonable efforts to (A) maintain and preserve its business organization, (B) retain the services of its officers and key employees, (C) maintain the good will of customers, associates and other Persons to whom the Company or any subsidiary of the Company provides services or with whom the Company or any such subsidiary otherwise has significant business relationships, and (D) continue to pay its payables and other obligations (other than its secured debt obligations) consistent with past practice;

(ii) consult with each Backstop Party prior to seeking Bankruptcy Court approval of any action it intends to take that would require such approval, and, in any event, the Company shall give each of the Backstop Parties notice (which notice shall describe the proposed action in reasonable detail) not less than two Business Days prior to seeking such approval; and

(iii) permit representatives of each Backstop Party and professionals engaged by or on behalf of the Steering Committee to perform due diligence, to visit and inspect any of the properties of the Company and its subsidiaries, to examine their corporate books and make copies or extracts therefrom and to discuss the affairs, finances and accounts of the Company and its subsidiaries with the principal officers of the Company and its subsidiaries, all at such reasonable times, upon reasonable notice and as often as such Backstop Party may reasonably request, it being understood that all information inspected, examined, discussed or otherwise provided to or obtained by the Backstop Parties and their representatives in connection therewith shall be subject to the restrictions set forth in, and shall constitute "Evaluation Material" pursuant to, the applicable confidentiality agreements between the Company and each Backstop Party.

(b) Expenses and Transaction Expenses. The Company shall pay the reasonable, documented, out of pocket expenses, including the Transaction Expenses, of the Backstop Parties incurred in connection with the restructuring of the Companies and this Agreement, including without limitation travel expenses, fees and expenses of the Backstop Parties, one law firm serving as legal counsel to the Backstop Parties, the financial and diligence advisors of the Backstop Parties subject to the terms and limitations set forth in the engagement letters with such advisors to which the Company is a party, and the fees and expenses incurred in connection with the Rights Offering, and the preparation and negotiation of the RSA, the Plan-Related Documents and the other agreements and documents contemplated by the RSA (the "RSA Documents").

8. Termination. This Agreement may be terminated by one or more Backstop Parties representing 30% or more of the Sharing Percentages (except that a termination under Section 8(d)(xi) shall require the approval of the Required Backstop Parties) within five Business Days after the occurrence of any of the following events:

(a) The issuance and sale of New Common Stock contemplated by the RSA and this Agreement shall not have been completed by 5:00 p.m. prevailing Eastern Time on June 30, 2014;

(b) If the Restructuring through an Out-of-Court Solicitation has not been consummated within 60 calendar days after such Out-of-Court Solicitation is commenced (or, if such day is not a Court Date, the next succeeding Court Date) (the "Solicitation Termination Date"), unless the Petition Date shall have occurred;

(c) If the Out-of-Court Transaction has not been consummated by the Solicitation Termination Date, then at 5:00 p.m. prevailing Eastern Time on the date that is five Business Days after the Solicitation Termination Date unless the Companies shall have filed all Plan-Related Documents with the Bankruptcy Court;

(d) If the Petition Date has occurred:

(i) If the Out-of-Court Solicitation has been completed prior to the Petition Date, (I) an order of the Bankruptcy Court granting the Rights Offering Motion, which order shall be in form and substance reasonably acceptable to the Required Backstop Parties (the

"Rights Offering Order") and the RSA Order shall not have been entered by the 45th day after the Petition Date (or, if such day is not a Court Date, the next succeeding Court Date), (II) the Confirmation Hearing shall not have concluded by the 90th day after the Petition Date (or, if such day is not a Court Date, the next succeeding Court Date), (III) the Confirmation Order shall not have been entered by the Bankruptcy Court by the 92nd day after the Petition Date (or, if such day is not a Court Date, the next succeeding Court Date), or (IV) the Effective Date shall not have occurred within 17 days after the entry of the Confirmation Order;

(ii) If the Out-of-Court Solicitation has not been completed prior to the Petition Date, (I) the entry of an order by the Bankruptcy Court approving the Solicitation Materials shall not have occurred by the 60th day after the Petition Date (or, if such day is not a Court Date, the next succeeding Court Date), (II) the Confirmation Hearing shall not have concluded by the 100th day after the Petition Date (or if such day is not a Court Date, the next succeeding Court Date), (III) the Confirmation Order shall not have been entered by the Bankruptcy Court by the 102nd day after the Petition Date (or if such day is not a Court Date, the next succeeding Court Date), or (IV) the Effective Date shall not have occurred within 17 days after the entry of the Confirmation Order;

(iii) The Corporate Governance Documents are not in form and substance reasonably acceptable to the Required Backstop Parties on or prior to the Petition Date;

(iv) The Companies shall have failed to file the Rights Offering Motion and the RSA Motion by the third Court Date after the Petition Date;

(v) The Companies fail to use reasonable best efforts to obtain a hearing on the Rights Offering Motion and the RSA Motion before the Bankruptcy Court by the 30th day after the Petition Date;

(vi) The RSA Order and the Rights Offering Order shall not (1) be in form reasonably acceptable to the Required Backstop Parties or (2) have been entered by the Bankruptcy Court by the 45th day after the Petition Date (or, if such day is not a Court Date, the next succeeding Court Date);

(vii) The Companies shall have failed to file the DIP Facility Motion on or before the first Court Date after the Petition Date;

(viii) An order of the Bankruptcy Court granting the relief requested in the DIP Facility Motion and approving the DIP Facility and authorizing the Companies to enter into the DIP Facility, in form and substance reasonably acceptable to the Required Backstop Parties (the "DIP Facility Order") shall not (1) be in form acceptable to the Required Backstop Parties or (2) have been entered on an interim basis by the 7th day after the Petition Date and entered on a final basis by the 45th day after the Petition Date;

(ix) The Company shall have breached any of its representations, warranties, covenants and agreements under this Agreement in any material respect;

(x) The RSA shall have been terminated by the Majority Participating Lenders, the Companies or the Consenting Equity Holder;

(xi) There shall have occurred an Event of Default under the DIP Facility, the DIP Facility Order shall be vacated by any court of competent jurisdiction, or any material term or condition of the DIP Facility or the DIP Facility Order shall be modified, amended, or supplemented in a manner that is materially adverse to the Backstop Parties without the prior consent of the Required Backstop Parties; or

(xii) The Plan or any Plan-Related Document approved by the Bankruptcy Court shall not be in a form or substance reasonably acceptable to the Required Backstop Parties;

(e) (1) Any involuntary case or proceeding under the Bankruptcy Code is filed against the Company or any of its subsidiaries, or (2) any other involuntary insolvency, reorganization or bankruptcy case or proceeding, or any involuntary receivership, liquidation, reorganization or other similar involuntary case or proceeding is commenced against the Company or any of its subsidiaries; or

(f) (1) The Company or the Consenting Equity Holder fails to take any material action or to refrain from taking any material action as required by the RSA as a result of exercising their fiduciary obligations pursuant to Section 16 of the RSA, or (2) the Company terminates this Agreement pursuant to Section 9(a)(ii) herein;

provided, however, that in the case of a termination pursuant to any of paragraphs (a) through (c) and clauses (i) through (viii) of paragraph (d) as a result of a failure to take the action referred to in such provision by the date specified in such provision, (i) the Required Backstop Parties may extend such date by providing written notice of such extension to the Company and (ii) the right to terminate pursuant to such provision shall be deemed waived if this Agreement shall not have been terminated prior to the 30th day following such date (as it may be extended in accordance with the foregoing clause (ii)); and provided, further, that if less than all of the Backstop Parties elect to terminate this Agreement and prior to the fifth business day following such termination, one or more of the non-terminating Backstop Parties agree in writing to assume 100% the Rights Offering Commitments, Backstop Commitments and Purchase Commitments of the terminating Backstop Parties and other Backstop Parties that do not agree in such writing to reinstate this Agreement, then this Agreement shall be reinstated in respect of such non-terminating Backstop Parties that have agreed in writing to reinstate this Agreement.

9. Fiduciary Duty of Directors. Notwithstanding anything to the contrary herein, or in the Plan or any other agreement among the Company and the Backstop Parties, if the Company has received a bona fide written proposal for a competing transaction that the board of directors of the Company (the "Board") determines in good faith, after consultation with legal counsel and consideration of all factors deemed relevant by the Board, is or could reasonably be expected to lead to a Superior Transaction (as defined below) and that the failure of the Board to pursue such competing transaction could reasonably be expected to result in a breach of the Board's fiduciary duties under applicable law, then the Company (a) may (i) furnish non-public

information to, and engage in discussions and negotiations with, the person making such proposal and its representatives with respect to the competing transaction, and (ii) terminate this Agreement in order to enter into a Superior Transaction and (b) shall prior to pursuing any of the actions permitted by Section 9(a)(i) or 9(a)(ii), (i) provide the Backstop Parties with written notice of the competing transaction within 48 hours of the Company's receipt of such competing transaction, together with copies of all material written documents setting forth in reasonable detail the details of such competing transaction, and (ii) notify the Backstop Parties in writing within 48 hours of the Company's Board determination that such competing transaction is, or could reasonably be expected to lead to, a Superior Transaction.

For purposes of this Agreement, a "Superior Transaction" shall be a competing transaction that the Board determines in good faith (x) would be in the best interests of the Company and all of its creditor constituencies and equity holder as a whole, (y) is reasonably capable of being consummated on or prior to the date set forth in Section 8(a), and (y) would reasonably be expected to provide a recovery to each class of creditor constituencies and the equity holder that is, in each case, equal to or better than the recovery contemplated by this Agreement, the RSA, the Plan and the other Plan Related Documents. At all times, the Company shall be obligated to promptly deliver to the Backstop Parties all written communications delivered to or received by the Company or its advisors making or materially modifying any proposals with respect to any competing transaction, including, without limitation, copies of all expressions of interest, term sheets, letters of interest, offers, proposed agreements or otherwise, and shall periodically update (not less than once every week) the Backstop Parties concerning such matters.

If the Company decides to pursue a Superior Transaction, the Company shall pay, as a priority administrative expense of the Company under, *inter alia*, sections 364(c)(1), 502(a) and 503(b) of the Bankruptcy Code all of the following: any and all fees and expenses, including Transaction Expenses, fees and expenses of legal counsel, financial advisors or due diligence advisors to the Backstop Parties incurred by the Backstop Parties in connection with this Agreement, the RSA, the Rights Offering Motion, the Restructuring, the Chapter 11 Cases, the Plan, or any Plan-Related Documents incurred before termination of this Agreement. For the avoidance of doubt, all sums due and owing to the Backstop Parties pursuant to this Section 9 shall be in addition to all other rights and remedies provided to the Backstop Parties in this Agreement.

10. Additional Backstop Parties. From time to time with the written consent of the Required Backstop Parties and the Company, one or more persons may agree to be bound by this Agreement as a "Backstop Party" pursuant to a joinder reasonably acceptable to the Required Backstop Parties and the Company (each, an "Additional Backstop Party"). Upon an Additional Backstop Party becoming party to this Agreement in accordance with this Section 10, the Sharing Percentage of each other Backstop Party shall be reduced by an amount equal to the product of (a) such Backstop Party's Sharing Percentage prior to such admission multiplied by (b) such Additional Backstop Party's Sharing Percentage as set forth in such joinder.

11. Miscellaneous.

(a) No Assignment. Subject to Sections 2(d) and 2(f), this Agreement shall not be assignable by any party without the prior written consent of all other parties hereto (and any purported assignment without such consent shall be null and void *ab initio*) and is intended to be solely for the benefit of the parties hereto and is not intended to confer any benefits upon, or create any rights in favor of, any person other than the parties hereto except as provided in Section 6; provided, however, that any Backstop Party may assign all or any portion of its Purchase Commitment or Backstop Commitment to an affiliate of such Backstop Party (including, but not limited to, any fund or account advised by the same manager or investment advisor) without the prior written consent of any other parties hereto; provided, further, that no such permitted assignment any Backstop Party shall relieve such Backstop Party of its obligations hereunder.

(b) Amendment and Waiver. No modification of or amendment to this Agreement shall be valid or binding unless set forth in writing and executed by the Required Backstop Parties hereto, and no waiver of any breach of any term or provision of this Agreement shall be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided, shall be limited to the specific breach waived. Notwithstanding the foregoing, (i) the Sharing Percentage of a Backstop Party (or any other material obligation of a Backstop Party hereunder) may not be increased and (ii) the Sharing Percentage of a Backstop Party may not be reduced except (A) pursuant to Section 10 or (B) in the event of a material breach of this Agreement by such Backstop Party, in each case, without the prior written consent of such Backstop Party.

(c) Entire Agreement. This Agreement, together with the RSA, the Plan-Related Documents and the other documents and agreements contemplated by the RSA, set forth the entire understanding of the parties hereto with respect to the subject matter hereof and supersede all prior agreements, discussions or understandings regarding the subject matter hereof, whether written or oral. This Agreement may be executed in any number of counterparts, each of which shall be an original, and all of which, when taken together, shall constitute one agreement. Delivery of an executed signature page of this Agreement by facsimile (or other form of electronic) transmission shall be effective as delivery of a manually executed counterpart hereof.

(d) Further Assurances. Each party shall execute and deliver all such further documents and instruments and do all acts and things as any other party may after the date hereof reasonably require to carry out or better evidence the full intent and meaning of this Agreement.

(e) Assigns. All terms of this Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and permitted assigns.

(f) Headings. Introduction and paragraph headings in this Agreement are for convenience only and shall not affect the construction of this Agreement.

(g) Governing Law. This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of Delaware, without giving effect to the principles of conflict of laws that would require the application of the law of any other jurisdiction. By its execution and delivery of this Agreement, each of the Parties hereto hereby

irrevocably and unconditionally agrees for itself that any legal action, suit or proceeding against it with respect to any matter under or arising out of or in connection with this Agreement or for recognition or enforcement of any judgment rendered in any such action, suit or proceeding, may be brought in either a state or federal court of competent jurisdiction in the State of Delaware. By execution and delivery of this Agreement, each of the Parties hereto hereby irrevocably accepts and submits itself to the nonexclusive jurisdiction of each such court, generally and unconditionally, with respect to any such action, suit or proceeding. Notwithstanding the foregoing consent to jurisdiction in either a state or federal court of competent jurisdiction in the State of Delaware, upon the commencement of the Chapter 11 Cases, each of the Parties hereto hereby agrees that, if the petitions have been filed and the Chapter 11 Cases are pending, the Bankruptcy Court shall have exclusive jurisdiction of all matters arising out of or in connection with this Agreement. EACH PARTY HERETO UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING REFERRED TO ABOVE. Notwithstanding the foregoing consent to Delaware jurisdiction, if the Chapter 11 Cases are commenced by the Companies, each Party agrees that the Bankruptcy Court shall have exclusive jurisdiction of all matters arising out of or in connection with this Agreement.

(h) Notices. Any notice required or permitted under this Agreement shall be given in writing and shall be deemed effectively given upon personal delivery to the party to be notified or upon delivery by confirmed facsimile transmission or nationally recognized overnight courier service and addressed to the party to be notified at the address indicated for such party on the signature page hereof, or at such other address as such party may designate by ten days' advance written notice to the other parties.

(i) Obligations Several and Not Joint. It is understood that (i) each of the Backstop Parties is entering into this Agreement on behalf of such Backstop Party, and not on behalf of any other Backstop Party, (ii) the obligations of each Backstop Party hereunder are several and not joint, (iii) the relationship of the Backstop Parties shall not be deemed a partnership, joint venture or similar arrangement and (iv) no Backstop Party shall have any liability for any breach of any provision of this Agreement by any other Backstop Party.

(j) Specific Performance. Each party hereto acknowledges that money damages would be both incalculable and an insufficient remedy for any breach of this Agreement by such party and that any such breach would cause the other parties hereto irreparable harm. Accordingly, each party hereto also agrees that, in the event of any breach or threatened breach of the provisions of this Agreement by such party, the other parties hereto shall be entitled to equitable relief without the requirement of posting a bond or other security, including in the form of injunctions and orders for specific performance, in addition to all other remedies available to such other parties at law or in equity.

[Signature Pages Follow]

**IN WITNESS WHEREOF**, each of the parties has caused this Agreement to be executed as of the date first above written.

EXHIBIT B

LENDER RSA

Execution Copy

# AMENDED AND RESTATED RESTRUCTURING SUPPORT AGREEMENT

AMENDED AND RESTATED RESTRUCTURING SUPPORT AGREEMENT (as amended, modified or supplemented from time to time, this "Agreement"), dated as of March 11, 2014, by and among (a) New Koosharem Corporation ("Koosharem"), Koosharem LLC (f/k/a Koosharem Corporation, the "Borrower"), the Guarantors (as defined below and together with Koosharem and the Borrower, the "Companies") and D. Stephen Sorensen (the "Consenting Equity Holder") and (b) the undersigned, each as the beneficial owner, or advisor, nominee or investment manager for the beneficial owner, of First Lien Lender Claims, Second Lien Lender Claims and/or Warrants (each as defined below), and each other Lender (as defined below) that becomes a party to this Agreement following the date hereof (each, a "Participating Lender" and, collectively, the "Participating Lenders" and, together with the Companies and the Consenting Equity Holder, each referred to as a "Party" and collectively referred to as the "Parties").

WHEREAS:

A. The Borrower, certain of the Borrower's affiliates party thereto, as guarantors, certain lenders party thereto and Bank of the West (the "First Lien Agent"), as administrative agent and collateral agent, are parties to that certain First Lien Credit and Guaranty Agreement, dated as of July 12, 2007 (as has been amended, restated, supplemented or otherwise modified from time to time, the "First Lien Credit Agreement").

B. The Borrower, certain of the Borrower's subsidiaries party thereto, as guarantors, certain lenders party thereto and Wilmington Trust, National Association (as successor by merger to Wilmington Trust FSB) (together with the First Lien Agent, the "Agents"), as successor administrative agent and collateral agent, are parties to that certain Second Lien Credit and Guaranty Agreement, dated as of July 12, 2007 (as has been amended, restated, supplemented or otherwise modified from time to time, the "Second Lien Credit Agreement" and, together with the First Lien Credit Agreement, the "Credit Agreements") (the lenders under the Credit Agreements, collectively, the "Lenders" and each, a "Lender"; the guarantors under the Credit Agreements, collectively, the "Guarantors" and each, a "Guarantor").

C. As of the date hereof, certain events have occurred that constitute Events of Default (as defined in the Credit Agreements) under the Credit Documents (collectively, the "Current Events of Default").

D. Prior to the date hereof, the Parties have discussed the possibility of consummating a financial restructuring of the Companies' indebtedness and other obligations as set forth and described in this Agreement and the Restructuring-Related Documents (as defined herein) (collectively, the "Restructuring").

E. The Restructuring will be effectuated either (a) through an out-of-court consent solicitation and exchange offer (an "Out-of-Court Transaction") or (b) a solicitation of votes for a joint chapter 11 plan of reorganization (an "In-Court Transaction"), in either case on the terms described in the Restructuring-Related Documents.

F. This Agreement and the Restructuring-Related Documents, which are incorporated herein by reference and are made part of this Agreement, set forth the agreement among the Parties concerning their commitment, subject to the terms and conditions hereof and thereof, to implement the Restructuring.

NOW, THEREFORE, in consideration of the covenants and agreements contained herein, and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each Party, intending to be legally bound hereby, agrees as follows:

1. DEFINITIONS.

The following terms used in this Agreement shall have the following definitions:

"2010 Term Loan Lender Warrants" has the meaning ascribed in the Credit Agreements.

"Agents" has the meaning set forth in the recitals hereof.

"Agreement" has the meaning set forth in the preamble hereof.

"Agreement for Continued Employment" means the Agreement for Continued Employment of Certain Personnel to be entered into between Reorganized Parent and the Consenting Equity Holder, in substantially the form attached hereto as Exhibit D, as amended or modified from time to time with the prior written consent of the Required Backstop Parties, the Majority Participating Lenders, Koosharem and the Consenting Equity Holder.

"Backstop Agreement" means the Backstop Agreement, dated as of the date hereof, among the Companies and the Backstop Parties, as amended, modified or supplemented in accordance with the terms thereof.

"Backstop Parties" has the meaning ascribed in the Backstop Agreement.

"Bankruptcy Code" means title 11 of the United States Code, 11 U.S.C. §§101 *et seq*., as amended from time to time and applicable to the Chapter 11 Cases.

"Bankruptcy Court" means the United States Bankruptcy Court for the District of Delaware.

"Bankruptcy Rules" means the Federal Rules of Bankruptcy Procedure as promulgated by the United States Supreme Court under section 2075 of title 28 of the United States Code, 28 U.S.C. § 2075, as applicable to the Chapter 11 Cases and the general, local and chambers rules of the Bankruptcy Court.

"Borrower" has the meaning set forth in the preamble hereof.

"Business Day" means any day other than Saturday, Sunday and any day that is a legal holiday or a day on which banking institutions in New York, New York are authorized by law or other governmental action to close.

"Butler Option Agreement" means the Butler Option Agreement to be entered into among Reorganized Parent, a newly-formed Delaware corporation or limited liability company holding 100% of the equity interests in Butler America, Inc., and with respect to certain sections, the Consenting Equity Holder, and all schedules and exhibits thereto, in substantially the form attached hereto as Exhibit A, in each case as amended or modified from time to time with the prior written consent of the Required Backstop Parties, the Majority Participating Lenders, Koosharem and the Consenting Equity Holder.

"Chapter 11 Cases" means the chapter 11 cases of the Companies.

"Claims" shall mean claims, actions, causes of action, suits, debts, accounts, interests, liens, promises, warranties, damages and consequential damages, demands, agreements, bonds, bills, specialties, covenants, controversies, variances, trespasses, judgments, executions, costs, expenses or any other claims whatsoever (including, without limitation, crossclaims, counterclaims, rights of set-off and recoupment).

"Companies" has the meaning set forth in the preamble hereof.

"Confirmation Order" means an order in a form and substance reasonably acceptable to the Required Backstop Parties, the Companies and the Consenting Equity Holder entered by the Bankruptcy Court confirming the Plan, including all exhibits, appendices, supplements and related documents, consistent in all material respects with this Agreement and the Restructuring-Related Documents.

"Consenting Equity Holder" has the meaning set forth in the preamble hereof.

"Corporate Governance Documents" means the following corporate governance documents of the Companies, which shall be consistent in all material respects with the Restructuring-Related Documents and in form and substance reasonably acceptable to the Required Backstop Parties: (a) the articles of incorporation, certificate of incorporation or certificate of formation, (b) the by-laws or limited liability company agreement, and (c) the Stockholders Agreement.

"Court Date" means any Business Day on which the Bankruptcy Court is open.

"Credit Agreements" has the meaning set forth in the recitals hereof.

"Credit Documents" shall mean the Credit Documents as defined in the First Lien Credit Agreement together with the Credit Documents as defined in the Second Lien Credit Agreement.

"DIP Facility" means a debtor-in-possession senior secured superpriority loan facility or similar loan facility and all related loan documents thereto to be entered into by and among the Companies, as debtors-in-possession, and the agent and lender or lenders thereto in form and substance reasonably acceptable to the Required Backstop Parties.

"DIP Facility Motion" means a motion, in form and substance reasonably acceptable to the Required Backstop Parties, which will be filed by the Companies seeking Bankruptcy Court approval of the DIP Facility.

"Disclosure Statement" means the disclosure statement in respect of the Plan, attached hereto as Exhibit B, and all exhibits, schedules, supplements, modifications and amendments, which shall be in form and substance reasonably acceptable to the Required Backstop Parties, the Companies and the Consenting Equity Holder.

"DRV Purchase Agreement" means the Purchase Agreement to be entered into among Reorganized Parent, the Consenting Equity Holder, SB Group Holdings, Inc., and Esperer Holdings, Inc., and all schedules and exhibits thereto, in substantially the form attached hereto as Exhibit C, in each case as amended or modified from time to time with the prior written consent of the Required Backstop Parties, the Majority Participating Lenders, Koosharem and the Consenting Equity Holder.

"Effective Date" means the date on which the Plan becomes effective.

"Equity Interest" means an equity interest in the capital stock of Koosharem and all options and warrants to acquire shares of capital stock in Koosharem, and other securities convertible into shares of capital stock of Koosharem.

"Fifth Amendment First Lien Lender Warrants" has the meaning ascribed in the First Lien Credit Agreement.

"Fifth Amendment Second Lien Lender Warrants" has the meaning ascribed in the Second Lien Credit Agreement.

"Final Order" means an order of the Bankruptcy Court as to which the time to appeal, petition for certiorari, or move for a new trial, reargument or rehearing has expired and as to which no appeal, petition for certiorari, or other proceedings for a new trial, reargument or rehearing shall then be pending or as to which any right to appeal, petition for certiorari, new trial, reargue, or rehear shall have been waived in writing in form and substance satisfactory to the Required Backstop Parties, or, in the event that an appeal, writ of certiorari, new trial, reargument, or rehearing thereof has been sought, no stay pending appeal has been granted or such order of the Bankruptcy Court shall have been determined by the highest court to which such order was appealed, or certiorari, new trial, reargument or rehearing shall have been denied and the time to take any further appeal, petition for certiorari, or move for a new trial, reargument or rehearing shall have expired; provided, however, that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules, may be filed with respect to such order shall not preclude such order from being a Final Order.

"First Lien Agent" has the meaning set forth in the recitals hereof.

"First Lien Credit Agreement" has the meaning set forth in the recitals hereof.

"First Lien Lenders" means the "Lenders" as defined in the First Lien Credit Agreement.

"First Lien Lender Claims" means all Claims arising under or relating to the First Lien Credit Agreement.

"First Lien Lender Warrants" has the meaning ascribed in the First Lien Credit Agreement.

"Guarantors" has the meaning set forth in the recitals hereof.

"In-Court Transaction" has the meaning set forth in the recitals hereof.

"Koosharem" has the meaning set forth in the preamble hereof.

"Lease Amendments" means the Amendment to Leases to be entered into by in substantially the form attached hereto as Exhibit E, as amended or modified from time to time with the prior written consent of the Required Backstop Parties, the Majority Participating Lenders, Koosharem and the Consenting Equity Holder.

"Lender" has the meaning set forth in the recitals hereof.

"Lender Claims" means all First Lien Lender Claims and all Second Lien Lender Claims including all Claims or interests pursuant to any of the Warrants.

"Majority Participating Lenders" means the Participating Lenders holding (a) a majority in amount of the First Lien Lender Claims under the First Lien Credit Agreement held by all Participating Lenders and (b) a majority in amount of the Second Lien Lender Claims under the Second Lien Credit Agreement held by all Participating Lenders.

"Milbank" means Milbank, Tweed, Hadley & McCloy LLP.

"Out-of-Court Solicitation" has the meaning set forth in Section 2(a) hereof.

"Out-of-Court Transaction" has the meaning set forth in the recitals hereof.

"Out-of-Court Transaction Documents" has the meaning set forth in Section 2(a).

"Outside Date" means the 17th day after the entry of the Confirmation Order (or, if such day is not a Court Date, the next succeeding Court Date).

"Participating Lender" has the meaning set forth in the preamble hereof.

"Parties" has the meaning set forth in the preamble hereof.

"Person" means an individual, a partnership, a joint venture, a limited liability company, a corporation, a trust, an unincorporated organization, a group or any legal entity or association.

"Petition Date" means the date the Chapter 11 Cases are commenced.

"Plan" means the chapter 11 plan of reorganization implementing the Restructuring in an In-Court Transaction and sent to the Lenders as part of the Solicitation Materials, in substantially the form attached hereto as Exhibit F, as amended or modified from time to time with the prior written consent of the Required Backstop Parties, the Majority Participating Lenders, Koosharem and the Consenting Equity Holder.

"Plan-Related Documents" means, but shall not be limited to: (a) the materials related to the solicitation of votes for the Plan pursuant to sections 1125, 1126 and 1145 of chapter 11 of the Bankruptcy Code (together with the Out-of-Court Transaction Documents (as defined in Section 2(a) hereof), the "Solicitation Materials"); (b) any other documents or agreements required in connection with the Plan and Disclosure Statement, including, but not limited to, (i) the Confirmation Order, and (ii) any appendices, amendments, modifications, supplements, exhibits and schedules relating to the Plan or the Disclosure Statement, (c) all applicable "first day motions"; (d) the RSA Motion, and the DIP Facility Motion; (e) such other definitive documentation relating to financing (including, without limitation, various releases of liens and guarantees) as is necessary to consummate the Restructuring; (f) any exit financing put in place at the time of the Restructuring; (g) the Corporate Governance Documents; (h) documents disclosing the identity of the members of the board of directors of any of the reorganized debtors and the nature of and compensation for any "insider" under the Bankruptcy Code who is proposed to be employed or retained by any of the reorganized debtors; (i) each list of material executory contracts and unexpired leases to be assumed, assumed and assigned, or rejected; and (j) a list of any material retained causes of action. All of the foregoing clauses (a) through (i) shall be consistent in all material respects with the terms set forth in the Restructuring-Related Documents and be in form and substance reasonably acceptable to the Companies, the Consenting Equity Holder and the Required Backstop Parties.

"Post-Petition" means the time period beginning immediately upon the filing of the Chapter 11 Cases and ending on the Effective Date.

"Reorganized Parent" has the meaning set forth in the Plan.

"Required Backstop Parties" has the meaning ascribed in the Backstop Agreement.

"Requisite Participating Lenders" means the Lenders representing (a) at least two-thirds in amount and more than one-half in number of First Lien Lender Claims under the First Lien Credit Agreement and (b) at least two-thirds in amount and more than one-half in number of Second Lien Lender Claims under the Second Lien Credit Agreement.

"Restructuring" has the meaning set forth in the recitals hereof.

"Restructuring-Related Documents" means the Butler Option Agreement, the DRV Purchase Agreement, the Agreement for Continued Employment, the Lease Amendments, Plan-Related Documents, the Sorensen Restricted Stock Award Agreement, the Sorensen Executive Employment Agreement, the Sorensen Covenants Agreement, the Plan, the Sorensen

Security Agreement, the Disclosure Statement, the Backstop Agreement, the Sorensen Support Agreement and the Stockholders Agreement.

"Rights Offering" means a private placement rights offering or a private placement as set forth in the Plan.

"RSA Motion" means a motion, in form and substance reasonably acceptable to the Required Backstop Parties, the Companies and the Consenting Equity Holder that will be filed by the Companies on the Petition Date seeking Bankruptcy Court approval, upon thirty (30) days' notice and a hearing, of this Agreement and authorizing the Companies to assume this Agreement Post-Petition.

"RSA Order" means an order of the Bankruptcy Court granting the relief requested in the RSA Motion and approving this Agreement and authorizing the Companies to assume this Agreement Post-Petition, which order shall be in form and substance reasonably acceptable to the Required Backstop Parties, the Companies and the Consenting Equity Holder.

"Second Lien Credit Agreement" has the meaning set forth in the recitals hereof.

"Second Lien Lender Claims" means all Claims arising under or relating to the Second Lien Credit Agreement.

"Second Lien Lender Warrants" has the meaning ascribed in the Second Lien Credit Agreement.

"Second Lien Lenders" means the "Lenders" as defined in the Second Lien Credit Agreement.

"Solicitation Materials" has the meaning set forth in the definition of "Plan-Related Documents" in Section 1 hereof.

"Sorensen Covenants Agreement" means a Covenants in Connection with Sale of Business Agreement between Reorganized Parent and the Consenting Equity Holder, and all schedules and exhibits thereto, in substantially the form attached hereto as Exhibit G, in each case as amended or modified from time to time with the prior written consent of the Required Backstop Parties, the Majority Participating Lenders, Koosharem and the Consenting Equity Holder.

"Sorensen Executive Employment Agreement" means that certain executive employment agreement to be entered into by and between the Consenting Equity Holder and Reorganized Parent, and all schedules and exhibits thereto, in substantially the form attached hereto as Exhibit H, in each case as amended or modified from time to time with the prior written consent of the Required Backstop Parties, the Majority Participating Lenders, Koosharem and the Consenting Equity Holder.

"Sorensen Restricted Stock Award Agreement" means the Restricted Stock Award Agreement to be entered into between Reorganized Parent and the Consenting Equity Holder, in substantially the form attached hereto as Exhibit I, as amended or modified from time

to time with the prior written consent of the Required Backstop Parties, the Majority Participating Lenders, Koosharem and the Consenting Equity Holder.

"Sorensen Security Agreement" means the Sorensen Security Agreement, to be entered into between Reorganized Parent and the Consenting Equity Holder, in substantially the form attached hereto as Exhibit J, as amended or modified from time to time with the prior written consent of the Required Backstop Parties, the Majority Participating Lenders, Koosharem and the Consenting Equity Holder.

"Sorensen Support Agreement" means the Sorensen Support Agreement, dated as of the date hereof, among Koosharem, the Backstop Parties, Butler America, Inc., Butler America TCS, Inc., Butler America Staffing LLC, and Butler Technical Services India (P) Ltd., the Consenting Equity Holder, and Shannon Sorensen, Stephanie Sorensen, John Sorensen, Paul Sorensen, Allyson Sorensen, the Sorensen Family Trust U/D/T July 26, 1991, as amended, SB Group Holdings, Inc., Battle Mountain Specialty Insurance, Inc., Esperer Holdings, Inc., SSST Holdings, LLC, and 1640 Grove, LLC, as amended, modified or supplemented in accordance with the terms thereof.

"Steering Committee" means that certain committee comprised of Lenders under the First Lien Credit Agreement and Lenders under the Second Lien Credit Agreement.

"Stockholders Agreement" means the Stockholders Agreement to be entered into on the Effective Date among Reorganized Parent, the Companies and the holders of Reorganized Parent equity interests, and all exhibits thereto, in substantially the form attached hereto as Exhibit K, in each case as amended or modified from time to time with the prior written consent of the Required Backstop Parties, the Majority Participating Lenders, Koosharem and the Consenting Equity Holder.

"Termination Date" has the meaning set forth in Section 5(b) hereof.

"Termination Event" has the meaning set forth in Section 5(a) hereof.

"Tolled Period" shall mean the period beginning on August 9, 2013 up to and through the Termination Date.

"Transaction Expenses" has the meaning set forth in Section 36(a) hereof.

"Transfer" has the meaning set forth in Section 7 hereof.

"Warrants" means, collectively, the 2010 Term Loan Lender Warrants, the Fifth Amendment First Lien Lender Warrants, the First Lien Lender Warrants, the Fifth Amendment Second Lien Lender Warrants and the Second Lien Lender Warrants.

2. OUT-OF-COURT TRANSACTION; IN-COURT TRANSACTION.

(a) The Companies may implement the Restructuring on a consensual basis in an Out-of-Court Transaction if all Lenders become Participating Lenders, which Out-of-Court Transaction will, consistent with the Restructuring-Related Documents, provide for, among other

things, the satisfaction of all Lender Claims. The Out-of-Court Transaction will be implemented by solicitation by the Companies (the "Out-of-Court Solicitation") in accordance with applicable law and pursuant to various agreements and related documentation as agreed to by the Backstop Parties and the Companies (collectively, the "Out-of-Court Transaction Documents").

3. COMMITMENT OF PARTICIPATING LENDERS.

Subject to the terms and conditions of this Agreement and in the Restructuring-Related Documents, each Participating Lender (severally and not jointly) agrees that, so long as no Termination Event has occurred:

(a) to the extent the Companies pursue the Restructuring through an Out-of-Court Transaction, such Participating Lender shall timely vote and tender all Lender Claims, now or hereafter beneficially owned by such Participating Lender or for which it now or hereafter serves as the nominee, investment manager or advisor for beneficial holders thereof, in favor of such solicitation and exchange in accordance with the applicable procedures set forth in the Solicitation Materials;

(b) to the extent the Companies pursue the Restructuring through an In-Court Transaction, so long as its vote has been properly solicited pursuant to sections 1125 and 1126 of the Bankruptcy Code, such Participating Lender shall (i) vote all Lender Claims, now or hereafter beneficially owned by such Participating Lender or for which it now or hereafter serves as the nominee, investment manager or advisor for beneficial holders thereof, in favor of the Plan in accordance with the applicable procedures set forth in the Solicitation Materials, (ii) timely return a duly executed ballot in connection therewith, and (iii) on the ballot voting in favor of the Plan opt in to (or to the the extent such election is available, not elect to opt out of) the release and exculpation provisions provided under the Plan;

(c) such Participating Lender shall not withdraw or revoke its tender, consent or vote with respect to any consent solicitation and exchange offer or the Plan (as applicable), except as otherwise expressly permitted pursuant to this Agreement; and

(d) following the Petition Date, such Participating Lender shall not (i) object to the Plan, the Disclosure Statement or the consummation of the Restructuring consistent in all material respects with the Restructuring-Related Documents and the Plan, or any efforts to obtain acceptance of, to confirm, implement or consummate the Plan; (ii) initiate any legal proceedings, that are inconsistent with, or that would delay, prevent, frustrate or impede the approval, confirmation or consummation of, the Restructuring, the Restructuring-Related Documents or the transactions outlined therein or otherwise commence any proceeding to oppose any action or any of the Plan-Related Documents, take any other action that is barred by this Agreement, so long as the Plan and all other Plan-Related Documents contain terms and conditions effectuating the Restructuring that conform in all material respects to the Restructuring-Related Documents and this Agreement; (iii) vote for, consent to, support or participate in the formulation of any other restructuring or settlement of the Companies' claims or equity interests, any other transaction involving the Companies, any of their assets or any of their stock, or any plan of reorganization (with the sole exception of the Plan) or liquidation under any bankruptcy, insolvency or similar laws, whether domestic or foreign, in respect of the Companies; (iv)

directly or indirectly seek, solicit, support, formulate entertain, encourage or engage in any inquiries, or discussions, or enter into any agreements relating to, any restructuring, plan of reorganization, receivership, proposal or offer of dissolution, winding up, liquidation, reorganization, merger, transaction, sale, assignment for the benefit of creditors, or restructuring in any manner of the Companies (or any of their assets, liabilities or equity interests) other than the Plan or as otherwise set forth in the Restructuring-Related Documents; or (v) solicit, encourage, or direct any Person to undertake any action set forth in clauses (i) through (iv) of this subsection.

Notwithstanding the foregoing, nothing in this Agreement shall be construed to prohibit any Party from appearing as a party-in-interest in any matter to be adjudicated in the Chapter 11 Cases so long as such appearance and the positions advocated in connection therewith are consistent with this Agreement and are not for the purpose of, and could not reasonably be expected to have the effect of, hindering, delaying or preventing the consummation of the Restructuring.

4. COMMITMENT OF THE COMPANIES AND OF THE CONSENTING EQUITY HOLDER.

(a) Subject to their fiduciary duties as debtors-in-possession or under other applicable law, as set forth in Section 16, each of the Companies and the Consenting Equity Holder agrees to: (i) support and use reasonable best efforts to complete the Restructuring and all transactions contemplated under this Agreement, (ii) take any and all necessary and appropriate actions in furtherance of the Restructuring and the transactions contemplated hereunder, (iii) use their reasonable best efforts to complete the Restructuring and all transactions contemplated in the Restructuring-Related Documents and this Agreement, either by an Out-of-Court Transaction or an In-Court Transaction, and pursuant to the Out-of-Court Transaction Documents or the Plan-Related Documents, as the case may be, within the time-frame outlined herein, (iv) obtain any and all required regulatory and/or third party approvals for the Restructuring, and (v) take no actions inconsistent with this Agreement, the Restructuring-Related Documents, the Out-of-Court Transaction Documents or the Plan-Related Documents or the confirmation and consummation of the Plan.

(b) Each of the Companies and the Consenting Equity Holder agrees that if prior to the expiration of the Out-of-Court Solicitation period, it becomes evident, in the reasonable judgment of the Required Backstop Parties, that all Lenders will not become Participating Lenders, and the Backstop Parties notify the Companies and the Consenting Equity Holder of the foregoing in writing, the Companies and the Consenting Equity Holder will not wait until the expiration of the Out-of-Court Solicitation period to commence the In-Court Transaction; instead, provided that the Requisite Participating Lenders have signed this Agreement, the Companies and the Consenting Equity Holder will take all reasonable steps to commence the In-Court Transaction as soon as commercially practical after the receipt of such notice.

(c) The Consenting Equity Holder (other than in his capacity as a director or officer of the Companies) agrees that, so long as no Termination Event has occurred:

(i) to the extent the Companies pursue the Restructuring through an Out-of-Court Transaction, such Consenting Equity Holder shall timely vote and tender all Equity Interests, now or hereafter beneficially owned by such Consenting Equity Holder or for which it now or hereafter serves as the nominee, investment manager or advisor for beneficial holders thereof, in favor of such solicitation and exchange in accordance with the applicable procedures set forth in the Solicitation Materials;

(ii) to the extent the Companies pursue the Restructuring through an In-Court Transaction, so long as its vote has been properly solicited pursuant to sections 1125 and 1126 of the Bankruptcy Code, such Consenting Equity Holder shall vote all Equity Interests, now or hereafter beneficially owned by such Consenting Equity Holder or for which it now or hereafter serves as the nominee, investment manager or advisor for beneficial holders thereof, in favor of the Plan in accordance with the applicable procedures set forth in the Solicitation Materials, and timely return a duly executed ballot in connection therewith;

(iii) such Consenting Equity Holder shall not withdraw or revoke its tender, consent or vote with respect to any consent solicitation and exchange offer or the Plan (as applicable), except as otherwise expressly permitted pursuant to this Agreement;

(iv) following the Petition Date, such Consenting Equity Holder shall not (A) object to the Plan, the Disclosure Statement or the consummation of the Restructuring consistent in all material respects with the Restructuring-Related Documents and the Plan, or any efforts to obtain acceptance of, to confirm, implement or consummate the Plan; (B) initiate any legal proceedings, that are inconsistent with, or that would delay, prevent, frustrate or impede the approval, confirmation or consummation of, the Restructuring, the Restructuring-Related Documents or the transactions outlined therein or otherwise commence any proceeding to oppose any action or any of the Plan-Related Documents, take any other action that is barred by this Agreement, so long as the Plan and all other Plan-Related Documents contain terms and conditions effectuating the Restructuring that conform in all material respects to the Restructuring-Related Documents and this Agreement; (C) vote for, consent to, support or participate in the formulation of any other restructuring or settlement of the Companies' claims or equity interests, any other transaction involving the Companies, any of their assets or any of their stock, or any plan of reorganization (with the sole exception of the Plan) or liquidation under any bankruptcy, insolvency or similar laws, whether domestic or foreign, in respect of the Companies; (D) directly or indirectly seek, solicit, support, formulate entertain, encourage or engage in any inquiries, or discussions, or enter into any agreements relating to, any restructuring, plan of reorganization, receivership, proposal or offer of dissolution, winding up, liquidation, reorganization, merger, transaction, sale, assignment for the benefit of creditors, or restructuring in any manner of the Companies (or any of their assets, liabilities or equity interests) other than the Plan or as otherwise set forth in the Restructuring-Related Documents; or (E) solicit, encourage, or direct any Person to undertake any action set forth in clauses (A) through (D) of this subsection; and

(v) on the Effective Date or the date of the consummation of the Out-of-Court Transaction, as applicable, such Consenting Equity Holder shall enter into the Sorensen Employment Agreement and Sorensen Covenants Agreement.

Notwithstanding the foregoing, nothing in this Agreement shall be construed to prohibit any Party from appearing as a party-in-interest in any matter to be adjudicated in the Chapter 11 Cases so long as such appearance and the positions advocated in connection therewith are consistent with this Agreement and are not for the purpose of, and could not reasonably be expected to have the effect of, hindering, delaying or preventing the consummation of the Restructuring.

5. TERMINATION BY PARTICIPATING LENDERS.

(a) This Agreement may be terminated by the Required Backstop Parties or the Majority Participating Lenders upon the occurrence of any of the following events:

(i) If the Petition Date has occurred:

(A) the Companies commence Chapter 11 Cases in any court other than the Bankruptcy Court;

(B) the Companies shall not have received the votes in support of the Plan from at least 66⅔% of the principal amount of the First Lien Lender Claims who have voted, and a majority in number of the First Lien Lenders who have voted by any applicable voting deadline;

(C) the Companies shall have withdrawn the Plan without the consent of the Required Backstop Parties and the Majority Participating Lenders;

(D) the amendment, modification of, or the filing of a pleading seeking to amend or modify, the Plan, the Disclosure Statement or any Plan-Related Documents, notices, exhibits, appendices and orders by the Companies, which amendment, modification or filing is materially inconsistent with this Agreement or the Restructuring-Related Documents in a manner that is not reasonably acceptable to the Required Backstop Parties and the Majority Participating Lenders;

(E) the filing by the Companies of any motion or other request for relief seeking (I) voluntary dismissal of any of the Chapter 11 Cases, (II) conversion of any of the Chapter 11 Cases to chapter 7 of the Bankruptcy Code, or (III) appointment of a trustee or an examiner with expanded powers pursuant to section 1104 of the Bankruptcy Code in any of the Chapter 11 Cases;

(F) the entry of an order by the Bankruptcy Court (I) dismissing any of the Chapter 11 Cases, (II) converting any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code, or (III) appointing a trustee or an examiner with expanded powers pursuant to section 1104 of the Bankruptcy Code with respect to any of the Chapter 11 Cases;

(G) a material breach by the Companies or the Consenting Equity Holder of any of their respective obligations under this Agreement or any other agreement governing the Restructuring, and any such breach by the Companies or the Consenting Equity Holder, as the case may be, is not cured by 10 days after receipt of written notice and opportunity to cure, if such breach is curable, from the Majority Participating Lenders or the Required Backstop Parties;

(H) any court of competent jurisdiction or other competent governmental or regulatory authority shall have issued an order making illegal or otherwise restricting, preventing, or prohibiting the Restructuring in a manner that cannot be reasonably remedied by the Companies or the Participating Lenders;

(I) the Plan Effective Date shall not have occurred by the Outside Date;

(J) the filing of any motion by the Companies or the Consenting Equity Holder in the Chapter 11 Cases under section 363, 364, or 365 of the Bankruptcy Code that is materially inconsistent with the terms and conditions of the Restructuring-Related Documents or this Agreement in a manner that is not reasonably acceptable to the Required Backstop Parties and the Majority Participating Lenders; or

(K) the Backstop Agreement shall have been terminated; or

(ii) (1) Any involuntary case or proceeding under the Bankruptcy Code is filed against the Company or any of its subsidiaries, or (2) any other involuntary insolvency, reorganization or bankruptcy case or proceeding, or any involuntary receivership, liquidation, reorganization or other similar involuntary case or proceeding is commenced against the Company or any of its subsidiaries.

(b) The date on which this Agreement is terminated in accordance with this Section 5 or Section 6 of this Agreement shall be referred to as the "Termination Date" and the provisions of this Agreement shall terminate.

(c) Notwithstanding anything in this Agreement to the contrary, upon either (i) the entry of an order by the Bankruptcy Code invalidating or disallowing any First Lien Lender Claim or any Second Lien Lender Claim of any Participating Lender or any documents governing or giving rise to such Claim or (ii) the filing of a Plan, Plan-Related Documents or Corporate Governance Documents, in any of the foregoing cases, that materially deviates from the Restructuring-Related Documents in a manner that is not reasonably acceptable to any Participating Lender, such Participating Lender may, in its individual capacity, terminate its obligations under this Agreement upon three (3) Business Days' prior notice to the Companies and the other Participating Lenders; provided, however, that any termination by a Participating Lender of its obligations under this Agreement pursuant to this sentence shall not constitute a Termination Event or affect the obligations of any other Participating Lender hereunder or the Companies under this Agreement.

(d) This Agreement may be terminated by mutual written consent of the Companies, the Consenting Equity Holder, the Backstop Parties and the Majority Participating Lenders.

(e) No termination pursuant to this Section 5 shall limit the liability of the Companies notwithstanding that any Participating Lender has exercised termination rights under this Section 5. The exercise of a right to terminate this Agreement pursuant to this Section 5 shall not limit any other right of a Participating Lender

(f) Upon the Termination Date, any and all votes of the Participating Lenders with respect to the Plan prior to such Termination Date shall be automatically and immediately withdrawn, and such votes shall be deemed to be null and void for all purposes and shall not be considered or otherwise used in any manner by the Parties.

6. THE COMPANIES' TERMINATION EVENTS.

The Companies may terminate this Agreement as to all Parties upon three (3) Business Days' prior written notice thereof, upon the occurrence of any of the following events:

(a) any breach or termination pursuant to Section 5(c) by any of the Participating Lenders, or involuntary transfer of a Lender Claim, that has the effect of reducing the ratio, expressed as a percentage, of (i) the aggregate principal amount of outstanding First Lien Lender Claims or Second Lien Lender Claims, as the case may be, whose holders have voted to support the Plan to (ii) the aggregate principal amount of outstanding First Lien Lender Claims or Second Lien Lender Claims, as the case may be, whose holders (including the Participating Lenders) who have voted with respect to the Plan below 66⅔% in principal amount, which breach remains uncured for a period of five (5) Business Days after the receipt by the Participating Lenders of notice of such breach;

(b) the issuance by any governmental authority, including any regulatory authority or court of competent jurisdiction, of any ruling or order enjoining the consummation of a material portion of the Restructuring; or

(c) any breach or termination pursuant to Section 5(c) by any of the Participating Lenders, or involuntary transfer of a Lender Claim, that causes Participating Lenders to fall below the Requisite Participating Lender threshold.

No termination pursuant to this Section 6 shall limit the liability of the Participating Lenders notwithstanding that the Companies have exercised termination rights under this Section 6. The exercise of a right to terminate this Agreement pursuant to this Section 6 shall not limit any other right of the Companies.

7. TRANSFER OF EQUITY CLAIMS AND LENDER CLAIMS.

Notwithstanding anything to the contrary herein, each of the Consenting Equity Holder and each of the Participating Lenders (on a several and not a joint basis) agrees that, for so long as this Agreement has not been terminated in accordance with its terms, it shall not sell, assign, transfer, convey or otherwise dispose of, directly or indirectly (each such transfer, a "Transfer"),

all or any of its First Lien Lender Claims, Second Lien Lender Claims, Equity Interests or Warrants (in each case, or any right related thereto and including any voting rights associated with such Claims, Equity Interests or Warrants), unless the transferee thereof (a) agrees in an enforceable writing (a "Joinder") to assume and be bound by this Agreement, and to assume the rights and obligations of the Consenting Equity Holder or the Participating Lender, as the case may be, under this Agreement and (b) promptly delivers such Joinder to the Borrower (each such transferee becoming, upon the Transfer, a Consenting Equity Holder or Participating Lender hereunder, as the case may be). Any Transfer that does not comply with the procedure set forth in the first sentence of this Section 7 shall be deemed void ab initio. Notwithstanding the foregoing, any transferee that specifies in the documentation executed in connection with a Transfer that it is acting as a broker, dealer, market maker or "Riskless Principal," as such term is defined by the Loan Syndications and Trading Association in its Standard Terms and Conditions for Distressed Trade Confirmations shall not be required to execute a Joinder, provided that any subsequent transferee of such broker, dealer, market maker or "Riskless Principal" shall be required to execute a Joinder. This Agreement shall in no way be construed to preclude the Participating Lenders from acquiring additional Lender Claims, provided that any such additional Lender Claims shall automatically be deemed to be subject to the terms of this Agreement.

8. OWNERSHIP OF CLAIMS AND INTERESTS.

The Consenting Equity Holder and each of the Participating Lenders represents and warrants (severally and not jointly) that:

(a) as of the date of this Agreement, it is the beneficial owner of the principal amount of Lender Claims or Equity Interests (as applicable), or is the nominee, investment manager or advisor for beneficial holders of such Lender Claims or Equity Interests, as the Consenting Equity Holder or such Participating Lender, as the case may be, has indicated on its signature page hereto; provided, however, that the Participating Lender signature pages to this Agreement shall be disclosed only to the Companies and the Companies' legal counsel and financial advisors, and the Companies agree (and agree to cause their respective legal counsel and financial advisors to maintain the confidentiality of such information) that, except for such disclosure as may be required by an order of the Bankruptcy Court in connection with the Chapter 11 Cases, such information shall be kept confidential, and without limiting the foregoing, the Participating Lender signature pages to this Agreement shall not be attached to the RSA Motion or the RSA Order or any other public filing of this Agreement except as expressly provided for herein;

(b) each nominee, investment manager or advisor acting on behalf of beneficial holders of a Lender Claim represents and warrants to the Companies and the other Participating Lenders that it has the legal authority to so act and to bind the applicable beneficial holder; and

(c) other than pursuant to this Agreement, such Lender Claims are free and clear of any equity, option, proxy, voting restriction, right of first refusal or other limitation on disposition of any kind, that might adversely affect in any way such Participating Lender's

performance of its obligations contained in this Agreement at the time such obligations are required to be performed.

9. COOPERATION, FILING OF MOTIONS AND SCHEDULING OF HEARINGS.

(a) The Companies shall provide draft copies of all material "first day" motions, motions or applications, other documents and Plan-Related Documents the Companies intend to file with the Bankruptcy Court on the Petition Date to the Backstop Parties and counsel to the Steering Committee as soon as reasonably practicable prior to the Petition Date, and shall consult in good faith with the Backstop Parties and such counsel regarding the form and substance of any such proposed filings, documents and Plan-Related Documents.

(b) The Companies shall provide draft copies of all Plan-Related Documents the Companies intend to file with the Bankruptcy Court Post-Petition to the Backstop Parties and counsel to the Steering Committee within a commercially reasonable time prior to filing such pleadings and/or documents and shall consult in good faith with such counsel regarding the form and substance of any such proposed pleading.

10. CLAIM RESOLUTION MATTERS; CLAIMS CAP.

Prior to the entry of the Confirmation Order, the Companies may enter into agreements with holders of claims (as defined in the Bankruptcy Code) (other than the Lender Claims) relating to the allowance, estimation, validity, extent or priority of such claims, or the treatment and classification of such claims under the Plan; provided, however, that the Companies shall provide the Participating Lenders with not less than five (5) Business Days' written notice of the material terms of the proposed agreement and also of the motion seeking authorization for the Companies to enter into such a proposed agreement, and upon the expiration of such five (5) Business Days' period, if the Participating Lenders have not notified the Companies of an objection by the Majority of Participating Lenders to such proposed treatment of such claims, the Companies shall be authorized to proceed with such motion and, if such motion is approved by the Bankruptcy Court, abide by the proposed agreement. Notwithstanding the forgoing, the Companies shall not be required to provide the Participating Lenders with advance notice or any objection period with respect to payment of (i) any trade payables and employee benefits and obligations which arise in the ordinary course of the Companies' Post-Petition business, (ii) claims asserted in a liquidated amount of $100,000 or less or $500,000 in the aggregate, and (iii) claims which the Companies are authorized to resolve or pay pursuant to the terms of any applicable first day order and such resolution or payment complies with the terms and limitations, if any, imposed on the Companies by such applicable order.

11. BUSINESS CONTINUANCE; ACCESS.

Except as contemplated by this Agreement or with the prior written consent of the Required Backstop Parties, the Companies covenant and agree that, between the date hereof and the Effective Date, the Companies shall operate their businesses in the ordinary course in a manner consistent with past practice in all material respects (other than any changes in operations (x) resulting from or relating to the Out-of-Court Solicitation or the proposed or actual filing of the Chapter 11 Cases or (y) imposed by the Bankruptcy Court). Further, except as

expressly contemplated by this Agreement and except for changes resulting from or relating to the filing of the Chapter 11 Cases or imposed by the Bankruptcy Court, the Companies will continue (i) using commercially reasonable efforts to preserve the relationships with current important customers, distributors, suppliers, vendors and others having business dealings with the Companies, including but not limited to the performance of all material obligations under any executory contracts which have not been rejected and compliance with historical billing practices, (ii) maintaining and insuring their physical assets, properties and facilities in their current working order, condition and repair as of the date hereof (ordinary wear and tear excepted) and maintaining all existing insurance on the foregoing, (iii) not taking any action, or omitting to take any action, the intent of which is to cause the termination of their respective current executive officers (other than for good reason or for cause) and (iv) maintaining the Companies' books and records on a basis consistent with prior practice, including prior billing and collection practices.

12. REPRESENTATIONS.

(a) Each Party represents to each other Party that, as of the date of this Agreement:

(i) such Party is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization, and has all requisite corporate, partnership, or limited liability company power and authority to enter into this Agreement and to carry out the transactions contemplated by, and perform its respective obligations under, this Agreement;

(ii) The execution, delivery and performance of this Agreement by such Party does not and shall not (x) violate any provision of law, rule or regulation applicable to it or any of its subsidiaries or its organizational documents or those of any of its subsidiaries or (y) conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default under any material contractual obligations to which it or any of its subsidiaries is a party or under its organizational documents;

(iii) The execution, delivery and performance by it of this Agreement does not and shall not require any registration or filing with, consent or approval of, or notice to, or other action to, with or by, any federal, state or other governmental authority or regulatory body, except such filing as may be necessary and/or required for disclosure by the Securities and Exchange Commission or pursuant to state securities or "blue sky" laws, and the possible approval by the Bankruptcy Court of the Companies authority to enter into and implement this Agreement; and

(iv) Subject to the provisions of sections 1125 and 1126 of the Bankruptcy Code, this Agreement is the legally valid and binding obligation of such Party, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws, both foreign and domestic, relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

13. ENTIRE AGREEMENT; PRIOR NEGOTIATIONS.

This Agreement, including the Restructuring-Related Documents, and the exhibits, schedules and annexes, if any, hereto and thereto constitute the entire agreement of the Parties with respect to the subject matter thereof. This Agreement and the Backstop Agreement supersede all prior negotiations, communications, agreements and understandings, whether written or oral, between and among the Companies, the Steering Committee and the Participating Lenders (and their respective advisors or managers) with respect to the subject matter of this Agreement.

14. SURVIVAL OF AGREEMENT.

Each of the Parties acknowledges and agrees that this Agreement is being executed in connection with negotiations concerning the Restructuring and in contemplation of possible Chapter 11 Cases to be filed by the Companies.

15. WAIVER.

This Agreement and the Restructuring-Related Documents are part of a proposed settlement of a dispute among the Parties. Regardless of whether or not the transactions contemplated herein are consummated, or whether or not the Termination Date has occurred, if applicable, nothing shall be construed herein as a waiver by any Party of any or all of such Party's rights or remedies and the Parties expressly reserve any and all of their respective rights and remedies. Pursuant to Federal Rule of Evidence 408 and any other applicable rules of evidence, this Agreement and all negotiations relating hereto shall not be admissible into evidence in any proceeding other than a proceeding to enforce its terms.

16. THE COMPANIES' FIDUCIARY DUTIES.

Notwithstanding anything to the contrary herein, nothing in this Agreement shall require the Companies or their affiliated entities or any of their respective directors or officers (in such person's capacity as a director or officer) to take any action, or to refrain from taking any action, to the extent that taking such action or refraining from taking such action would be inconsistent with such person's fiduciary obligations under applicable law.

17. REPRESENTATION BY COUNSEL.

Each Party hereto acknowledges that it has been represented by counsel (or had the opportunity to and waived its right to do so) in connection with this Agreement and the transactions contemplated by this Agreement. Accordingly, any rule of law or any legal decision that would provide any Party hereto with a defense to the enforcement of the terms of this Agreement against such Party based upon lack of legal counsel shall have no application and is expressly waived. The provisions of this Agreement shall be interpreted in a reasonable manner to effect the intent of the Parties hereto. None of the Parties hereto shall have any term or provision construed against such Party solely by reason of such Party having drafted the same.

18. INDEPENDENT DUE DILIGENCE AND DECISION-MAKING.

Each Participating Lender hereby confirms that it has made its own decision to execute this Agreement based upon its own independent assessment of documents and information available to it, as it has deemed appropriate.

19. COUNTERPARTS.

This Agreement may be executed in one or more counterparts, each of which, when so executed, shall constitute the same instrument and the counterparts may be delivered by facsimile transmission or by electronic mail in portable document format (.pdf).

20. AMENDMENTS.

Except as otherwise provided herein, this Agreement may not be modified, amended or supplemented, and no provision of this Agreement may be waived, without prior written consent of the Companies, the Consenting Equity Holder and the Majority Participating Lenders; provided, that if the modification, amendment or supplement materially and adversely impacts the economic treatment of a particular Participating Lender, then in addition to the foregoing, the agreement in writing of such affected Participating Lender shall be required for such modification, amendment or supplement to be effective against such Participating Lender. Without the prior written consent of each Participating Lender that would be affected thereby, no amendment or modification shall be effective that alters either the treatment of the First Lien Lender Claims or the treatment of the Second Lien Lender Claims.

21. HEADINGS.

The headings of the sections, paragraphs and subsections of this Agreement are inserted for convenience only and shall not affect the interpretation hereof.

22. RELATIONSHIP AMONG PARTIES.

Notwithstanding anything herein to the contrary, the duties and obligations of the Participating Lenders under this Agreement shall be several, not joint. It is understood and agreed that any Participating Lender may trade in the Lender Claims or other debt or equity securities of the Companies without the consent of the Companies or any other Participating Lender, subject to applicable securities laws and Section 7 of this Agreement. No Party hereto shall have any responsibility for any such trading to any other entity by virtue of this Agreement. No prior history, pattern or practice of sharing confidences among or between the Parties hereto shall in any way affect or negate this understanding and agreement.

23. SPECIFIC PERFORMANCE.

It is understood and agreed by the Parties that money damages would be an insufficient remedy for any breach of this Agreement by any Party and each non-breaching Party shall be entitled to specific performance and injunctive or other equitable relief as a remedy of any such breach, including, without limitation, an order of the Bankruptcy Court or other court of competent jurisdiction requiring any Party to comply promptly with any of its obligations

hereunder; provided, however, that each Party agrees to waive any requirement for the securing or posting of a bond in connection with such remedy.

24. CONFLICTS BETWEEN THIS AGREEMENT AND THE RESTRUCTURING-RELATED DOCUMENTS AND RELATED TRANSACTION DOCUMENTS AND BETWEEN THE PLAN AND THIS AGREEMENT.

In the event the terms and conditions as set forth in the Restructuring-Related Documents and this Agreement are inconsistent, the terms and conditions contained in the Restructuring-Related Documents (and the transaction related documents) shall govern. In the event of any conflict among the terms and provisions in the Plan, as approved by the Bankruptcy Court by Final Order, and this Agreement, the terms and provisions of such approved Plan shall control. Nothing contained in this Section shall affect, in any way, the requirements set forth herein for the amendment of this Agreement and the Plan set forth in this Agreement.

25. GOVERNING LAW.

This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of Delaware, without giving effect to the principles of conflict of laws that would require the application of the law of any other jurisdiction. By its execution and delivery of this Agreement, each of the Parties hereto hereby irrevocably and unconditionally agrees for itself that any legal action, suit or proceeding against it with respect to any matter under or arising out of or in connection with this Agreement or for recognition or enforcement of any judgment rendered in any such action, suit or proceeding, may be brought in either a state or federal court of competent jurisdiction in the State of Delaware. By execution and delivery of this Agreement, each of the Parties hereto hereby irrevocably accepts and submits itself to the nonexclusive jurisdiction of each such court, generally and unconditionally, with respect to any such action, suit or proceeding. Notwithstanding the foregoing consent to jurisdiction in either a state or federal court of competent jurisdiction in the State of Delaware, upon the commencement of the Chapter 11 Cases, each of the Parties hereto hereby agrees that, if the petitions have been filed and the Chapter 11 Cases are pending, the Bankruptcy Court shall have exclusive jurisdiction of all matters arising out of or in connection with this Agreement. EACH PARTY HERETO UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING REFERRED TO ABOVE. Notwithstanding the foregoing consent to Delaware jurisdiction, if the Chapter 11 Cases are commenced by the Companies, each Party agrees that the Bankruptcy Court shall have exclusive jurisdiction of all matters arising out of or in connection with this Agreement.

26. EFFECTIVE DATE OF THIS AGREEMENT.

This Agreement shall become effective on the date hereof. Each Participating Lender shall be bound by the terms of this Agreement upon the receipt by the Companies of such Participating Lender's signature page(s) to this Agreement, and the Companies and the Consenting Equity Holder shall be bound by the terms of this Agreement upon the receipt by any Participating Lender of the Companies' and the Consenting Equity Holder's signature pages to this Agreement. For the avoidance of doubt, a submission of its signature page(s) to the Companies by any Participating Lender shall be irrevocable.

27. NOTICES.

All demands, notices, requests, consents and other communications under this Agreement must be in writing, sent contemporaneously to all of the Parties, and will be deemed given when delivered if delivered personally, by email, by courier, by facsimile transmission or mailed (first class postage prepaid) to the Parties at the following addresses, emails or facsimile numbers:

If to any of the Companies:

New Koosharem Corporation
3820 State Street
Santa Barbara, California 93105
Attn: D. Stephen Sorensen
Tel: (805) 882-2200
Fax: (805) 898-7111
Email: steve@select.com
with a copy to (which shall not constitute notice):

Skadden Arps
4 Times Square
New York, New York 10036
Telephone: (212) 735-3310
Facsimile: (917) 777-3310
Attention: Ken Ziman (ken.ziman@skadden.com)

-and-

Skadden Arps
One Rodney Square
920 North King Street
Wilmington, DE 19801
Telephone: (302) 651-3240
Facsimile: (302) 552-3240
Attention: Steven J. Daniels (steven.daniels@skadden.com)

If to the Consenting Equity Holder:

c/o New Koosharem Corporation
3820 State Street
Santa Barbara, California 93105
Attn: D. Stephen Sorensen
Tel: (805) 882-2200
Fax: (805) 898-7111
Email: steve@select.com

If to the Participating Lenders:

To each Participating Lender at the address identified in such Participating Lender's signature page

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

Milbank, Tweed, Hadley & McCloy LLP
601 S. Figueroa Street, 30th Floor
Los Angeles, CA 90017
Telephone: (213) 892-4000
Facsimile: (213) 629-5063
Attention: Mark Shinderman (mshinderman@milbank.com)
Brett Goldblatt (bgoldblatt@milbank.com)

28. NO THIRD-PARTY BENEFICIARIES.

The terms and provisions of this Agreement are intended solely for the benefit of the Parties hereto and their respective successors and permitted assigns, and it is not the intention of the Parties to confer third-party beneficiary rights upon any other Person.

29. PUBLICITY; NON-DISCLOSURE.

The Companies shall not (and shall cause each of their respective legal and financial advisors to not) (a) use the name of any Participating Lender or the amount of a Participating Lenders' respective First Lien Lender Claims, Second Lien Lender Claims, Fifth Amendment First Lien Lender Warrants, First Lien Lender Warrants, 2010 Term Loan Lender Warrants, Fifth Amendment Second Lien Lender Warrants or Second Lien Lender Warrants in any press release or in any pleading, filing or public disclosure without such Participating Lender's prior written consent or (b) disclose to any Person other than legal and financial advisors to the Companies (x) the principal amount or percentage of any Lender Claims held by any Participating Lender or any of their respective subsidiaries or file such information with the Bankruptcy Court or any court of competent jurisdiction or (y) the identity of any Participating Lender without such Participating Lender's prior written consent except as required by Bankruptcy Court order or other applicable law; provided, however, that the Companies shall be permitted to disclose at any time the aggregate principal amount of and aggregate percentage of Lender Claims held by Participating Lenders and the contents of this Agreement in the RSA Motion, the Plan, Disclosure Statement, Plan-Related Documents and any filings by the Companies with the Bankruptcy Court or the Securities and Exchange Commission or as required by law or regulation. Notwithstanding the foregoing, the Participating Lenders hereby consent to the disclosure by the Companies in the Plan and Out-of-Court Transaction Documents or the Plan-Related Documents, as applicable, as well as any required filings by the Companies with the Bankruptcy Court or as otherwise required by law or regulation, of the execution, terms and contents of this Agreement and the aggregate principal amount of, and aggregate percentage of, any class of Lender Claims held by the Participating Lenders as a group. Notwithstanding the

foregoing, the Companies will submit to Milbank all press releases, public filings, public announcements or other communications with any news media relating to this Agreement or the transactions contemplated hereby and any amendments thereof for review and potential suggestions on the same basis as set forth herein.

30. NO WAIVER OF PARTICIPATION AND PRESERVATION OF RIGHTS.

This Agreement and the Restructuring-Related Documents are part of a proposed settlement of disputes among the Parties. Without limiting the foregoing sentence in any way, if the transactions contemplated by this Agreement or otherwise set forth in the Restructuring-Related Documents are not consummated as provided herein, if (x) a Termination Event occurs, or (y) if this Agreement is otherwise terminated for any reason, the Parties each fully reserve any and all of their respective rights, remedies, claims and interests. Except as expressly provided in this Agreement, nothing herein is intended to, or does, in any manner waive, limit, impair or restrict the ability of each Party to protect and preserve its rights, remedies and interests, including the Lender Claims and any other claims against the Companies or other parties, or its full participation in the Chapter 11 Cases. Without limiting the foregoing sentence in any way, after a Termination Event, the Parties hereto each fully reserve any and all of their respective rights, remedies and interests, in the case of any claim for breach of this Agreement. Furthermore, nothing in this Agreement shall be construed to prohibit any Party from appearing as a party-in-interest in any matter to be adjudicated in the Chapter 11 Cases so long as any appearance by a Party and the positions advocated by such Party in connection therewith are consistent with this Agreement and the Plan and are not for the purpose of, and would not reasonably be expected to have the effect of, hindering, delaying or preventing the consummation of the Restructuring.

31. FEDERAL RULE OF EVIDENCE 408.

This Agreement and the Restructuring-Related Documents are part of a proposed settlement of a dispute among the Parties. Nothing herein shall be deemed a direct or indirect admission of any kind. Pursuant to Federal Rule of Evidence 408 and any applicable state rules of evidence, this Agreement, the Restructuring-Related Documents and all negotiations relating thereto shall not be admissible into evidence in any proceeding other than a proceeding to enforce the terms of this Agreement.

32. RULE OF INTERPRETATION.

Notwithstanding anything contained herein to the contrary, it is the intent of the Parties that all references to votes or voting in this Agreement be interpreted to include (a) votes or voting on a plan of reorganization under the Bankruptcy Code and (b) all means of expressing agreement with, or rejection of, as the case may be, a restructuring or reorganization transaction that is not implemented under the Bankruptcy Code.

33. SUCCESSORS AND ASSIGNS; SEVERABILITY; SEVERAL OBLIGATIONS.

This Agreement is intended to bind and inure to the benefit of the Parties and their respective permitted successors, assigns, heirs, executors, estates, administrators and representatives. The invalidity or unenforceability at any time of any provision hereof in any

jurisdiction shall not affect or diminish in any way the continuing validity and enforceability of the remaining provisions hereof or the continuing validity and enforceability of such provision in any other jurisdiction. The agreements, representations and obligations of the Participating Lenders under this Agreement are, in all respects, several and not joint.

34. GOOD FAITH COOPERATION; FURTHER ASSURANCES.

The Parties shall, and the Companies shall cause each of their subsidiaries and affiliates to, cooperate with each other in good faith and shall coordinate their activities (to the extent practicable) in respect of all matters concerning the implementation and consummation of the Restructuring. Furthermore, each of the Parties shall, and the Companies shall cause each of their subsidiaries and affiliates to, take such action (including executing and delivering any other agreements and making and filing any required regulatory filings) as may be reasonably necessary to carry out the purposes and intent of this Agreement. Each Party hereby covenants and agrees (a) to negotiate in good faith the Plan-Related Documents, each of which shall (i) contain the same economic terms as, and other terms consistent in all material respects with, the terms set forth in the Restructuring-Related Documents (as amended, supplemented or otherwise modified as provided herein), (ii) except as otherwise provided for herein, be in form and substance reasonably acceptable in all respects to the Parties signatory thereto, and (iii) be consistent with this Agreement and the Restructuring-Related Documents in all material respects, and (b) to execute the Plan-Related Documents and, to the extent necessary, the Stockholders Agreement (in each case to the extent such Party is a party thereto).

35. TRANSACTION EXPENSES.

(a) Subject to the submission of invoices (without limiting the right of such professionals to redact privileged, confidential or sensitive information) to the Companies, whether or not the Restructuring or any of the transactions contemplated hereby are consummated, the Companies will reimburse or pay, as the case may be, all reasonable and documented fees and out-of-pocket expenses of the Steering Committee and the Agents (i) incurred in connection with this Agreement and the Restructuring and their participation in the Chapter 11 Cases through the earlier to occur of (A) the date on which this Agreement is terminated and (B) the 60th day following the Effective Date, and (ii) incurred in connection with the enforcement of any rights of (x) the Steering Committee as Lenders or Participating Lenders or (y) the Agents (as directed by the Lenders) under this Agreement and any document or instrument entered into in connection with this Agreement or the transactions contemplated hereby (such fees and expenses, collectively, "Transaction Expenses").

(b) The Transaction Expenses include the reasonable and documented fees and expenses of: (i) Milbank, the legal advisor to the Steering Committee, and the other Steering Committee Professionals (as defined in the Plan), (ii) any local counsel to the Steering Committee in Wilmington, Delaware, in each case, in connection with the Restructuring and the transactions contemplated hereby, (iii) if applicable, conflicts counsel to the Steering Committee, (iv) all diligence advisors and financial advisors of the Steering Committee in connection with the Restructuring and the transactions contemplated hereby and (v) the Agents and their respective counsel at Katten Muchin Rosenman LLP and Dechert LLP, as well as any local

counsel to the Agents in Wilmington, Delaware, in each case, in connection with the Restructuring and the transactions contemplated hereby, as applicable.

(c) The reimbursement or payment of Transaction Expenses shall be made by the Companies within five (5) Business Days after presentation of an invoice, without Bankruptcy Court review or Bankruptcy Court order whether or not the Restructuring or the transactions contemplated hereby are consummated.

(d) The Companies' agreement to reimburse or pay, as the case may be, the Transaction Expenses is an integral part of the transactions contemplated by this Agreement and, without such agreement, the Participating Lenders would not have entered into this Agreement, and the Transaction Expenses shall constitute an administrative expense of the Companies under sections 364(c)(1) and 503(b) of the Bankruptcy Code.

(e) Upon the execution of this Agreement, and as a condition of effectiveness, the Companies shall deliver, by wire transfer, an evergreen retainer to Milbank in the amount of $350,000.

36. NO SOLICITATION.

This Agreement is not intended to be, and each signatory to this Agreement acknowledges that this Agreement is not (a) an offer for the purchase, sale, exchange, hypothecation, or other transfer of securities for purposes of the Securities Act of 1933 and the Securities Exchange Act of 1934, or (b) a solicitation of votes for the acceptance of a chapter 11 plan of reorganization (including the Plan) for the purposes of sections 1125 and 1126 of the Bankruptcy Code or otherwise. Solicitation of acceptance of the Restructuring will not be solicited from any holder of Lender Claims until such holder has received the disclosures required under or otherwise in compliance with applicable law.

37. TOLLING OF CLAIMS AGAINST COMPANIES AND CLAIMS AGAINST CONSENTING EQUITY HOLDER.

(a) Each of the Parties agrees that the running of the statutes of limitations or doctrines of laches applicable to all Claims that any Participating Lender or the Agents may be entitled to take or bring in order to enforce its rights and remedies, if any, against the Companies under the Credit Agreements, the Credit Documents or at law or equity is, to the fullest extent permitted by law, tolled and suspended during the Tolled Period.

(b) Each of the Parties agrees that the running of the statutes of limitations or doctrines of laches applicable to all Claims that any Participating Lender, the Agents or the Companies may be entitled to take or bring in order to enforce its rights and remedies, if any, against the Consenting Equity Holder under the Credit Agreements, the Credit Documents or at law or equity is, to the fullest extent permitted by law, tolled and suspended during the Tolled Period.

(c) Each of the Companies and the Consenting Equity Holder acknowledges and agrees that the Tolled Period defined herein and referred to in Sections 37(a) and 37(b) includes the tolling and suspending of any and all Claims retroactively to August 9, 2013.

38. FORBEARANCE; FORBEARANCE DEFAULT RIGHTS AND REMEDIES.

(d) Effective upon execution of this Agreement by the Majority of Participating Lenders, each Participating Lender agrees that up to and until the Termination Date, it will forbear from exercising, or from giving instructions to the applicable Agent to exercise, the rights and remedies available to it under the Credit Agreements or applicable law or equity, in each case against the Companies or the Collateral with respect to any Current Event of Default or any Event of Default that occurs prior to the Termination Date with respect to the Borrower's failure to pay any and all interest, as and when the same shall be due, on the Obligations outstanding under the First Lien Credit Agreement (an "Interest Payment Default" and together with the Current Events of Defaults, collectively, the "Specified Defaults").

(e) Upon the occurrence of the Termination Date, the agreement of a Participating Lender to forbear from exercising its default-related rights and remedies with respect to the Specified Defaults shall immediately terminate without the requirement of any demand, presentment, protest, or notice of any kind to the Companies (all of which the Companies waive). The Companies agree that the Participating Lenders may at any time thereafter, in their sole discretion, exercise any and all of its rights, remedies, powers and privileges under the Credit Documents or applicable law and/or equity including, without limitation, their rights, remedies, powers and privileges with respect to any Specified Default.

(f) Except as expressly provided herein, any agreement by the Participating Lenders to forbear from exercising rights with respect to any Specified Default or any other Event of Default under the Credit Agreements must be set forth in writing and signed by a duly authorized signatory of a Participating Lender.

[*The remainder of this page is intentionally left blank.*]

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

**NEW KOOSHAREM CORPORATION**

By: _____
Name: D. Stephen Sorensen
Title: Chief Executive Officer

**KOOSHAREM, LLC,**
as Borrower

By: _____
Name: D. Stephen Sorensen
Title: Chief Executive Officer

**TANDEM STAFFING SOLUTIONS, INC.**
**SELECT PEO, INC.**
**SELECT SPECIALIZED STAFFING, INC.**
**SELECT TRUCKING SERVICES, INC.**
**SELECT NURSING SERVICES, INC.**
**REMEDY STAFFING, INC.**
**WESTAFF, INC.**
**WESTAFF (USA), INC.**
**WESTAFF SUPPORT, INC.**
**REAL TIME STAFFING SERVICES, INC.**
**SELECT TEMPORARIES, INC.**
**SELECT PERSONNEL SERVICES, INC.**
**SELECT CORPORATION**
**REMEDYTEMP, INC.**
**REMEDY TEMPORARY SERVICES, INC.**
**REMEDY INTELLIGENT STAFFING, INC.**
**REMX, INC.**
**ABLEST INC.**
**REMSC LLC**
**REMUT LLC**,
as Guarantors

By: _____
Name: D. Stephen Sorensen
Title: Chief Executive Officer

**CONSENTING EQUITY HOLDER**

_____
D. Stephen Sorensen

**Equity Interests: _____**

*SUBJECT TO NON-DISCLOSURE OBLIGATIONS*

**PARTICIPATING LENDER**

By: _____
Name:
Title:

Address/contact information for notice, as per Section 27 of the Agreement:

**First Lien Lender Claims (Principal Loans)**: $_____

**Second Lien Lender Claims (Principal Loan)**: $_____

**Fifth Amendment First Lien Lender Warrants:**

_____

**First Lien Lender Warrants:**

_____

**2010 Term Loan Lender Warrants:**

_____

**Fifth Amendment Second Lien Lender Warrants:**

_____

**Second Lien Lender Warrants:**

_____

EXHIBIT C

SORENSEN SUPPORT AGREEMENT

# SORENSEN SUPPORT AGREEMENT

This SORENSEN SUPPORT AGREEMENT (as amended, modified or supplemented from time to time, this "Agreement"), is dated as of March 11, 2014, and entered into by and among (i) New Koosharem Corporation, a California corporation ("NKC"), (ii) the undersigned lenders that are party to the Backstop Agreement (as defined below) (the "Backstop Parties"), (iii) Butler America, Inc., Butler America TCS, Inc., Butler America Staffing LLC, and Butler Technical Services India (P) Ltd. (the "Butler Entities"); (iv) D. Stephen Sorensen ("Mr. Sorensen"), and (v) Shannon Sorensen, Stephanie Sorensen, John Sorensen, Paul Sorensen, Allyson Sorensen, the Sorensen Family Trust U/D/T July 26, 1991, as amended, SB Group Holdings, Inc., Battle Mountain Specialty Insurance, Inc., Esperer Holdings, Inc., SSST Holdings, LLC, and 1640 Grove, LLC (the parties listed in this clause (v), together with the Butler Entities, Mr. Sorensen and, following its execution and delivery of a joinder to this Agreement, the New Butler/ Holdco, are collectively referred to as the "Sorensen Parties"). NKC, each of the Backstop Parties and each of the Sorensen Parties are each referred to as a "Party" and collectively referred to as the "Parties".

WHEREAS, on the date hereof, NKC and certain of its Affiliates have entered into the Amended and Restated Restructuring Support Agreement (as amended, modified, or supplemented from time to time, the "Restructuring Support Agreement"), a copy of which is attached hereto as Exhibit A, pursuant to which such parties set forth their agreement to implement the Restructuring (as defined in the Restructuring Support Agreement) (such Restructuring, including the actions to be taken pursuant to this Agreement, the "Restructuring");

WHEREAS, in connection with the Restructuring Support Agreement, on the date hereof, NKC and the Backstop Parties have entered into the Backstop Agreement (as amended, modified, or supplemented from time to time, the "Backstop Agreement"); and

WHEREAS, the Parties wish to set forth certain of their understandings and agreements in respect of the Restructuring.

NOW, THEREFORE, in consideration of the covenants and agreements contained herein, and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each Party, intending to be legally bound hereby, agrees as follows:

1. Definitions. Capitalized terms used herein and not otherwise defined herein have the respective meanings given to such terms in the Restructuring Support Agreement.

2. Support. Subject to their fiduciary duties under applicable law, each of the Sorensen Parties agrees to: (i) support and use reasonable best efforts to complete all actions contemplated to be taken by such Sorensen Party, as applicable, in connection with the Restructuring and all transactions contemplated under this Agreement and the Restructuring Support Agreement, (ii) use their reasonable best efforts to complete the Restructuring and all transactions contemplated in the Plan, the Disclosure Statement, this Agreement, the Restructuring Support Agreement and the other Related Restructuring Agreements (as defined below), either by an Out-of-Court Transaction or an In-Court Transaction, and pursuant to the Out-of-Court Transaction Documents, the Plan-Related Documents or the Related Restructuring

Agreements, as the case may be, within the time-frame outlined herein and therein, (iii) use commercially reasonable efforts to obtain any and all required regulatory and/or third party approvals required to be obtained by such Sorensen Party, as applicable, in connection with the Restructuring, and (iv) take no actions inconsistent with and comply with their respective obligations pursuant to this Agreement, the Restructuring Support Agreement, the Out-of-Court Transaction Documents, the Plan-Related Documents or the Related Restructuring Agreements or the confirmation and consummation of the Plan.

3. Restructuring Deliverables.

(a) Related Restructuring Documents. Listed below, and attached hereto as the exhibits set forth following the name of each such document, are certain documents effecting the Restructuring to which one or more Sorensen Parties will be party (the "Related Restructuring Documents"), each to be entered into and delivered by the parties thereto as of the Closing Date (as defined below):

(i) Covenants in Connection with Sale of Business Agreement, the form of which is attached hereto as Exhibit C;

(ii) Employment Agreement with Mr. Sorensen, the form of which is attached hereto as Exhibit D;

(iii) Restricted Stock Award Agreement, the form of which is attached hereto as Exhibit E;

(iv) Purchase Agreement (the "DRV Purchase Agreement") and Disclosure Schedules, the forms of which are attached hereto as Exhibit F;

(v) Butler Option Agreement, the form of which is attached hereto as Exhibit G;

(vi) Lease Amendments, the forms of which are attached hereto as Exhibit H for each of the properties identified therein;

(vii) Stockholders Agreement, the form of which is attached hereto as Exhibit I;

(viii) Employee Retention Agreement, the form of which is attached hereto as Exhibit J; and

(ix) the Sorensen Security Agreement, the form of which is attached hereto as Exhibit K.

(b) Execution and Delivery. As soon as reasonably practicable prior to the Effective Date or the closing date of an Out-of-Court Transaction, as applicable (such Effective Date or closing date, the "Closing Date"), NKC shall provide written notice to each Sorensen Party setting forth the expected Closing Date (the "Expected Closing Date") and including execution copies of each Related Restructuring Document in substantially the form attached

hereto, with such changes as may be agreed upon by NKC, Mr. Sorensen and the Required Backstop Parties (as defined in the Backstop Agreement), and such other documents and agreements as NKC or the Required Backstop Parties may determine to be necessary or desirable to effect the Restructuring, in each case to which such Sorensen Party is a party (each, a "Deliverable Document"). No more than two Business Days following the delivery of such notice, each Sorensen Party shall execute and deliver each of the Deliverable Documents in escrow to which it is a party to the offices of Skadden, Arps, Slate, Meagher & Flom LLP, 4 Times Square, New York, New York 10036, Telephone: (212) 735-3310, Facsimile: (917) 777-3310, Attention: Ken Ziman, which executed Deliverable Documents shall be automatically released on the Closing Date.

4. Butler Transaction.

(a) Promptly following the date hereof, each applicable Sorensen Party shall cause 100% of all outstanding capital stock and other Equity Interests (as defined below) of each of Butler America, Inc., Butler America Staffing LLC, Butler Technical Services India (P) Ltd., and Butler America TCS, Inc. to be contributed, directly or indirectly, free and clear of all liens and other encumbrances (other than such liens and encumbrances that would be released in connection with the exercise of the Butler Option Agreement) to the capital of a newly-formed Delaware corporation or limited liability company ("New Butler Holdco"). Immediately following such contribution, each such Sorensen Party shall cause New Butler Holdco to become a party to this Agreement by executing and delivering a joinder to this Agreement in substantially the form attached hereto as Exhibit B at which time New Butler Holdco shall be a "Sorensen Party" and "Party" hereunder.

(b) The Sorensen Parties shall not take any action, or omit to take any action, that would reasonably be expected to result in the breach on or as of the Closing Date of any of the representations and warranties set forth in Section 4.1 of the Butler Option in the form attached hereto.

(c) The Sorensen Parties shall comply with the covenants set forth in Section 5.1 of the Butler Option in the form attached hereto as if the Butler Option was in effect on and following date hereof.

5. DRV Purchase Agreement. The Sorensen Parties shall, and shall cause Decca Consulting, Inc., Decca Consulting Ltd, Resdin Industries Ltd, and Vaughan Business Solutions, Inc. (such companies, the "DRV Companies") to operate the Business (as defined in the DRV Purchase Agreement in the form attached hereto) only in the ordinary course consistent with past practice. Without limiting the generality of the foregoing, the Sorensen Parties shall, and shall cause the DRV Companies to:

(a) use commercially reasonable efforts to (i) preserve intact the present business organization of the DRV Companies and reputation of the DRV Companies and the Business, (ii) keep available (subject to dismissals and retirements in the ordinary course of business consistent with past practice) the services of the employees, officers and managers of the DRV Companies, (iii) maintain the Assets and Properties (as defined in the DRV Purchase Agreement in the form attached hereto) of the DRV Companies in good working order and

condition, ordinary wear and tear excepted, and (iv) maintain the good will of customers, suppliers, lenders and other Persons to whom any of the DRV Companies sells goods or provides services or with whom any of the DRV Companies otherwise has significant business relationships in connection with the Business and (v) continue all current sales, marketing and promotional activities relating to the Business in the ordinary course consistent with past practice;

(b) except to the extent required by applicable law, (i) cause the DRV Companies' books and records to be maintained in their usual, regular and ordinary manner, and (ii) not make any material change in any pricing, investment, accounting, financial reporting, inventory, credit, allowance or tax practice or policy of any of the DRV Companies outside the ordinary course of business that would adversely affect the Business; and

(c) comply, in all material respects, with all laws and orders applicable to the Business and promptly following receipt thereof, give NKC and the Backstop Parties copies of any notice received from any governmental or regulatory authority or other Person alleging any material violation of any law or order.

6. Additional Covenants of Mr. Sorensen.

(a) Not less than 10 days following the commencement of solicitation of votes in favor of the Plan, Mr. Sorensen shall designate, by written notice to the Company and the Backstop Parties, the aggregate dollar amount of New Common Stock Mr. Sorensen wishes to purchase pursuant to, and as contemplated by, the Plan, such amount not to exceed $4 million (the "Designated Amount"); provided, however, that if Mr. Sorensen fails to provide such written notice within such 10-day period, the Designated Amount shall be $0. On the Closing Date, Mr. Sorensen agrees to purchase pursuant to the Plan New Common Stock with an aggregate purchase price equal to the Designated Amount (and at the per share price offered in the Rights Offering (as defined in the Plan)) in accordance with the terms of the Plan.

(b) Mr. Sorensen agrees to, and agrees to cause each of the other Sorensen Parties to, contribute to the capital of the Company each of the promissory notes set forth on Schedule 1 attached hereto (the "Related Party Notes"), in exchange for a number of shares of New Common Stock equal to (i) the amount set forth opposite such Related Party Note on Schedule 1 hereto under the heading "Adjusted Principal Amount" divided by (ii) the per share price offered in the Rights Offering (as defined in the Plan).

(c) Mr. Sorensen agrees to cause each of the other Sorensen Parties to comply with each of their respective obligations under this Agreement.

7. Termination. This Agreement shall automatically terminate and be of no further force or effect on the earlier of (a) the date of the termination of the Restructuring Support Agreement or (b) the consummation of the Restructuring. Notwithstanding the foregoing, upon termination of this Agreement, each Sorensen Party will remain liable to NKC and the Backstop Parties for any breach of this Agreement by such Sorensen Party existing at the time of such termination (with or without notice of such breach to such Sorensen Party), and NKC and each Backstop Party may seek such remedies, including without limitation damages and fees of

attorneys, against the other with respect to any such breach as are provided in this Agreement or as are otherwise available at law or in equity.

8. Representations and Warranties. Each Sorensen Party, as appropriate, represents and warrants to NKC and each Backstop Party that, as of the date of this Agreement:

(a) It is duly organized, validly existing and in good standing under the laws of its jurisdiction of formation;

(b) It has all requisite corporate, partnership, limited liability company or similar authority to enter into this Agreement, carry out the Restructuring and other transactions contemplated hereby, in the Restructuring Support Agreement, and the Related Restructuring Documents, and perform its obligations hereunder, and the execution, delivery and performance of such Party's obligations hereunder have been duly authorized by all necessary corporate, partnership, limited liability, or similar action on its part;

(c) The execution, delivery and performance of this Agreement by such Sorensen Party does not and shall not (x) violate any provision of law, rule or regulation applicable to it or any of its subsidiaries or its organizational documents or those of any of its subsidiaries or (y) conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default under any material contractual obligations to which it or any of its subsidiaries is a party or under its organizational documents;

(d) The execution, delivery and performance by such Sorensen Party of this Agreement does not and shall not require any registration or filing with, consent or approval of, or notice to, or other action, with or by, any federal, state or other governmental authority or regulatory body, except such filing as may be necessary and/or required for disclosure by the Securities and Exchange Commission or pursuant to state securities or "blue sky" laws, and the approval by the Bankruptcy Court of NKC's authority to enter into and implement this Agreement;

(e) This Agreement is the legally valid and binding obligation of such Sorensen Party, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws, both foreign and domestic, relating to or limiting creditors' rights generally or by equitable principles relating to enforceability; provided, however, that this Agreement is being executed in connection with negotiations concerning a financial restructuring of NKC and it is anticipated such restructuring will require the filing of a chapter 11 case or cases (collectively, the "Chapter 11 Cases") by NKC, in which case, it is intended that, subject to sections 1125 and 1126 of the Bankruptcy Code, this Agreement shall be fully enforceable in accordance with its terms during such Chapter 11 Cases.

9. Representation by Counsel. Each Party hereto acknowledges that it has been represented by counsel (or had the opportunity to and waived its right to do so) in connection with this Agreement and the transactions contemplated by this Agreement, the Restructuring Support Agreement, and the Related Restructuring Documents. Accordingly, any rule of law or any legal decision that would provide any Party hereto with a defense to the enforcement of the

terms of this Agreement against such Party based upon lack of legal counsel shall have no application and is expressly waived. The provisions of this Agreement, the Restructuring Support Agreement, and the Related Restructuring Documents shall be interpreted in a reasonable manner to effect the intent of the Parties hereto. None of the Parties hereto shall have any term or provision construed against such Party solely by reason of such Party having drafted the same.

10. Independent Due Diligence and Decision-Making. Each Party hereby confirms that its decision to execute this Agreement has been based upon its independent investigation of the operations, businesses, financial and other conditions and prospects of NKC and its subsidiaries.

11. Specific Performance. It is understood and agreed by the Parties that money damages would be an insufficient remedy for any breach of this Agreement by any Party and each non-breaching Party shall be entitled to specific performance and injunctive or other equitable relief as a remedy of any such breach, including, without limitation, an order of the Bankruptcy Court or other court of competent jurisdiction requiring any Party to comply promptly with any of its obligations hereunder; provided, however, that each Party agrees to waive any requirement for the securing or posting of a bond in connection with such remedy.

12. Governing Law, Submission to Jurisdiction and Waiver of Jury Trial. This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of Delaware, without giving effect to the principles of conflict of laws that would require the application of the law of any other jurisdiction. By its execution and delivery of this Agreement, each of the Parties hereto hereby irrevocably and unconditionally agrees for itself that any legal action, suit or proceeding against it with respect to any matter under or arising out of or in connection with this Agreement or for recognition or enforcement of any judgment rendered in any such action, suit or proceeding, may be brought in either a state or federal court of competent jurisdiction in the State of Delaware. By execution and delivery of this Agreement, each of the Parties hereto hereby irrevocably accepts and submits itself to the nonexclusive jurisdiction of each such court, generally and unconditionally, with respect to any such action, suit or proceeding. Notwithstanding the foregoing consent to jurisdiction in either a state or federal court of competent jurisdiction in the State of Delaware, upon the commencement of the Chapter 11 Cases, each of the Parties hereto hereby agrees that, if the petitions have been filed and the Chapter 11 Cases are pending, the Bankruptcy Court shall have exclusive jurisdiction of all matters arising out of or in connection with this Agreement. EACH PARTY HERETO UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING REFERRED TO ABOVE. Notwithstanding the foregoing consent to Delaware jurisdiction, if the Chapter 11 Cases are commenced by the Companies, each Party agrees that the Bankruptcy Court shall have exclusive jurisdiction of all matters arising out of or in connection with this Agreement.

13. No Third-Party Beneficiaries. The terms and provisions of this Agreement are intended solely for the benefit of the Parties hereto and their respective successors and permitted assigns, and it is not the intention of the Parties to confer third-party beneficiary rights upon any other Person.

14. Further Assurances; Additional Documents. The Parties shall take any actions and execute any other documents that may be necessary or desirable to the implementation and consummation of this Agreement upon the reasonable request of another Party.

15. Successors and Assigns. Except as otherwise provided in this Agreement, this Agreement is intended to bind and inure to the benefit of each of the Parties and each of their respective successors, assigns, heirs, executors, administrators and representatives.

16. Severability. If any term or provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any rule of law or public policy, all other terms and 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 determination that any term or other provision of this Agreement is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to attempt to agree on a modification of this Agreement so as to effect the original intent of the Parties as closely as possible to the fullest extent permitted by law in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the greatest extent possible.

17. Notices. All notices, requests and other communications hereunder must be in writing and will be deemed to have been duly given only if delivered personally, by email, courier, by facsimile transmission or mailed (first class postage prepaid) to the Parties at the following addresses, emails or facsimile numbers:

(a) If to NKC:

New Koosharem Corporation
3820 State Street
Santa Barbara, California 93105
Telephone: (805) 882-2200
Facsimile: (805) 898-7111
Attention: D. Stephen Sorensen
Email: steve@select.com

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

Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square
New York, New York 10036
Telephone: (212) 735-3310
Facsimile: (917) 777-3310
Attention: Ken Ziman
Email: kziman@skadden.com

Skadden, Arps, Slate, Meagher & Flom LLP
920 N. King Street
Wilmington, Delaware 19801
Telephone: (302) 651-3240

Facsimile: (302) 552-3240
Attention: Steven J. Daniels
Email: steven.daniels@skadden.com

(b) If to the Backstop Parties:

To each Backstop Lender at the address identified in such Backstop Lender's signature page.

with a copy to (which shall not constitute notice)

Milbank, Tweed, Hadley & McCloy LLP
601 S. Figueroa Street, 30th Floor
Los Angeles, CA 90017
Telephone: (213) 892-4000
Facsimile: (213) 629-5063
Attention: Mark Shinderman
Brett Goldblatt
Email: mshinderman@milbank.com
bgoldblatt@milbank.com

(c) If to any of the Sorensen Parties:

D. Stephen Sorensen
c/o New Koosharem Corporation
3820 State Street
Santa Barbara, California 93105
Telephone: (805) 882-2200
Facsimile: (805) 898-7111
Email: steve@select.com

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

Cole, Schotz, Meisel, Forman and Leonard, P.A
301 Commerce Street, Suite 1700
Fort Worth, TX 76102
Attention: Michael Warner
Facsimile: (817) 810-5255

Cole, Schotz, Meisel, Forman and Leonard, P.A
Court Plaza North
25 Main Street
Hackensack, NJ 07601
Attention: Marc P. Press
Facsimile: (201) 678-6234

18. Interpretation. This Agreement is the product of negotiations among the Parties, and the enforcement or interpretation of this Agreement is to be interpreted in a neutral manner;

and any presumption with regard to interpretation for or against any Party by reason of that Party having drafted or caused to be drafted this Agreement or any portion of this Agreement, shall not be effective in regard to the interpretation of this Agreement.

19. Counterparts. This Agreement may be executed in one or more counterparts, each of which, when so executed, shall constitute the same instrument and the counterparts may be delivered by facsimile transmission or by electronic mail in portable document format (.pdf).

20. Amendments. This Agreement may only be amended in writing signed by NKC, the Required Backstop Parties and Mr. Sorensen.

21. Headings. The headings of the sections, paragraphs and subsections of this Agreement are inserted for convenience only and shall not affect the interpretation of this Agreement.

22. Entire Agreement. This Agreement, including the exhibits, schedules and annexes hereto, and together with the Restructuring Support Agreement and the Backstop Agreement (with respect to the parties hereto that are also parties to such agreements), constitutes the entire agreement of the Parties with respect to the subject matter hereof and thereof, and supersedes all other prior negotiations, agreements and understandings, whether written or oral, among the Parties with respect to the subject matter of hereof and thereof.

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

# EXHIBIT D

DRV PURCHASE AGREEMENT

PURCHASE AGREEMENT

dated as of _____, 201_

by and among

[REORGANIZED PARENT],

D. STEPHEN SORENSEN,

SB GROUP HOLDINGS, INC.,

and

ESPERER HOLDINGS, INC.

with respect to all of the
outstanding shares of capital stock of

DECCA CONSULTING, INC.,

DECCA CONSULTING LTD.,

RESDIN INDUSTRIES LTD.,

VAUGHAN BUSINESS SOLUTIONS, INC.,

and

CERTAIN TRANSFERRED AGREEMENTS
(as defined herein)

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INDEMNIFICATION



ARTICLE VIII

MISCELLANEOUS

EXHIBITS



ANNEX



SCHEDULES

This PURCHASE AGREEMENT, dated as of **[**_____**]**, is made and entered into by and among **[**Reorganized Parent**]**, a Delaware corporation ("Purchaser"), D. Stephen Sorensen ("Mr. Sorensen"), Esperer Holdings, Inc., a California corporation ("Esperer"), and SB Group Holdings, Inc., a Delaware corporation ("SB Holdings"). Capitalized terms not otherwise defined herein have the meanings set forth in Section 1.01.

WHEREAS, SB Holdings owns one (1) share of common stock, no par value, of Decca Consulting, Inc., a Nevada corporation ("Decca Inc."), constituting 100% of the issued and outstanding shares of capital stock of Decca Inc. (such share being referred to herein as the "Decca Inc. Shares");

WHEREAS, SB Holdings owns two hundred forty-nine thousand three hundred seventy-five (249,375) common shares, no par value per share, of Decca Consulting Ltd., an Alberta, Canada company ("Decca Ltd."), constituting 100% of the issued and outstanding shares of capital stock of Decca Ltd. (such shares being referred to herein as the "Decca Ltd. Shares");

WHEREAS, SB Holdings owns one (1) Class A common share, no par value per share, of Resdin Industries Ltd., an Alberta, Canada company ("Resdin"), constituting 100% of the issued and outstanding shares of capital stock of Resdin (such shares being referred to herein as the "Resdin Shares");

WHEREAS, SB Holdings owns one hundred (100) shares of common stock, no par value per share, of Vaughan Business Solutions, Inc., a California corporation ("Vaughan," together with Decca Inc., Decca Ltd., and Resdin, the "Group Companies" and, each, a "Group Company"), constituting 100% of the issued and outstanding shares of capital stock of Vaughan (such shares being referred to herein as the "Vaughan Shares," together with the Decca Inc. Shares, Decca Ltd. Shares, and Resdin Shares, the "Shares");

WHEREAS, Esperer is party to certain service agreements, defined as the "Transferred Agreements" herein;

WHEREAS, as a material inducement to Purchaser, as contemplated by and in connection with the Restructuring Plan (as defined below), and as a condition to the effective date under the Restructuring Plan, the Sellers have agreed to enter into this Agreement;

WHEREAS, the Sellers desire to sell, and Purchaser desires to purchase, the Shares upon the terms and subject to the conditions set forth in this Agreement;

WHEREAS, as a material inducement to the Sellers, as contemplated by the Restructuring Plan, and as a condition to the effective date under the Restructuring Plan, Purchaser and its stockholders (including the Sellers receiving Purchaser Shares hereunder) have agreed to enter into that certain Stockholders Agreement, dated as of the date hereof, to govern certain matters relating to the ownership and governance of Purchaser (as amended, modified or supplemented from time to time, the "Stockholders Agreement"); and

WHEREAS, the Sellers and Purchaser wish to evidence certain other agreements related to the purchase of the Shares and the Transferred Agreements.

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

## ARTICLE I

## DEFINITIONS

Section 1.01 Definitions.

(a) Defined Terms. As used in this Agreement, the following defined terms have the meanings indicated below:

"Actions or Proceedings" means any action, suit, proceeding, arbitration or Governmental or Regulatory Authority investigation or audit.

"Affiliate" means any Person that directly, or indirectly through one of more intermediaries, controls or is controlled by or is under common control with the Person specified. For purposes of this definition, control of a Person means the power, direct or indirect, to direct or cause the direction of the management and policies of such Person whether by Contract or otherwise and, in any event and without limitation of the previous sentence, any Person owning fifty percent (50%) or more of the voting securities of another Person shall be deemed to control that Person.

"Affiliate Transactions" has the meaning ascribed to it in Section 3.23.

"Agreement" means this Purchase Agreement, the Exhibits, Schedules, and the Disclosure Schedule, as the same shall be amended from time to time.

"Assets and Properties" of any Person means all assets and properties of every kind, nature, character and description (whether real, personal or mixed, whether tangible or intangible, whether absolute, accrued, contingent, fixed or otherwise and wherever situated), including the goodwill related thereto, operated, owned or leased by such Person, including without limitation cash, cash equivalents, Investment Assets, accounts and notes receivable, chattel paper, documents, instruments, general intangibles, real estate, equipment, inventory, goods and Intellectual Property.

"Assignment and Assumption Agreement" means that certain Assignment and Assumption Agreement entered into between Esperer and Purchaser, of even date herewith, a copy of which is attached hereto as Exhibit A.

"Associate" means each person 100% of whose time is spent on assignments with Group Company customers, but specifically excluding all Colleagues, part-time employees, full-time employees, officers, and directors of any of the Group Companies.

"Audited Financial Statement Date" means December 31, 2012.

"Audited Financial Statements" has the meaning set forth in Section 3.10(a).

"Benefit Plan" means any Plan subject to the Laws of the United States with respect to which a Group Company or any of its Subsidiaries contributes or would reasonably be expected to have any actual, secondary or contingent liability.

"Board of Directors" means (a) with respect to a corporation, the board of directors of the corporation, (b) with respect to a partnership, the board of directors or similar governing body of the general partner, and (c) with respect to any other Person, the governing body of such Person exercising the authority or serving a similar function as the board of directors of a corporation.

"Books and Records" means all files, documents, instruments, papers, books and records relating to the Business or Condition of each Group Company, including without limitation financial statements, Tax Returns and related work papers and letters from accountants, budgets, pricing guidelines, ledgers, journals, deeds, title policies, minute books, stock certificates and books, stock transfer ledgers, Contracts, Licenses, customer lists, computer files and programs, retrieval programs, operating data and plans and environmental studies and plans.

"Business Day" means any day except Saturday, Sunday or any day on which banks are generally not open for business in California, New York or Calgary, Alberta.

"Business or Condition of each Group Company" means the business, condition (financial or otherwise), results of operations, and Assets and Properties of the Group Companies, taken as a whole.

"Canadian Benefit Plan" means any Plan that is subject to the Laws of Canada or its provinces with respect to which a Group Company or any of its Subsidiaries contributes or would reasonably be expected to have any actual, secondary or contingent liability.

"Canadian Defined Benefit Plan" means any Canadian Benefit Plan which contains or has ever contained a "defined benefit provision" as such term is defined in subsection 147.1(1) of the *Income Tax Act* (Canada).

"Canadian Privacy Laws" means all applicable Laws of any Canadian jurisdiction in which the business of any Group Company is conducted relating to privacy and the collection, use or disclosure of Personal Information, including the *Personal Information Protection and Electronic Documents Act* (Canada) and/or any comparable provincial law, including the *Personal Information Protection Act* (Alberta).

"Claim" means a claim for indemnification by Purchaser or any of the Sellers, as the case may be, for Losses under Article VII.

"Claim Notice" means written notification pursuant to Section 7.02(a) of a Third Party Claim as to which indemnity under Section 7.01 is sought by an Indemnified Party, enclosing a copy of all papers served, if any, and specifying the nature of and basis for such

Third Party Claim and for the Indemnified Party's claim against the Indemnifying Party under Section 7.01, together with the amount or, if not then reasonably determinable, the estimated amount, determined in good faith, of the Loss arising from such Third Party Claim.

"Closing" means the closing of the transactions contemplated by this Agreement, as set forth in Section 2.02.

"Closing Balance Sheets" has the meaning ascribed to it in Section 2.03(b).

"Closing Date" means the date hereof.

"Code" means the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

"Colleagues" means corporate and branch personnel providing services only for and/or at the Group Companies.

"Contest" has the meaning ascribed to it in Section 5.03(b).

"Contract" means any agreement, lease, license, evidence of Indebtedness, mortgage, indenture, security agreement, purchase order, undertaking, obligation, commitment, understanding or other contract, whether written or oral, express or implied.

"Covenants Agreement" means that certain Covenants in Connection with Sale of Business Agreement between Purchaser and Mr. Sorensen, dated of even date herewith.

"Current Assets" means the sum of the following components of each Group Company's current assets as of immediately prior to (and without giving effect to any of the transactions hereunder comprising) the Closing: (a) cash and cash equivalents, (b) trade accounts receivable (including accrued receivables, factored accounts receivable and non-factored receivables) and consultant receivables, but excluding employee loans and advances and intercompany receivables; and (c) prepaid expenses (including prepaid Canadian tax expenses), in each case, determined in accordance with GAAP and the methods, policies and procedures used in preparing the unaudited balance sheet in accordance with Section 3.10(b), but in all events subject to the principles set forth in the sample working capital schedule of the Group Companies attached hereto as Annex I.

"Current Liabilities" means the sum of the following components of each Group Company's current liabilities as of immediately prior to (and without giving effect to any of the transactions hereunder comprising) the Closing: (a) accounts payable and accrued liabilities (which shall exclude all liabilities included in Indebtedness), (b) provision for income tax liability, and (c) outstanding checks in excess of balance, in each case determined in accordance with GAAP and the methods, policies and procedures used in preparing the unaudited balance sheet in accordance with Section 3.10(b), but in all events subject to the principles set forth in the sample working capital schedule of the Group Companies attached hereto as Annex I. For the avoidance of any doubt, all related party balances, intercompany balances (including due from SB Holdings) and the current portion of any Indebtedness are excluded from Current Liabilities.

"Decca Inc." has the meaning ascribed to it in the recitals hereto.

"Decca Inc. Shares" has the meaning ascribed to it in the recitals hereto.

"Decca Ltd." has the meaning ascribed to it in the recitals hereto.

"Decca Ltd. Shares" has the meaning ascribed to it in the recitals hereto.

"Defined Benefit Plan" means each Benefit Plan which is subject to Section 412 of the Code or 302 or Title IV of ERISA.

"Disclosure Schedule" means the disclosure schedule being delivered to Purchaser by the Sellers, or to the Sellers by Purchaser, as applicable, contemporaneously with the execution of this Agreement. Notwithstanding anything to the contrary contained in the Disclosure Schedule or in this Agreement, (a) the information and disclosures contained in any section of the Disclosure Schedule shall be deemed to be disclosed and incorporated by reference in any other section of the Disclosure Schedule as though fully set forth in such other section for which the applicability of such information and disclosure is reasonably apparent on the face of such information or disclosure, (b) the disclosure of any matter in the Disclosure Schedule shall not be construed as indicating that such matter is necessarily required to be disclosed in order for any representation or warranty to be true and correct, (c) the Disclosure Schedule is qualified in its entirety by reference to this Agreement and is not intended to constitute, and shall not be construed as constituting, representations and warranties by any party except to the extent expressly set forth herein, (d) the inclusion of any item in the Disclosure Schedule shall be deemed neither an admission that such item is material to the business, financial condition or results of operations of any Group Company or any Subsidiaries nor an admission of any obligation or liability to any third party, (e) matters reflected in the Disclosure Schedule are not necessarily limited to matters required by this Agreement to be reflected therein and any additional matters are set forth therein for informational purposes and do not necessarily include other matters of a similar nature, and (f) headings are inserted in the Disclosure Schedule for convenience of reference only and shall not have the effect of amending or changing the express description of the sections as set forth in this Agreement.

"Dispute Period" means the period ending thirty (30) days following receipt by an Indemnifying Party of either a Claim Notice or an Indemnity Notice.

"Downward Adjustment Amount" has the meaning ascribed in Section 2.03(g).

"Environmental Law" means any Law or Order, including all common and civil law, relating to pollution, the regulation or protection of human health, safety or the environment or the manufacture, processing, distribution, use, treatment, storage, disposal, transport, arrangement for disposal, handling or Release of, or exposure to, any pollutants, contaminants, chemicals or industrial, toxic or hazardous substances or wastes, each as amended and whenever in effect.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

"ERISA Affiliate" means any Person who, together with a Group Company, is treated as a single employer under Section 414 of the Code.

"Escrow Agent" means **[**_____**]**.

"Escrow Agreement" means the Escrow Agreement, dated as of the date hereof, by and among Purchaser, the Sellers, and the Escrow Agent, a copy of which is attached hereto as Exhibit B.

"Escrow Shares" has the meaning ascribed to it in Section 2.02(b).

"Esperer" has the meaning ascribed to it in the preamble.

"Estimated Closing Balance Sheet" has the meaning ascribed to it in Section 2.03(a).

"Estimated Indebtedness" has the meaning ascribed to it in Section 2.03(a).

"Estimated Excess Indebtedness" means the amount by which Estimated Indebtedness exceeds $18,600,000.

"Estimated Reduced Indebtedness" means the amount by which Estimated Indebtedness is less than $18,600,000.

"Final Excess Indebtedness" means the amount by which Final Indebtedness exceeds $18,600,000.

"Final Indebtedness" has the meaning ascribed to it in Section 2.03(b).

"Final Purchased Stock and Assets Value" means an amount equal to (x) (1) $20,700,000, minus (2) the amount, if any, of the Final Excess Indebtedness, plus (3) the amount, if any, of the Final Reduced Indebtedness, plus (4) the amount, if any, of the Final Working Capital Excess Amount, minus (5) the amount, if any, of the Final Working Capital Deficit Amount, as reduced pursuant to Section 7.03.

"Final Reduced Indebtedness" means the amount by which Final Indebtedness is less than $18,600,000.

"Final Working Capital Deficit Amount" means the amount, if any, by which the Final Working Capital Value is less than the Working Capital Target.

"Final Working Capital Excess Amount" means the amount, if any, by which the Final Working Capital Value is greater than the Working Capital Target.

"Final Working Capital Value" means the sum, which may be positive, negative, or zero, of the Current Assets minus the Current Liabilities, as determined pursuant to Section 2.03.

"Financial Statements" means the consolidated financial statements of each of the

Group Companies delivered to Purchaser pursuant to Section 3.10.

"Fundamental Representations" has the meaning ascribed to it in Section 6.01.

"GAAP" means United States generally accepted accounting principles, consistently applied throughout the specified period and in the immediately prior comparable period.

"Governmental or Regulatory Authority" means any court, tribunal, arbitrator, authority, agency, commission, official or other instrumentality of the United States, any foreign country or any domestic or foreign state, province, county, city or other political subdivision.

"Group Company" has the meaning ascribed to it in the recitals hereto.

"Group Company Covered Person" means each Group Company and each director, manager, general partner, officer, and employee of a Group Company.

"Group Intellectual Property" means all of the Intellectual Property that is owned by a Group Company or that a Group Company has the right to use pursuant to written license, sublicense, agreement or permission, that is used or useful in, related to, or arises out of the conduct of the business or services of such Person as of Closing including, but not limited to:

(a) all Patents;

(b) all Trademarks;

(c) all Copyrights;

(d) all Trade Secrets;

(e) all Contracts, including licenses, sublicenses, agreements and permissions, by which a Group Company uses Intellectual Property owned by a third party, or a third party uses Intellectual Property owned by a Group Company, including those listed in Section 3.19 of the Disclosure Schedule (each, a "Group Intellectual Property License"); and

(f) all internet, intranet and world wide web content, sites and pages, and all HTML and other code related thereto.

"Hazardous Material" means (A) any petroleum or petroleum products, flammable explosives, radioactive materials, asbestos in any form or condition, urea formaldehyde foam insulation or polychlorinated biphenyls (PCBs); (B) any chemicals or other materials or substances that are now or hereafter become defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants" or words of similar import under any Environmental Law; and (C) any other chemical or other material or substance, with respect to which liability or standards of conduct are imposed under any Environmental Law.

"Indebtedness" of any Person means, without duplication, the outstanding principal amount of, accrued and unpaid interest (including, for the avoidance of doubt, interest under interest rate hedging transactions) on, and other payment obligations arising under, any obligations of a Person consisting of (i) indebtedness for borrowed money (whether or not evidenced by bonds, debentures, or similar instruments), indebtedness issued or incurred in substitution or exchange for indebtedness for borrowed money, (ii) indebtedness evidenced by any note, bond, debenture or other debt security, (iii) obligations in respect of any financial hedging arrangements or agreements, (iv) all obligations arising under letters of credit, bankers' acceptances, bank guaranties, surety bonds and similar instruments, (v) obligations as lessee or lessees under leases that have been recorded as capital leases in accordance with GAAP, (vi) obligations for the deferred purchase price of goods or services (other than trade payables or accruals incurred in the ordinary course of business), (vii) obligations for the financing of any outstanding factored receivables, and (viii) guarantees of the obligations described in clauses (i) through (vii) above of any other Person. Indebtedness shall include the current and non-current portions of any Indebtedness.

"Indemnified Party" means any Person claiming indemnification under any provision of Article VII.

"Indemnifying Party" means any Person against whom a claim for indemnification is being asserted under any provision of Article VII.

"Indemnity Notice" means written notification pursuant to Section 7.02(b) of a claim for payment or indemnity under Article VII by an Indemnified Party, specifying the nature of and basis for such claim, together with the amount or, if not then reasonably determinable, the estimated amount, determined in good faith, of the Loss arising from such claim.

"Intellectual Property" means all intellectual property rights of any nature or form of protection of a similar nature or having equivalent or similar effect to any of the foregoing, including, without limitation:

(a) inventions, discoveries, processes, designs, techniques, developments, technology, and related improvements, whether or not patentable, and all United States or foreign patents, patent applications, divisionals, continuations, reissues, renewals, registrations, confirmations, re-examinations, certificates of inventorship, extensions, and the like, and any provisional applications of any such patents or patent applications, and any foreign or international equivalent of any of the foregoing (collectively, "Patents");

(b) any word, name, symbol, color, designation, or device or any combination thereof (to the extent the same may be trademarked under applicable Law), including, without limitation, any United States or pending trademark, trade dress, service mark, service name, trade name, brand name, logo, domain name, or business symbol, and any foreign or international equivalent of any of the foregoing and all goodwill associated therewith (collectively, "Trademarks");

(c) any work, whether or not a registered copyright in the United States or elsewhere, that incorporates, is based upon, derived from, or otherwise uses any intellectual

property, including, without limitation, mechanical and electronic design drawings (including, without limitation, computer-aided design files), specification, software (including, without limitation, source code and object code), processes, technical or engineering data, test procedures, schematics, writings, materials, products, artwork, packaging and advertising materials, algorithms, flowcharts, and know-how (collectively, "Copyrights"); and

(d) technical, scientific, and other know-how and information, trade secrets, knowledge, technology, means, methods, processes, practices, formulas, assembly procedures, computer programs, source code, apparatuses, specifications, books, records, production data, publications, databases, reports, manuals, data and results, in written, electronic, or any other form not known or hereafter developed (collectively, "Trade Secrets").

"Investment Assets" means all debentures, notes and other evidences of Indebtedness, stocks, securities (including rights to purchase and securities convertible into or exchangeable for other securities), interests in joint ventures and general and limited partnerships, mortgage loans and other investment or portfolio assets owned of record or beneficially by a Group Company and issued by any Person other than such Group Company or one of its Subsidiaries (other than trade receivables generated in the ordinary course of business of such Group Company).

"IRS" means the United States Internal Revenue Service.

"IT Assets" has the meaning ascribed to it in Section 3.19(f).

"ITA" has the meaning ascribed to it in Section 3.13(o).

"JAMS" has the meaning ascribed to it in Section 8.10.

"Knowledge of the Sellers" or "Known to the Sellers" means the actual knowledge of Mr. Sorensen, Robert Olson, Jim Cleary, Barry Ahearn and Dean Foley.

"Laws" means all laws, statutes, rules, regulations, ordinances and other pronouncements having the effect of law of the United States, any foreign country or any domestic or foreign state, province, county, city or other political subdivision or of any Governmental or Regulatory Authority.

"Leases" has the meaning ascribed to it in Section 3.17(a).

"Leased Real Property" has the meaning ascribed to it in Section 3.17(a).

"Liabilities" means all Indebtedness, obligations and other liabilities of a Person (whether absolute, accrued, contingent, fixed or otherwise, or whether due or to become due).

"Licenses" means all licenses, permits, certificates of authority, authorizations, approvals, registrations, franchises and similar consents granted or issued by any Governmental or Regulatory Authority.

"Liens" means any mortgage, pledge, assessment, security interest, lease, lien,

adverse claim, levy, charge or other encumbrance of any kind, or any conditional sale Contract, title retention Contract or other Contract to give any of the foregoing.

"Loss" means any and all damages, fines, fees, penalties, deficiencies, losses and expenses (including without limitation interest, court costs, fees of attorneys, accountants and other experts or other expenses of litigation or other proceedings or of any claim, default or assessment).

"Material Adverse Effect" means a material adverse effect on (i) the business, condition (financial or otherwise), Assets and Properties, Liabilities or results of operations or prospects of the Group Companies, taken as a whole, or (ii) the ability of the Sellers to implement the transactions contemplated by this Agreement.

"Mr. Sorensen" has the meaning ascribed to it in the preamble hereto.

"Note Assignment" has the meaning ascribed in Section 2.05(g).

"Operative Agreements" means the Assignment and Assumption Agreement, the Escrow Agreement, the Stockholders Agreement and any support or other agreements to be entered into in connection with the transaction.

"Option" with respect to any Person means any security, right, subscription, warrant, option, "phantom" stock right or other Contract that gives the right to (i) purchase or otherwise receive or be issued any shares of capital stock of such Person or any security of any kind convertible into or exchangeable or exercisable for any shares of capital stock of such Person or (ii) receive or exercise any benefits or rights similar to any rights enjoyed by or accruing to the holder of shares of capital stock of such Person, including any rights to participate in the equity or income of such Person or to participate in or direct the election of any directors or officers of such Person or the manner in which any shares of capital stock of such Person are voted.

"Order" means any writ, judgment, decree, injunction or similar order of any Governmental or Regulatory Authority (in each such case whether preliminary or final).

"Permit" has the meaning ascribed to it in Section 3.24.

"Permitted Holder" means (a) Anchorage Capital Master OffShore, Ltd., (b) GRF Master Fund II, L.P., (c) Blue Mountain Credit Alternatives Master Fund L.P., (d) BlueMountain Distressed Master Fund L.P., (e) BlueMountain Guadalupe Peak Fund L.P., (f) BlueMountain Kicking Horse Fund L.P., (g) BlueMountain Long/Short Credit Master Fund L.P., (h) BlueMountain Montenvers Master Fund SCA SICAV-SIF, (i) BlueMountain Long/Short Credit and Distressed Reflection Fund, a sub-fund of AAI BlueMountain Fund PLC, (j) BlueMountain Timberline Ltd., (k) BlueMountain Strategic Credit Master Fund L.P., (l) BlueMountain Credit Opportunities Master Fund I L.P., (m) Pine River Fixed Income Master Fund Ltd., (n) LMA SPC for and on behalf of the MAP 89 Segregated Portfolio, (o) Pine River Opportunistic Credit Master Fund Ltd., (p) Pine River Master Fund Ltd., (q) Pine River Credit Relative Value Master Fund Ltd., (r) Marblegate Special Opportunities Master Fund, L.P., (s) Redwood Master Fund, Ltd., (t) each Affiliate of the foregoing, (u) in the case of any of the

foregoing that is, or is managed by, an investment manager, such investment manager, any of such investment manager's Affiliates, and each fund or pooled investment fund managed by such investment manager or any of such investment manager's Affiliates.

"Permitted Lien" means (i) any Lien for Taxes not yet due or delinquent or being contested in good faith by appropriate proceedings, (ii) mechanics', carriers', workers', repairers' and other similar Liens arising or incurred in the ordinary course of business relating to obligations as to which there is no default on the part of a Group Company, or the validity or amount of which is being contested in good faith by appropriate proceedings, or pledges, deposits or other liens securing the performance of bids, trade contracts, leases or statutory obligations (including, without limitation, workers' compensation, unemployment insurance or other social security legislation) and (iii) zoning, building, and other land-use regulations imposed by Governmental or Regulatory Authorities having jurisdiction over any real property.

"Person" means any natural person, corporation, limited liability company, general partnership, limited partnership, proprietorship, other business organization, trust, union, association or Governmental or Regulatory Authority.

"Personal Information" means information about an identifiable individual, as defined in Canadian Privacy Laws.

"Plan" means any employment agreement and any bonus, incentive compensation, deferred compensation, pension, profit sharing, retirement, stock purchase, stock option, restricted stock, deferred stock, stock ownership, stock appreciation rights, phantom stock, equity-related, leave of absence, layoff, vacation, day or dependent care, legal services, cafeteria, life, health, accident, disability, workmen's compensation or other insurance, change in control, retention, severance, separation or other employee benefit plan, practice, policy or arrangement of any kind, whether written or oral, including, but not limited to, any "employee benefit plan" within the meaning of Section 3(3) of ERISA.

"Preliminary Purchased Stock and Assets Value" means an amount equal to (1) $20,700,000, minus (2) the amount, if any, of Estimated Excess Indebtedness, plus (3) the amount, if any, of the Estimated Reduced Indebtedness, plus (4) the amount, if any, of the Preliminary Working Capital Excess Amount, minus (5) the amount, if any, of the Preliminary Working Capital Deficit Amount.

"Preliminary Working Capital Deficit Amount" means the amount, if any, by which the Preliminary Working Capital Value is less than the Working Capital Target.

"Preliminary Working Capital Excess Amount" means the amount, if any, by which the Preliminary Working Capital Value is greater than the Working Capital Target.

"Preliminary Working Capital Value" means the sum, which may be positive, negative, or zero, of the Current Assets minus the Current Liabilities, as determined based on the Estimated Closing Balance Sheet.

"Price Per Share" means $**[_____]**[1].

"Purchaser" has the meaning ascribed to it in the preamble to this Agreement.

"Purchaser Common Stock" means common stock of Purchaser, par value $0.001 per share.

"Purchaser Indemnified Parties" means Purchaser, each Group Company Covered Person, and each of their respective subsidiaries, officers, directors, employees, agents and Affiliates.

"Purchaser Released Claims" has the meaning ascribed to it in Section 2.06(b)(iii).

"Purchaser Released Party" has the meaning ascribed to it in Section 2.06(b)(i).

"Purchaser Shares" has the meaning ascribed to it in Section 2.01.

"QLE" means (1) (A) the acquisition by a Person or group of Persons (other than one or more Permitted Holders) of capital stock of Purchaser that constitutes at least 50% of the total fair market value or the total voting power of the capital stock of Purchaser then outstanding, (B) a merger, amalgamation, consolidation or similar transaction that results in the stockholders of Purchaser, as of immediately prior to such transaction, together with the Permitted Holders, ceasing to collectively and beneficially own at least 50% of the outstanding equity securities of the surviving or resulting corporation as of immediately following such transaction, or (C) a sale of at least 40% of the assets of Purchaser (or any Affiliate or subsidiary of Purchaser holding substantially all of the assets of Purchaser on a consolidated basis) to a Person or a group of Persons in a twelve (12) month period, measured from the date of the most recent acquisition of Purchaser's (or such Affiliate's or subsidiary's) assets by such Person or group of Persons, or (2) the first underwritten public offering of the equity securities of Purchaser or one of its Affiliates or subsidiaries on a firm commitment basis covering the offer and sale of equity securities of Purchaser or such Affiliate or subsidiary for the account of Purchaser or such Affiliate or subsidiary and/or its stockholders underwritten by a reputable nationally recognized underwriter pursuant to which such equity securities will be quoted on the NASDAQ or NYSE.

"Qualified Plan" means each Benefit Plan which is intended to qualify under Section 401(a) of the Code.

"Reduction Event" has the meaning ascribed in Section 7.03(a).

"Release" means any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration into the indoor or outdoor environment, including, without limitation, the movement of Hazardous Materials through ambient air, soil, surface water, ground water, wetlands, land or subsurface strata.

"Relevant Exchange Rate" means, as of any date of determination and with

[1] NTD: The price per share of Purchaser Shares issued in the Rights Offering (as defined in the Restructuring Plan).

respect to any currency other than US Dollars, the exchange rate for such foreign currency into US Dollars that is published in *The Wall Street Journal* on such date.

"Representatives" of a Person means its officers, directors, employees, agents, counsel, accountants, financial advisors, consultants and other representatives.

"Resdin" has the meaning ascribed to in the recitals hereto.

"Resdin Audited Financial Statements" has the meaning ascribed to it in Section 3.10(a).

"Resdin Shares" has the meaning ascribed to it in the recitals hereto.

"Resolution Period" means the period ending sixty (60) days following receipt by an Indemnified Party of a written notice from an Indemnifying Party stating that it disputes all or any portion of a claim set forth in a Claim Notice or an Indemnity Notice.

"Restructuring Plan" means the Prepackaged Joint Plan of Reorganization for Ablest Inc., et al., dated **[**_____**]**, 2014, including the exhibits and Plan schedules and all supplements, appendices, and schedules thereto, either in its present form or as the same may be altered, amended, modified or otherwise supplemented from time to time.

"SB Holdings" has the meaning ascribed to it in the preamble to this Agreement.

"SB Holdings Audited Financial Statements" has the meaning ascribed to it in Section 3.10(a).

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Selected Firm" has the meaning ascribed to it in Section 2.03(d).

"Seller" means each of (i) SB Holdings, (ii) Esperer, and (iii) for purposes of Sections 2.03(d)(ii), 2.3(h)(ii)(B), 2.05, 5.02, and 5.04, Mr. Sorensen.

"Seller Covered Person" means (i) Mr. Sorensen, (ii) Shannon Sorensen, (iii) the respective children and parents of Mr. Sorensen and Shannon Sorensen, and the lineal descendants of each of their parents (in each case, natural or adopted), (iv) SB Holdings, (v) Sorensen Family Trust U/D/T July 26, 1991, as amended, and each other trust, limited liability company and limited partnership benefitting one or more of the persons identified in clauses (i) through (iii), (vi) Esperer, (vii) each entity other than a Group Company directly or indirectly controlling, controlled by or under common control with any of the persons or entities identified in clauses (i) through (vi), where "control" means the possession, directly or indirectly, of the power to direct the management or policies of an entity, whether through ownership or voting of securities, by contract or otherwise, and (viii) each director, manager, general partner, officer and/or employee of the entities identified in clauses (iv) through (vii).

"Seller Indemnified Parties" means each Seller and its respective officers,

directors, employees, agents, managers, members and Affiliates.

"Shares" has the meaning ascribed to it in the recitals hereto.

"Stockholders Agreement" has the meaning ascribed to it in the recitals hereto.

"Straddle Period" means a taxable period that begins on or before, and ends after the Closing Date.

"Subsidiary" means any Person in which Decca Inc., Decca Ltd., Resdin, or Vaughan directly or indirectly through one or more other Subsidiaries or otherwise, beneficially owns more than 50% of either the equity interests in, or the voting control of, such Person.

"Tax Return" means any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof, including, where permitted or required, combined or consolidated returns for any group of entities that include any Group Company or any Subsidiary.

"Taxes" or "Tax" means any federal, state, provincial, local, or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental (including taxes under Code Section 59A), customs duties, capital stock, franchise, profits, withholding, Canadian pension plan contribution, social security (or similar), unemployment, workers compensation, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not and any expenses incurred in connection with the determination, settlement or litigation of any Tax liability.

"Third Party Claim" has the meaning ascribed to it in Section 7.02(a).

"Threshold Amount" has the meaning ascribed to it in Section 7.04(b).

"Transaction" means all transactions contemplated by this Agreement.

"Transaction Personal Information" means any Personal Information in the possession, custody or control of the Sellers or any Group Company or any their Affiliates, including Personal Information about employees, suppliers, customers, directors, officers or shareholders, that is disclosed to Purchaser or its Representative prior to the Closing Date by any of the Sellers or a Group Company or any of their respective Affiliates.

"Transfer Taxes" has the meaning ascribed to it in Section 5.04.

"Transferred Agreements" means those certain contracts disclosed on Schedule TA hereto.[2]

"Unaudited Financial Statement Date" means the last day of the most recent fiscal

[2] Note that agreements may be novated instead of transferred.

quarter of the Group Companies for which Financial Statements are delivered to Purchaser pursuant to Section 3.10(b).

"Unaudited Financial Statements" means the Financial Statements for the most recent fiscal quarter of the Group Companies delivered to Purchaser pursuant to Section 3.10(b).

"Upward Adjustment Amount" has the meaning ascribed to it in Section 2.03(f).

"Vaughan" has the meaning ascribed to it in the recitals hereto.

"Vaughan Shares" has the meaning ascribed to it in the recitals hereto.

"Working Capital Target" means $9,122,955.

(b) Construction of Certain Terms and Phrases. Unless the context of this Agreement otherwise requires, (i) words of any gender include each other gender; (ii) words using the singular or plural number also include the plural or singular number, respectively; (iii) the terms "hereof," "herein," "hereby" and derivative or similar words refer to this entire Agreement; (iv) the terms "Article" or "Section" refer to the specified Article or Section of this Agreement; (v) amounts included in the calculation of the Current Assets, Current Liabilities, Working Capital Target, Estimated Indebtedness, and Final Indebtedness (and related financial definitions) that are reported in a foreign currency shall be converted into US Dollars at the Relevant Exchange Rate as of the fifth Business Day prior to the Closing Date; and (vi) obligations, covenants and agreements of the Sellers shall be joint and several obligations of the Sellers. Whenever this Agreement refers to a number of days, such number shall refer to calendar days. All accounting terms used herein and not expressly defined herein shall have the meanings given to them under GAAP.

## ARTICLE II

## SALE AND CLOSING

Section 2.01 Purchase and Sale[3].

(a) On the terms set forth in this Agreement, at the Closing, SB Holdings will sell, transfer, convey, assign and deliver to Purchaser, and Purchaser will purchase and pay for, all of SB Holdings' right, title and interest in and to the Shares.

(b) On the terms set forth in this Agreement, at the Closing, Esperer shall sell, transfer, convey, assign and deliver to Purchaser, and Purchaser will purchase, pay for, accept and assume from Esperer, all of Esperer's right, title and interest in and to, the Transferred Agreements; provided, however, that Purchaser shall agree to pay, perform and discharge when due the obligations of Esperer arising and to be performed on or after the Closing Date under the Transferred Agreements, and no others, and shall be entitled to receive and collect compensation

[3] Purchase price to be increased by Providian reimbursement in an amount of up to $350,000.

under the Transferred Agreements solely with respect to the performance of such obligations by Purchaser thereunder on and after the Closing Date.

(c) In consideration for the sale and transfer of all right, title and interest in and to the Shares and Transferred Agreements, at the Closing, Purchaser shall deliver to the Sellers, in accordance with Section 2.02(b), a number of shares of Purchaser Common Stock equal to (x) the Preliminary Purchased Stock and Asset Value, divided by (y) the Price Per Share ("Purchaser Shares").

Section 2.02 Closing.

(a) The Closing will take place at the offices of Purchaser at 3820 State Street, Santa Barbara, California 93105, or at such other place as Purchaser and the Sellers mutually agree, on the Closing Date.

(b) At the Closing, Purchaser will issue to the Sellers the Purchaser Shares in such names and proportions as the Sellers shall designate prior to the Closing; provided that 15% of the Purchaser Shares (the "Escrow Shares") shall be delivered by Purchaser to the Escrow Agent under the Escrow Agreement.

(c) At the Closing, SB Holdings will assign and transfer to Purchaser its right, title and interest in and to the Shares, by delivering to Purchaser a certificate or certificates representing the Shares, in genuine and unaltered form, duly endorsed in blank or accompanied by duly executed stock powers endorsed in blank.

(d) At the Closing, each of the parties shall execute and deliver each of the other Operative Agreements to which he, she or it is a party.

Section 2.03 Working Capital and Estimated Indebtedness Purchase Price Adjustment.

(a) At or prior to the Closing, the Sellers have prepared and delivered to Purchaser (i) an estimated consolidated balance sheet of each of the Group Companies (the "Estimated Closing Balance Sheets") as of immediately prior to the Closing, (ii) the Sellers' calculation of the Preliminary Working Capital Value based on the Estimated Closing Balance Sheets, and (iii) an estimated calculation in reasonable detail of the Indebtedness of the Group Companies (the "Estimated Indebtedness") as of immediately prior to the Closing. Sellers shall make available to Purchaser (y) all records, the work papers and back-up materials used in preparing the Estimated Closing Balance Sheets, the calculation of Preliminary Working Capital Value, and the Estimated Indebtedness, and (z) the books, records and financial staff of Sellers, available to Purchaser and its Representatives at reasonable times and upon reasonable notice to aid Purchaser and its Representatives in their review of the materials delivered by Sellers pursuant to this Section 2.03(a). The Estimated Closing Balance Sheets and the Sellers' calculation of the Preliminary Working Capital Value and Estimated Indebtedness shall be conclusive, absent manifest error, for purposes of determining any Preliminary Working Capital Excess Amount or Preliminary Working Capital Deficit Amount, Estimated Excess Indebtedness or Estimated Reduced Indebtedness, as applicable, Estimated Indebtedness, and the number of Purchaser Shares to be delivered at Closing.

(b) Within sixty (60) days following the Closing Date, Purchaser shall prepare and deliver to the Sellers (i) a consolidated balance sheet of each of the Group Companies as of immediately prior to the Closing (the "Closing Balance Sheets") , (ii) Purchaser's calculation of the Final Working Capital Value based on the Closing Balance Sheets, and (iii) Purchaser's calculation of the Indebtedness of the Group Companies as of immediately prior to the Closing (the "Final Indebtedness") .

(c) The Sellers will have thirty (30) days following receipt of the Closing Balance Sheets during which to notify Purchaser of any dispute of any item contained in the Closing Balance Sheets or Purchaser's calculation of the Final Working Capital Value or Final Indebtedness, which notice will set forth in reasonable detail the basis for such dispute and the amount of the discrepancy. Purchaser shall make available to the Sellers all records, the work papers and back-up materials used in preparing the Closing Balance Sheets, and the books, records and financial staff of Purchaser, available to the Sellers and its accountants and other representatives at reasonable times and upon reasonable notice at any time during such thirty-day period. If the Sellers do not notify Purchaser of any such dispute within such thirty (30) day period, the calculation of the Final Working Capital Value and Final Indebtedness delivered by Purchaser will be deemed to be accepted by the Sellers and shall be deemed to be the Final Working Capital Value and Final Indebtedness. Purchaser and the Sellers shall cooperate in good faith to attempt to resolve any such dispute as promptly as possible, and, if so resolved, Purchaser and the Sellers shall prepare a working capital and Final Indebtedness calculation in accordance with such resolution, which shall be deemed the Final Working Capital Value and Final Indebtedness. Purchaser shall, and shall cause each Group Company to, provide the Sellers and their representatives full access to all of their respective properties for the purpose of evaluating the Closing Balance Sheets and Purchaser's calculation of Final Working Capital Value and Final Indebtedness.

(d) If Purchaser and the Sellers are unable to resolve any dispute regarding the Final Working Capital Value or Final Indebtedness within thirty (30) days after Purchaser's receipt of notice from the Sellers that the Sellers dispute any aspect of the Closing Balance Sheets or the calculation of the Final Working Capital Value or Final Indebtedness, or such longer period as Purchaser and the Sellers may mutually agree upon in writing, such dispute shall be submitted to, and all issues having a bearing on such dispute shall be resolved by, (x) FTI Consulting, Inc., or (y) if the foregoing accounting firm is unable or unwilling to take such assignment, a reputable independent accounting firm mutually agreed upon by Purchaser and the Sellers, such agreement not to be unreasonably withheld, conditioned or delayed (such identified accounting firm or agreed upon accounting firm, as the case may be, the "Selected Firm"). Purchaser and the Sellers shall direct the Selected Firm to use commercially reasonable efforts to complete its work within thirty (30) days after its engagement and shall provide the Selected Firm reasonable access to their respective work papers and other relevant materials. In resolving any matters in dispute, the Selected Firm shall serve as an expert and not as an arbitrator, and may not assign a value to any item in dispute greater than the greatest value for such item assigned by either party, or less than the smallest value for such item assigned by the other party. The Selected Firm's determination will be based solely on the terms of this Agreement and the presentations by the Sellers and Purchaser in accordance with the guidelines and procedures set forth in this Agreement (*i.e.*, not on the basis of an independent review). The Final Working Capital Value and Final Indebtedness will become final and binding on the Sellers and Purchaser

on the date the Selected Firm delivers its final resolution in writing to the Sellers and Purchaser (with the Selected Firm being directed to deliver its final resolution not more than thirty (30) days after submission of such disputed matters). The fees, costs and expenses of the Selected Firm (i) will be borne by Purchaser in the proportion that the aggregate dollar amount of all such disputed items so submitted that are resolved against Purchaser (as finally determined by the Selected Firm) bears to the aggregate dollar amount of such items so submitted and (ii) will be borne by the Sellers in the proportion that the aggregate dollar amount of such disputed items so submitted that are resolved against the Sellers bears to the aggregate dollar amount of all such items so submitted.

(e) If the (i) Final Purchased Stock and Assets Value is less than (ii) the Preliminary Purchased Stock and Asset Value, the Sellers will transfer to Purchaser for cancellation all of their respective right, title and interest in and to an aggregate number of Purchaser Shares equal to (A)(i) the Preliminary Purchased Stock and Asset Value, minus (ii) the Final Purchased Stock and Assets Value (such difference being referred to herein as the "Downward Adjustment Amount"), divided by (B) the Price Per Share. Notwithstanding the foregoing, no transfer or payment shall be required pursuant to this Section 2.03(e) unless the Downward Adjustment Amount is greater than $100,000.

(f) If the Final Purchased Stock and Assets Value is greater than (ii) the Preliminary Purchased Stock and Asset Value, then, within five (5) Business Days after the determination of the Final Working Capital Value, Purchaser will issue to the Sellers an aggregate number of Purchaser Shares equal to (A)(i) the Final Purchased Stock and Assets Value, minus (ii) the Preliminary Purchased Stock and Asset Value (such difference being referred to herein as the "Upward Adjustment Amount"), divided by (B) the Price Per Share. Notwithstanding the foregoing, no transfer or payment shall be required pursuant to this Section 2.03(f) unless the Upward Adjustment Amount is greater than $100,000.

(g) All amounts refunded to Purchaser pursuant to Section 2.03(e) in the form and amount of the transfer of Purchaser Shares from the Sellers to Purchaser will constitute a decrease in the purchase price paid for the Shares, and all amounts paid to the Sellers pursuant to Section 2.03(f), in the form and amount of the issuance of additional Purchaser Shares from Purchaser to the Sellers will constitute an increase in the purchase price paid for the Shares.

(h) Without limiting the foregoing, to the extent Purchaser Shares are required to be forfeited pursuant to this Section 2.03, (i) Sellers shall transfer to Purchaser for cancellation such Purchaser Shares, (ii) if Sellers fail to promptly comply with clause (i), (A) such Purchaser Shares shall be delivered from the Escrow Shares by the Escrow Agent and (B) Sellers shall deliver to Escrow Agent the number of Purchaser Shares that would result in the aggregate Purchaser Shares in the escrow account being equal to 15% of the aggregate Purchaser Shares received by Sellers or deposited with the Escrow Agent, as reduced by the Shares delivered to Purchaser for cancellation pursuant to this Agreement, and (iii) all of the Sellers' right, title and interest in and to such forfeited Purchaser Shares and Escrow Shares shall cease.

Section 2.04 Further Assurances; Post-Closing Cooperation.

(a) At any time or from time to time after the Closing, the parties hereto shall execute and deliver such other documents and instruments, provide such materials and information, and take such other actions as Purchaser or the Sellers, as applicable, may reasonably request to more effectively vest title to the Shares in Purchaser and title in the Purchaser Shares to the Sellers, and, to the fullest extent permitted by Law, to put Purchaser in actual possession and operating control of the Group Companies, their Assets and Properties, and their Books and Records, and otherwise to cause the parties to consummate the transactions contemplated by this Agreement, and to fulfill their respective obligations under this Agreement and the Operative Agreements to which they are a party.

(b) Following the Closing, Purchaser will cause the Group Companies to, and Sellers shall, afford the other party, its counsel, accountants and other representatives, during normal business hours, reasonable access to the books, records and other data relating to the Business or Condition of each Group Company in its possession with respect to periods prior to the Closing and the right to make copies and extracts therefrom, to the extent that such access may be reasonably required by the requesting party in connection with (i) the preparation of Tax Returns, (ii) the determination or enforcement of rights and obligations under this Agreement, (iii) compliance with the requirements of any Governmental or Regulatory Authority, (iv) the determination or enforcement of the rights and obligations of any party to this Agreement or any of the Operative Agreements or (v) in connection with any actual or threatened Action or Proceeding. Further, Purchaser shall cause the Group Companies to, and Sellers shall, for a period extending six (6) years after the Closing not destroy or otherwise dispose of any such books, records and other data and, in the case of Sellers, then only after Sellers shall first offer in writing to surrender such books, records and other data to Purchaser and Purchaser does not agree in writing to take possession thereof during the thirty (30) day period after such offer is made.

Section 2.05 Additional Provisions.

(a) Termination of Esperer Contracts. Each Contract between Esperer, on the one hand, and any Group Company, Purchaser, or New Koosharem Corporation, or any direct or indirect subsidiary of Purchaser or New Koosharem Corporation, on the other hand, including without limitation the Contracts set forth on Section 2.05(a) of the Disclosure Schedule, shall be automatically terminated and of no further force or effect as of the Closing Date. For the avoidance of doubt, this Section 2.05(a) shall not result in the termination of any Transferred Agreement.

(b) Seller Release for Affiliate Transactions.

(i) From and after the Closing Date, the Sellers absolutely, unconditionally, and irrevocably release and forever discharge each of the Group Companies, Purchaser, and each direct or indirect subsidiary of Purchaser (each, a "Purchaser Released Party") of and from the Purchaser Released Claims that any Seller, directly, indirectly, or in any other capacity, ever had, now has, or hereafter may have, against any Purchaser Released Party. Each Seller understands and agrees that the foregoing releases shall include Purchaser Released Claims that are not known or suspected to exist as of the date hereof and that no fact or circumstance, evidence, or

transaction which now could be asserted or which may hereafter be discovered shall affect in any way the final, irrevocable, and unconditional nature of the releases set forth above. From and after the Closing Date, this release may be pleaded by any Purchaser Released Party as a full and complete defense to any proceeding instituted with respect to any of the Purchaser Released Claims and may be used as a basis for an injunction against any action, suit, or any proceeding instituted, prosecuted, or attempted against such Purchaser Released Party with respect to any of the Purchaser Released Claims.

(ii) Each Seller represents and warrants that such Seller has read and understands this paragraph (b), that such Seller has had the opportunity to seek counsel in this matter, and that such Seller intentionally waives and releases the Purchaser Released Claims and its rights under federal, provincial and state law and also that such Seller intentionally and expressly waives the rights described in Section 1542 of the California Civil Code, providing 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."

(iii) "Purchaser Released Claims" means any and all demands, actions, causes of action, suits, covenants, contracts, controversies, agreements, promises, sums of money, accounts, bills, reckonings, damages and any and all claims, defenses, rights of setoff or recoupment, liabilities, liens, security interests, interests, or rights of any nature whatsoever (including claims for losses, damages including consequential damages, unjust enrichment, breach of fiduciary duty, breach of contract, attorneys' fees, disgorgement of fees, litigation costs, injunction, declaration, contribution, indemnification or any other type or nature of legal or equitable relief), whether accrued or not, whether already acquired or acquired in the future, whether known or unknown, in law or equity, brought by way of demand, complaint, answer, defense, cross-claim, claim, third-party claim, or otherwise, arising from, related to, or concerning the Affiliate Transactions disclosed or required to be disclosed in Section 3.23(a) of the Disclosure Schedule, but specifically excluding (A) this Agreement and the Operative Agreements, (B) each Contract that constitutes an Affiliate Transaction that is entered into on or after the Closing Date, and (C) each Affiliate Transaction set forth in Section 3.23(b) of the Disclosure Schedule.

(c) Termination of Certain Affiliate Agreements. Each of the Affiliate Transactions disclosed or required to be disclosed in Section 3.23(a) of the Disclosure Schedule shall be automatically terminated and of no further force or effect as of the Closing Date, with no further liability or obligation to any party thereto.

(d) Covenants Agreement. In the event of any breach by Mr. Sorensen of the Covenants Agreement, (i) the Sellers shall transfer to Purchaser for cancellation all of their right, title and interest in and to all of the Purchaser Shares and (ii) the Escrow Agent shall deliver the Escrow Shares to Purchaser for cancellation in accordance with the terms of the Escrow Agreement.

(e) Continuation of Indemnification. After the Closing, Purchaser shall cause each Group Company to continue to indemnify and hold harmless, to the fullest extent permitted by applicable Law, each Group Company's present and former directors, officers, employees and agents, in each case in their capacities as such, from and against all damages, costs and expenses actually incurred or suffered in connection with any threatened or pending action, suit or proceeding at law or in equity by any Person or any arbitration or administrative or other proceeding relating to the business of the Group Companies or the status of such individual as a director, officer, employee or agent of a Group Company at or prior to the Closing. Purchaser shall cause the Group Companies to retain or include in its certificate of incorporation and bylaws and the comparable organizational documents any indemnification provision or provisions, including provisions respecting the advancement of expenses, in effect immediately prior to the Closing for the benefit of the Group Companies' officers, directors, employees and agents, and shall not thereafter amend the same (except to the extent that such amendment preserves, increases or broadens the indemnification or other rights theretofore available to such officers, directors, employees and agents). The obligations set forth in this Section 2.05(e) shall continue for a period of six (6) years following the Closing, and shall continue in effect thereafter with respect to any action, suit or proceeding commenced prior to the sixth (6th) anniversary of the Closing Date, and are intended to benefit each director, officer, agent or employee who has held such capacity on or prior to the Closing Date and is either a party to an indemnification agreement with any Group Company or now or hereafter is entitled to indemnification or advancement of expenses pursuant to any provisions contained in the organizational documents of any Group Company as of the date hereof.

(f) Continuation of Insurance. At or prior to the Closing, Purchaser shall, or shall cause the Group Companies to, purchase, at Sellers' expense, a "tail" policy providing directors' and officers' liability insurance coverage, for the benefit of those Persons who are covered by the directors' and officers' liability insurance policies of the Group Companies as of the date hereof or at the Closing, for a period of six (6) years following the Closing with respect to matters occurring at or prior to the Closing, that is at least equal to the coverage provided under the Group Companies' or such affiliate's directors' and officers' liability insurance policies. Nothing in this Agreement is intended to, shall be construed to or shall release, waive or impair any rights to directors' and officers' insurance claims under any policy that is or has been in existence with respect to the Group Companies, their affiliates or any of their respective directors or officers, it being understood and agreed that the insurance provided for in this Section 2.05(f) is not prior to or in substitution for any such claims under such policies.

(g) Vaughan Note. At the Closing, SB Holdings and Purchaser shall execute and deliver that certain Assignment and Assumption Agreement in the form attached as Exhibit C hereto (the "Note Assignment"), pursuant to which SB Holdings shall assign to Purchaser, and Purchaser shall accept, assume and agree to satisfy in full, all of the obligations of SB Holdings arising under that certain Promissory Note, dated September 4, 2012, between SB Group Holdings Inc. and Vaughan Consulting Group, Inc. (as amended, the "Vaughan Note"). Purchaser shall indemnify SB Holdings in respect of, and hold it harmless from and against, any and all Losses suffered, incurred or sustained by it or to which it becomes subject, resulting from, arising out of or relating to any breach or default by Purchaser of such assumed obligations under the Vaughan Note. For the avoidance of any doubt, all Indebtedness evidenced

by the Vaughan Note shall be included as Indebtedness of the Group Companies for all purposes of this Agreement.

## ARTICLE III

## REPRESENTATIONS AND WARRANTIES OF SELLERS

The Sellers, jointly and severally, hereby represent and warrant to Purchaser as follows:

Section 3.01 Organization of Sellers.

(a) SB Holdings is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware. SB Holdings has full corporate power and authority to execute and deliver this Agreement and the Operative Agreements to which it is a party and to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby, including without limitation to own, hold, sell and transfer (pursuant to this Agreement) the Shares.

(b) Esperer is a corporation duly organized, validly existing and in good standing under the Laws of the State of California. Esperer has full corporate power and authority to execute and deliver this Agreement and the Operative Agreements to which it is a party and to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby, including without limitation to transfer (pursuant to this Agreement) the Transferred Agreements.

Section 3.02 Authority of the Sellers. The execution and delivery by SB Holdings and Esperer of this Agreement and the Operative Agreements to which SB Holdings and/or Esperer is a party, and the performance by SB Holdings and Esperer of each of their respective obligations hereunder and thereunder, have been duly and validly authorized by the Boards of Directors of SB Holdings and Esperer, respectively, and no other corporate action on the part of either SB Holdings or Esperer nor their respective stockholders is necessary to authorize such actions. This Agreement has been duly and validly executed and delivered by SB Holdings and Esperer and constitutes, and upon the execution and delivery by each of SB Holdings and Esperer of the Operative Agreements to which SB Holdings and/or Esperer is a party, such Operative Agreements will constitute, legal, valid and binding obligations of SB Holdings and Esperer, as applicable, enforceable against SB Holdings and Esperer, as applicable, in accordance with their terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or other similar Laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is considered in a proceeding in equity or at law).

Section 3.03 Organization and Authority of the Group Companies. Each of the Group Companies is duly organized, validly existing and in good standing under the Laws of each of their respective jurisdictions of formation, and has full corporate or limited company, as applicable, power and authority to conduct its business as and to the extent now conducted and to own, use and lease its Assets and Properties. Each Group Company is duly qualified, licensed or admitted to do business and is in good standing in those jurisdictions specified in Section 3.03(a)

of the Disclosure Schedule, which are the only jurisdictions in which the ownership, use or leasing of its Assets and Properties, or the conduct or nature of its business, makes such qualification, licensing or admission necessary, except for those jurisdictions in which the adverse effects of all such failures by a Group Company to be qualified, licensed or admitted and in good standing can in the aggregate be eliminated without material cost or expense by such Group Company, becoming qualified or admitted and in good standing. The name of each director and officer of each Group Company on the date hereof, and the position with such Group Company held by each, are listed in Section 3.03(b) of the Disclosure Schedule. The Sellers have, prior to the execution of this Agreement, delivered to Purchaser true and complete copies of the articles of incorporation, by-laws, and/or similar corporate charter documents of each Group Company as in effect on the date hereof.

Section 3.04 Capital Stock. Section 3.04 of the Disclosure Schedule lists the number of authorized shares of capital stock or membership interests of each Group Company, of which only the shares designated as Decca Inc. Shares, Decca Ltd. Shares, Resdin Shares, and Vaughan Shares, respectively, are issued and outstanding as of the date of this Agreement. The Shares are duly authorized, validly issued, outstanding, fully paid and nonassessable. SB Holdings owns the Shares, beneficially and of record, free and clear of all Liens. Except for this Agreement and as disclosed in Section 3.04 of the Disclosure Schedule, there are no outstanding Options with respect to any of the Group Companies. The delivery of a certificate or certificates at the Closing representing the Shares in the manner provided in Section 2.02 will transfer to Purchaser good and valid title to the Shares, free and clear of all Liens. No Seller or any Group Company is party to any agreement pursuant to which either such Person has granted preemptive rights, rights of first refusal, registration rights and similar rights with respect to any of the Shares or any other shares of capital stock of any Group Company or any agreement relating to voting of any of the Shares or any other shares of capital stock of a Group Company.

Section 3.05 Subsidiaries. None of the Group Companies have any Subsidiaries.

Section 3.06 No Conflicts. The execution and delivery by the Sellers of this Agreement do not, and the execution and delivery by the Sellers of the Operative Agreements to which they are party, the performance by the Sellers of their obligations under this Agreement and such Operative Agreements and the consummation of the transactions contemplated hereby and thereby will not:

(a) conflict with, violate or breach, in any material respect any of the terms, conditions or provisions of the certificate or articles of incorporation or by-laws (or other comparable organizational documents) of any Group Company;

(b) subject to obtaining the consents, approvals and actions, making the filings and giving the notices disclosed in Section 3.06(b) of the Disclosure Schedule, conflict with, violate or breach, in any material respect any term or provision of any Law or Order applicable to a Seller, any Group Company or any of their respective Assets and Properties; or

(c) except as disclosed in Section 3.06(c) of the Disclosure Schedule, (i) conflict with, violate or breach, in any material respect, (ii) constitute (with or without notice or lapse of time or both) a material default under, (iii) require a Seller or any Group Company to

obtain any material consent, approval or action of, make any filing with or give any notice to any Person as a result or under the terms of, (iv) result in or give to any Person any right of termination, cancellation, acceleration or modification in or with respect to, (v) result in or give to any Person any additional rights or entitlement to increased, additional, accelerated or guaranteed payments under, or (vi) result in the creation or imposition of any Lien upon a Seller, any Group Company, or any of their respective Assets and Properties, under, any Contract set forth (or required to be set forth) in Section 3.20 of the Disclosure Schedule or any License held by any Group Company.

Section 3.07 Governmental Approvals and Filings. Except as disclosed in Section 3.07 of the Disclosure Schedule, no material consent, approval or action of, filing with or notice to any Governmental or Regulatory Authority on the part of a Seller or a Group Company is required in connection with the execution, delivery and performance of this Agreement or any of the Operative Agreements to which any of them is a party or the consummation of the transactions contemplated hereby or thereby.

Section 3.08 Independent Decision. Each Seller has made an independent decision to sell its Shares based on the information available to such Seller and that it has determined is adequate for that purpose. Each Seller has had the opportunity to review all information which it deems relevant to its decision to sell its Shares, and no Seller has relied on any information (in any form, whether written or oral) furnished by or on behalf of Purchaser, except for the representations and warranties given by Purchaser under this Agreement, in making that decision.

Section 3.09 Books and Records. The minute books and other similar records of each Group Company as made available to Purchaser prior to the execution of this Agreement contain a true and complete record, in all material respects, of all action taken at all meetings and by all written consents in lieu of meetings of the stockholders, the Board of Directors and committees of the Board of Directors of each such Group Company. The stock transfer ledgers and other similar records of each Group Company as made available to Purchaser prior to the execution of this Agreement accurately reflect all record transfers in the capital stock of each such Group Company that have occurred during the time such Group Company has been owned by SB Holdings.

Section 3.10 Financial Statements. Prior to the execution of this Agreement, the Sellers have delivered to Purchaser true and complete copies of the following financial statements:

(a) (i) the audited consolidated balance sheet of SB Holdings as of December 31, 2012, and the related audited consolidated statements of operations and comprehensive loss, of shareholders' equity and of cash flows for the year then ended, together with a true and correct copy of the report on such audited information by PricewaterhouseCoopers, LLP (the "SB Holdings Audited Financial Statements"), and (ii) the audited balance sheet of Resdin Industries, Ltd. as of December 31, 2012, and the related audited consolidated statements of comprehensive income, of shareholders' equity and of cash flows for the year then ended, together with a true and correct copy of the report on such audited information by PricewaterhouseCoopers, LLP (the "Resdin Audited Financial Statements" and, together with the SB Holdings Audited Financial Statements, the "Audited Financial Statements").

(b) The unaudited balance sheets of each Group Company as of December 31, 2013, and the related unaudited statements of operations, stockholders' equity and cash flows for the portion of the fiscal period then ended (the "Unaudited Financial Statements").

(c) Except as disclosed in Section 3.10 of the Disclosure Schedule, all such financial statements (i) were prepared in accordance with GAAP applied consistently throughout the periods involved, except as disclosed therein and except that the Unaudited Financial Statements do not contain footnotes and are subject to year-end adjustments, (ii) present fairly, in all material respects, the financial position of the applicable companies and results of operations of the applicable companies as of the respective dates thereof and for the respective periods covered thereby, and (iii) were compiled from the Books and Records of the applicable companies regularly maintained by management and used to prepare the financial statements of the Group Companies in accordance with the principles stated therein.

Section 3.11 Absence of Changes. Except for the execution and delivery of this Agreement and the transactions to take place pursuant hereto on or prior to the Closing, since the Audited Financial Statement Date there has not been any Material Adverse Effect or any event or development which, individually or together with other such events, would reasonably be expected to result in a Material Adverse Effect. Without limiting the foregoing, except as disclosed in Section 3.11 of the Disclosure Schedule, there has not occurred between the Audited Financial Statement Date and the date hereof:

(a) any declaration, setting aside or payment of any dividend or other distribution in respect of the capital stock of a Group Company, or any Subsidiary not wholly owned by a Group Company, respectively, or any direct or indirect redemption, purchase or other acquisition by a Group Company of any such capital stock of or any Option with respect to such Group Company or any Subsidiary not wholly owned by a Group Company;

(b) any authorization, issuance, sale or other disposition by a Group Company of any shares of capital stock of or Option with respect to such Group Company, or any modification or amendment of any right of any holder of any outstanding shares of capital stock of or Option with respect to a Group Company;

(c) (w) any increase in the salary, wages or other compensation of any officer, employee or consultant of a Group Company (excluding any Associate) whose annual compensation is, or after giving effect to such change would be, $25,000 or more; (x) other than in the ordinary course of business, any establishment or material modification of (A) targets, goals, pools or similar provisions in respect of any fiscal year under any Benefit Plan or Canadian Benefit Plan, employment-related Contract or other employee compensation arrangement or (B) salary ranges, increase guidelines or similar provisions in respect of any Benefit Plan, Canadian Benefit Plan, employment-related Contract or other employee compensation arrangement; (y) any adoption, entering into or becoming bound by any Benefit Plan, Canadian Benefit Plan, employment-related Contract or collective bargaining agreement, or amendment, modification or termination (partial or complete) of any Benefit Plan, employment-related Contract or collective bargaining agreement, except other than in the ordinary course of business or to the extent required by applicable Law; or (z) any promise to make any change described in clause (w), (x), or (y) of this paragraph;

(d) (A) incurrences by a Group Company of any Liability or Indebtedness with respect to which the obligations of such Group Company exceed $100,000 except items incurred in the ordinary course of business, or (B) any voluntary purchase, cancellation, prepayment or complete or partial discharge in advance of a scheduled payment date with respect to, or waiver of any right of a Group Company under, any Indebtedness of or owing to such Group Company;

(e) any physical damage, destruction or other casualty loss (whether or not covered by insurance) affecting any of the plant, real or personal property or equipment of a Group Company in an aggregate amount exceeding $50,000;

(f) any material change in (x) any pricing, investment, accounting, financial reporting, inventory, credit, allowance or Tax practice or policy of a Group Company, or (y) any method of calculating any bad debt, contingency or other reserve of a Group Company for accounting, financial reporting or Tax purposes, or any change in the fiscal year of a Group Company;

(g) any write-off or write-down of or any determination to write off or write down any of the Assets and Properties of a Group Company in an aggregate amount exceeding $50,000;

(h) any acquisition or disposition of, or incurrence of a Lien (other than a Permitted Lien) on, any Assets and Properties of a Group Company having a fair market value in excess of $50,000, other than in the ordinary course of business;

(i) any (x) amendment of the certificate or articles of incorporation or by-laws (or other comparable corporate charter documents) of a Group Company, (y) recapitalization, reorganization, liquidation, dissolution or winding-up of a Group Company or (z) merger or other business combination involving a Group Company and any other Person;

(j) any entering into, amendment, modification, termination (partial or complete) or granting of a waiver under or giving any consent with respect to (A) any Contract which is required (or had it been in effect on the date hereof would have been required) to be disclosed in Section 3.20(a) of the Disclosure Schedule or (B) any material License held by a Group Company;

(k) capital expenditures or commitments for additions to property, plant or equipment of a Group Company constituting capital assets in an aggregate amount exceeding $50,000 per Group Company;

(l) any commencement or termination by a Group Company of any line of business;

(m) any transaction by a Group Company with a Seller, any officer, director or Affiliate of a Seller or a Group Company (A) outside the ordinary course of business or (B) other than on an arm's-length basis, other than pursuant to any Contract disclosed pursuant to Section 3.23 of the Disclosure Schedule;

(n) any disposition or lapse of any rights a Group Company has under Intellectual Property or disposition of or disclosure to any Person (other than Representatives of Purchaser) of any trade secret, formula, process, know-how, software, or other Intellectual Property that is material to the Group Companies and not theretofore a matter of public knowledge;

(o) any other material adverse change in any rights a Group Company has under or to Intellectual Property, other than the expiration thereof in accordance with its terms as described in Section 3.19 of the Disclosure Schedule; or

(p) any entering into of a Contract to do or engage in any of the foregoing after the date hereof.

Section 3.12 No Undisclosed Liabilities. Except as reflected or reserved against in the balance sheets included in the Audited Financial Statements or in the notes thereto or as disclosed in Section 3.12 of the Disclosure Schedule, there are no Liabilities against, relating to or affecting a Group Company or its Assets and Properties, other than Liabilities incurred in the ordinary course of business that are not material to a Group Company.

Section 3.13 Taxes. Except as set forth in Section 3.13 of the Disclosure Schedule (with references to the applicable paragraph below):

(a) each Group Company and each Subsidiary have filed all material income Tax Returns and all material non-income Tax Returns required to be filed by applicable Law. All such Tax Returns were (and, as to Tax Returns not filed as of the date hereof, will be) true, complete and correct in all material respects, and were filed on a timely basis. Each Group Company and each Subsidiary has paid all Taxes that are due from the Group Company or such Subsidiary. All adjustments of Tax liability resulting from the resolution of any audit or proposed deficiency have been reported to all other appropriate Tax authorities and all resulting Taxes payable have been paid;

(b) each Group Company and each Subsidiary have established (and until the Closing Date will maintain) on its Books and Records in accordance with GAAP reserves adequate to pay all Taxes not yet due and payable;

(c) there are no Tax Liens upon the assets of any Group Company (or any Subsidiary) except Liens for Taxes not yet due;

(d) each Group Company and each Subsidiary have complied (and until the Closing Date will comply) with all applicable Laws, rules, and regulations relating to the payment, collection, remittance and withholding of Taxes (including withholding and reporting requirements under Code Sections 1441 through 1464, 3401 through 3406, 6041 and 6049 and similar provisions under any other Laws) and have, within the time and in the manner prescribed by Law, withheld from employee wages and paid over to the proper Governmental or Regulatory Authority all required amounts;

(e) no Group Company nor any Subsidiary has requested (and no request has been made on its behalf) any extension of time in which to file any Tax Return, which extension

is currently in effect. No Group Company nor any Subsidiary has executed any outstanding waivers or comparable consents regarding the application of the statute of limitations for any Taxes or Tax Returns (and no extensions have been executed on their behalf). No deficiency for any Taxes has been suggested, proposed, asserted or assessed against any Group Company or any Subsidiary that has not been resolved and paid in full;

(f) no audits or other administrative proceedings or court proceedings are presently pending or threatened in writing with regard to any Taxes or Tax Returns of a Group Company or any Subsidiary;

(g) no power of attorney currently in force has been granted by any Group Company or any Subsidiary concerning any Tax matter;

(h) no Group Company nor any Subsidiary has received any written ruling of a taxing authority relating to Taxes, or any other written and legally binding agreement with a taxing authority relating to Taxes;

(i) no agreement as to indemnification for, contribution to, or payment of Taxes exists between any Group Company or any Subsidiary, on the one hand, and any other person, on the other, including pursuant to any Tax sharing agreement, lease agreement, purchase or sale agreement, partnership agreement or any other agreement. No Group Company nor any Subsidiary has any liability for Taxes of any person under Treasury Regulation Section 1.1502-6 (or any similar provision of any state, local or foreign Law), or as a transferee or successor, by contract or otherwise;

(j) no Group Company nor any Subsidiary is or has been a "distributing corporation" or a "controlled corporation" within the meaning of Code Section 355;

(k) no jurisdiction in which a Group Company or any Subsidiary has not filed a specific Tax Return has asserted that the Group Company or such Subsidiary is required to file such Tax Return in such jurisdiction;

(l) no Group Company nor any Subsidiary will be required to include in income any adjustment pursuant to Code Section 481(a) (or any similar provision of state, local or foreign Law) by reason of a voluntary change in accounting method initiated by the Group Company or any Subsidiary, and the IRS has not proposed an adjustment or change in accounting method; no Group Company or Subsidiary income economically accrued prior to the Closing Date will be recognized as taxable income after the Closing Date as a result of a Group Company or a Subsidiary having been a party to an installment sale, an open transaction, a "closing agreement" as described in Section 7121 of the Code (or any corresponding or similar provision of state, local or foreign Tax law) executed prior to the Closing, any intercompany transaction or any excess loss account described in Treasury Regulations under Code Section 1502, or having made an election under Code Section 108(i);

(m) no Group Company nor any Subsidiary has engaged in any reportable transactions that were required to be disclosed pursuant to Treasury Regulation Section 1.6011-4;

(n) Section 3.13(n) of the Disclosure Schedule lists the U.S. federal income tax characterization of each Group Company and each Subsidiary;

(o) The Shares are not "taxable Canadian property" to the Sellers within the meaning of the *Income Tax Act* (Canada)(the "ITA");

(p) Each Group Company (and each Subsidiary) has not claimed nor will they claim any reserve under any provision of the ITA or any equivalent provincial provision, if any amount could be included in the income of the Group Company (or a Subsidiary) for any period ending after the Closing Date;

(q) There are no circumstances existing which could result in the application to a Group Company or a Subsidiary of sections 80, 80.01, 80.02, 80.03, 80.04 of the ITA or any analogous provision of any comparable Law of any province or territory of Canada;

(r) The terms and conditions made or imposed in respect of every transaction (or series of transactions) between a Group Company (or a Subsidiary) and any person that is (i) a non-resident of Canada for purposes of the ITA, and (ii) not dealing at arm's length (for purposes of the ITA) with such company, do not differ from those that would have been made between persons dealing at arm's length;

(s) Each Group Company (and each Subsidiary) has not incurred any deductible outlay or expense owing to a person not dealing at arm's length (within the meaning of the ITA) with such person, the amount of which would, assuming there is no agreement filed under paragraph 78(1)(b) of the ITA, be included in such persons' income for Canadian income tax purposes, as the case may be, for any taxation year or fiscal period beginning on or after the Closing Date under paragraph 78(1)(a) of the ITA or any analogous provision of any comparable Law of any province or territory of Canada;

(t) Each Group Company (and each Subsidiary) has not acquired property from a person not dealing at arm's length (within the meaning of the ITA) with it in circumstances that would result in the Group Company or the Subsidiary, as applicable, becoming liable to pay Taxes of such person under subsection 160(1) of the ITA or any analogous provision of any comparable Law of any province or territory of Canada; and

(u) This Section 3.13 is the sole and exclusive representation and warranty regarding tax matters (excluding ERISA) of the Group Companies.

Section 3.14 Legal Proceedings. Except as disclosed in Section 3.14 of the Disclosure Schedule (with paragraph references corresponding to those set forth below):

(a) there are no Actions or Proceedings pending or, to the Knowledge of the Sellers, threatened against, relating to or affecting any Seller, any Group Company or their respective Assets and Properties which (i) would reasonably be expected to result in the issuance of an Order restraining, enjoining or otherwise prohibiting or making illegal the consummation of any of the transactions contemplated by this Agreement or any of the Operative Agreements or otherwise result in a material diminution of the benefits contemplated by this Agreement or any of the Operative Agreements to Purchaser, or (ii) if determined adversely to a Seller or a

Group Company, would reasonably be expected to result in (x) any injunction or other equitable relief against a Group Company that would interfere in any material respect with its business or operations or (y) Losses by a Group Company, individually or in the aggregate with Losses in respect of other such Actions or Proceedings, exceeding $50,000 (after taking into account applicable insurance coverage);

(b) there are no material Orders outstanding against a Group Company.

(c) Prior to the execution of this Agreement, Sellers have delivered to Purchaser all responses of counsel for any or all of the Group Companies to auditors' requests for information delivered in connection with the Audited Financial Statements (together with any updates provided by such counsel) regarding Actions or Proceedings pending or threatened against, relating to or affecting any Group Company.

Section 3.15 Compliance with Laws. Each Group Company is, and since January 1, 2012 has been, in material compliance with all Laws and Orders that materially affect the Business or Condition of each such Group Company and no notice, charge, claim, action or assertion has been received by a Group Company or has been filed, commenced or, to the Knowledge of the Sellers, threatened against a Group Company alleging any violation of any of the foregoing.

Section 3.16 Benefit Plans; ERISA.

(a) Section 3.16(a) of the Disclosure Schedule (i) contains a true and complete list of each Benefit Plan and Canadian Benefit Plan and (ii) identifies each of the Benefit Plans or Canadian Benefit Plans that is a Qualified Plan or a Canadian registered pension plan. Except as may be required by applicable Law, no Group Company has scheduled or agreed upon future increases of benefit levels (or creations of new benefits) with respect to any Benefit Plan or Canadian Benefit Plan, and no such increases or creation of benefits have been proposed, made the subject of representations to employees under circumstances which make it reasonable to expect that such increases will be granted. Except as disclosed in Section 3.16(a) of the Disclosure Schedule, no loan is outstanding between a Group Company and any employee.

(b) Complete and correct copies of the following documents have been furnished to Purchaser prior to the execution of this Agreement: (i) all Benefit Plans and Canadian Benefit Plans and any related trust agreements, including without limitation, all amendments thereto; (ii) current summary plan descriptions of each Benefit Plan subject to ERISA, and any similar descriptions of all other Benefit Plans or Canadian Benefit Plans; (iii) the most recent Form 5500 and schedules thereto for each Benefit Plan subject to ERISA reporting requirements; (iv) the most recent determination of the IRS with respect to each Qualified Plan; (v) the most recent financial statement prepared with respect to each Benefit Plan or Canadian Benefit Plan with respect to which such statements are prepared; (vi) the most recent actuarial report of the qualified actuary of any Benefit Plan or Canadian Benefit Plan with respect to which actuarial valuations are conducted; and (vii) all material correspondence and current regulatory filings with all Governmental Authorities.

(c) No Group Company maintains or is obligated to provide benefits under any life, medical or health plan (other than as an incidental benefit under a Qualified Plan) which provides benefits to retirees or other terminated employees other than benefit continuation rights under the Consolidated Omnibus Budget Reconciliation of 1985, as amended. No Group Company, any ERISA Affiliate or any other corporation or organization controlled by or under common control with any of the foregoing within the meaning of Section 4001 of ERISA has at any time contributed to (i) any "multiemployer plan," as that term is defined in Section 4001 of ERISA or (ii) any "multi-unit plan" or "specified multi-employer plan" as these terms are defined in the Alberta *Employment Pension Plans Act* or any similar plan under federal or provincial pension Law.

(d) Each of the Benefit Plans or Canadian Benefit Plans is, and their administration and investment are and have been since inception, in all material respects in compliance with, and no Group Company has received any claim or notice that any such Benefit Plan or Canadian Benefit Plan is not in compliance with, all applicable Laws. Each Qualified Plan is qualified under Section 401(a) of the Code and has received an IRS determination letter. No fact or circumstance exists which could adversely affect the registered status of any Canadian Benefit Plan.

(e) Neither any Seller nor any Group Company is in default in performing any of its contractual obligations under any of the Benefit Plans, Canadian Benefit Plans or any related trust agreement or insurance contract to the extent such default could reasonably be expected to result in material liability to any Group Company. All contributions and other payments required to be made by a Seller or a Group Company to any Benefit Plan or Canadian Benefit Plan with respect to any period ending before or at or including the Closing have been made or reserves adequate for such contributions or other payments have been or will be set aside therefor and have been or will be reflected in Financial Statements in accordance with GAAP.

(f) No event has occurred, and, to the Knowledge of the Sellers, there exists no condition or set of circumstances in connection with any Benefit Plan, under which a Group Company, directly or indirectly (through any indemnification agreement or otherwise), could reasonably be expected to be subject to any risk of material liability under Sections 409 or 502(i) of ERISA or Section 4975 of the Code.

(g) No Group Company nor any ERISA Affiliate currently sponsors, maintains, participates in, contributes to or is required to contribute to, has any liability (whether actual or contingent) with respect to, or has ever sponsored, maintained, participated in, contributed to or been required to contribute to or ever had any liability (whether actual or contingent) with respect to, a Defined Benefit Plan or a Canadian Benefit Plan.

(h) No benefit under any Benefit Plan or Canadian Benefit Plan, including, without limitation, any severance or parachute payment plan or agreement, will be established or become accelerated, vested, funded or payable by reason of any transaction contemplated under this Agreement (alone, or in combination with another event) and no Benefit Plan provides for any additional amounts to be paid with respect to any tax imposed under Section 4999 of the Code. No Group Company has incurred any obligation to make (or possibly make) any

payments that (A) will be non-deductible under, or would otherwise constitute a "parachute payment" within the meaning of, Section 280G of the Code (or any corresponding provision of state, local or foreign income Tax Law) or (B) are or may be subject to the imposition of an excise tax under Section 4999 of the Code.

(i) There are no pending or, to the Knowledge of the Sellers, threatened claims by or on behalf of any Benefit Plan or Canadian Benefit Plan, by any Person covered thereby, or otherwise, which allege any violation of Law which could reasonably be expected to result in material liability on the part of Purchaser, a Group Company or any fiduciary of any such Benefit Plan or Canadian Benefit Plan.

(j) All employee data necessary to administer each Canadian Benefit Plan in accordance with its terms and applicable Law is in the possession of the Group Companies and such data is complete, correct and in a form which is sufficient for the proper administration of each Canadian Benefit Plan.

(k) No Canadian Benefit Plan is a registered pension plan, as such term is defined in section 248(1) of the Income Tax Act (Canada).

(l) This Section 3.16 is the sole and exclusive representation and warranty regarding employee benefit matters of the Group Companies.

Section 3.17 Real Property.

(a) Section 3.17(a) of the Disclosure Schedule contains a true and correct list of the addresses of each parcel of real property leased, subleased, licensed or otherwise occupied by any of the Group Companies (as lessee, sublessee or licensee) (collectively, the "Leased Real Property"), identifies each lease, sublease, license, tenancy, occupancy agreement or other contractual obligation under which such Leased Real Property is occupied or used (collectively, the "Leases") and identifies any purchase options for any Leased Real Property held by any of the Group Companies. To the Knowledge of Sellers, no Group Company owns or has ever owned any interest in any real property (or leases, subleases or licenses any real property as lessor, sublessor or licensor, as applicable), and none of the Group Companies have any interest in any real property except the Leased Real Property that is described on Section 3.17(a) of the Disclosure Schedule.

(b) To the Knowledge of the Sellers, as of the date hereof, none of such Leased Real Property, or the use thereof, contravenes or violates any building, zoning, administrative, occupational safety and health or other applicable Law in any material respect (whether or not permitted on the basis of prior nonconforming use, waiver or variance), and, as of the date hereof, no eminent domain or condemnation proceedings is pending or, to the Knowledge of Sellers, threatened, that would preclude or materially impair the use of any Leased Real Property.

(c) Each applicable Group Company has good, valid and marketable leasehold title to each parcel of Leased Real Property leased by it, free and clear of all Liens other than Permitted Liens. Each Lease is in full force and effect and is a legal, valid and binding agreement, enforceable in accordance with its terms, of the applicable Group Company

and, to the Knowledge of the Sellers, of each other Person that is a party thereto, and except as set forth in Section 3.17(c) of the Disclosure Schedule, there is no, and no Seller or any Group Company has received notice of any, default by a Group Company (or any condition or event which, after notice or lapse of time or both, would constitute a default) thereunder. Except as set forth in Section 3.17(c) of the Disclosure Schedule, to the Knowledge of the Sellers, no Group Company has received any written notice of default of a material payment obligation or written claim of default of a material payment obligation by any landlord under any of the Leases to which a Group Company is a party, which has not been resolved or remedied. Except as set forth in Section 3.17(c) of the Disclosure Schedule, to the Knowledge of the Sellers, no landlord is in default under any of the Leases. As of the date of this Agreement, no Seller has received any notice of termination of any Lease by the landlord or sublessor, as applicable, party thereto. Other than the Permitted Liens, there are no contractual obligations under which the Group Companies have granted to any Person other than the Group Companies the right of use or occupancy of any of the Leased Real Property and there is no Person (other than any of the Group Companies) in possession of any of the Leased Real Property. To the Knowledge of the Sellers, no Group Company owes any brokerage commissions with respect to any Leased Real Property.

(d) The Sellers have delivered to Purchaser prior to the execution of this Agreement true and complete copies of all Leases with respect to the Leased Real Property, all mortgages or deeds of trust encumbering the Leased Real Property and any amendments, extensions, renewals, modifications and guaranties, and (to the extent in the possession or control of any Seller or Group Company) any and all title insurance policies, title reports, surveys, Phase I environmental reports, appraisals, extensions, renewals, modifications and guaranties with respect to any of the foregoing.

(e) This Section 3.17 is the sole and exclusive representation and warranty regarding real property matters (other than environmental matters) of the Group Companies.

Section 3.18 Tangible Personal Property.

(a) Each Group Company is in possession of and has valid title to, or has valid leasehold interests in or valid rights under Contract to use, all tangible personal property used in or reasonably necessary for the conduct of its business, including all tangible personal property (other than Intellectual Property rights, which are addressed solely in this Section 3.18) reflected on the balance sheet included in the Unaudited Financial Statements and tangible personal property acquired since the Unaudited Financial Statement Date, other than property disposed of since such date in the ordinary course of business and assets that become obsolete or damaged in the ordinary course of business. All such tangible personal property is free and clear of all Liens, other than Permitted Liens and Liens disclosed in Section 3.18(a) of the Disclosure Schedule, and is in good working order and condition, ordinary wear and tear excepted, and its use complies in all material respects with all applicable Laws.

(b) Section 3.18(b) of the Disclosure Schedule describes each Investment Asset owned by a Group Company on the date hereof. Except as disclosed in Section 3.18(b) of the Disclosure Schedule, all such Investment Assets are owned by such Group Company free and clear of all Liens other than Permitted Liens.

Section 3.19 Intellectual Property Rights.

(a) Section 3.19 of the Disclosure Schedule sets forth all registered Patents, Copyrights and Trademarks of each Group Company and all other Group Intellectual Property that is material to the conduct of the business of any of the Group Companies, taken as a whole. Each Group Company has the right to use the Intellectual Property disclosed or required to be disclosed in Section 3.19 of the Disclosure Schedule, as appropriate.

(b) Except as disclosed in Section 3.19 of the Disclosure Schedule:

(i) none of the Group Intellectual Property is subject to any outstanding injunction, judgment, order, decree, ruling or charge, nor, to the Knowledge of the Sellers, is any of the foregoing threatened;

(ii) no claim or investigation is pending or, to the Knowledge of the Sellers, threatened which challenges the legality, validity, enforceability, use or ownership of any of the Group Intellectual Property;

(iii) no Seller or Group Company has taken, or is aware of, any actions, including a sale or offer for sale, the disclosure of which would lead to the invalidity of any of the Group Intellectual Property; and

(iv) to the Knowledge of the Sellers, all registrations with and applications to Governmental or Regulatory Authorities in respect of the Group Intellectual Property are valid and in full force and effect and are not subject to the payment of any Taxes or maintenance fees or the taking of any other actions by a Group Company to maintain their validity or effectiveness.

(c) The Group Intellectual Property includes all of the Intellectual Property owned by, used in, or necessary to conduct the businesses of the Group Companies in all material respects as currently conducted. A Group Company either has all right, title and interest in the Group Intellectual Property, free and clear of all liens, or valid and binding rights under Contract to use the Group Intellectual Property.

(d) with respect to each Group Intellectual Property License:

(i) such Group Intellectual Property License is legal, valid, binding, enforceable and in full force and effect with respect to the applicable Group Company and, to the Sellers Knowledge, each other party thereto, subject to the qualifications that enforcement of the rights and remedies created thereby is subject to (A) bankruptcy, insolvency, reorganization, moratorium and other Laws of general application affecting the rights and remedies of creditors, and (B) general principles of equity (regardless of whether such enforcement is considered in a proceeding in equity or at Law);

(ii) no Group Company is, or has received any notice that it is, in breach or default, and no event has occurred which with notice or lapse of time would constitute a breach or default or permit termination, modification or acceleration thereunder;

(iii) there are no restrictions on the direct or indirect transfer by a Group Company of its interest in such Group Intellectual Property License.

(e) each Group Company has taken reasonable security measures to protect the secrecy, confidentiality and value of its trade secrets,

(f) no claim has been threatened or asserted in writing by any Person that a Group Company has interfered with, infringed upon, misappropriated or otherwise violated (whether through the use of the Group Intellectual Property or otherwise) any Intellectual Property rights of any third party, and no claim has been asserted by any Person as to the use of the Group Intellectual Property or alleging any such interference, infringement, misappropriation or violation (including any claim that such Group Company must license or refrain from using any Intellectual Property rights of any third party), and to the Knowledge of the Sellers, there is no valid basis for any such claim. To the Knowledge of the Sellers, no third party has interfered with, infringed upon, misappropriated or otherwise violated any rights of a Group Company with respect to the Group Intellectual Property;

(g) each Group Company has all computers, computer software and all other information technology equipment and associated documentation (collectively, the "IT Assets") necessary to operate the business of such Group Company as it is currently operated. Such IT Assets operate and perform in all material respects in accordance with their documentation and functional specifications and otherwise as necessary for or currently used to conduct and carry on the business of such Group Company and such Group Company has implemented reasonable backup and disaster recovery technology in respect of the IT Assets. The IT Assets do not contain material viruses, bugs or things which materially distort their proper functioning, permit unauthorized access or disable them without the consent of the user.

Section 3.20 Contracts.

(a) Section 3.20(a) of the Disclosure Schedule (with paragraph references corresponding to those set forth below) contains a true and complete list of each of the following Contracts (true and complete copies or, if none, reasonably complete and accurate written descriptions of the material terms of which, together with all amendments and supplements thereto and all waivers of any terms thereof, have been delivered to Purchaser prior to the execution of this Agreement), to which a Group Company is a party or by which any of its respective Assets and Properties is bound (other than any such Contracts which are otherwise disclosed pursuant to Section 3.17 hereof):

(i) (A) all Contracts (excluding Benefit Plans) with employees or individuals performing consulting services to any Group Company or Subsidiary (excluding any Associate) of $50,000 or more; and (B) any written or unwritten representations, commitments, promises, communications or courses of conduct (excluding Benefit Plans and any such Contracts referred to in clause (A)) involving an obligation of a Group Company to make payments in any year, other than with respect to salary or incentive compensation payments in the ordinary course of business, to any employee or consultant (excluding any Associate) exceeding $50,000 or any group of employees or consultants (excluding any Associate) exceeding $50,000 in the aggregate;

(ii) all Contracts with any Person containing any exclusivity provision or covenant prohibiting or limiting the ability of a Group Company or, following the consummation of the Transaction, Purchaser to engage in any business activity or compete with any Person or prohibiting or limiting the ability of any Person to compete with a Group Company;

(iii) all partnership, joint venture, shareholders' or other similar Contracts with any Person;

(iv) all Contracts relating to Indebtedness of a Group Company in excess of $250,000 or to preferred stock issued by a Group Company;

(v) all Contracts with consultants (excluding any Associate), advisors, salesmen, distributors, dealers, manufacturer's representatives, sales agencies, franchisees or customers that are not cancelable by a Group Company or notice of not more than thirty (30) days and without liability, penalty or premium, and all Contracts providing for the payment of any bonus or commission based on sales or earnings, in each case, involving annual payments by the Group Companies in excess of $100,000;

(vi) all Contracts relating to (A) the future disposition or acquisition of any Assets and Properties that provides for future aggregate annual payments by any Group Company or Subsidiary in the amount of $50,000 or more, other than dispositions or acquisitions in the ordinary course of business, and (B) any merger or other business combination;

(vii) all collective bargaining agreements or similar Contracts with any labor union;

(viii) all Contracts that (A) limit, or contain restrictions on, the ability of a Group Company to declare or pay dividends on, to make any other distribution in respect of or to issue or purchase, redeem or otherwise acquire its capital stock, to incur Indebtedness, to incur or suffer to exist any Lien, to purchase or sell any Assets and Properties, to change the lines of business in which it participates or engages or to engage in any merger, consolidation or other business combination or (B) require a Group Company to maintain specified financial ratios or levels of net worth or other indicia of financial condition; and

(ix) all other Contracts (other than Benefit Plans, leases listed in Section 3.17(a) of the Disclosure Schedule and insurance policies listed in Section 3.22 of the Disclosure Schedule) that (A) involve the payment or reasonably anticipated payment, pursuant to the terms of any such Contract, by or to a Group Company of more than $50,000 at one time or in any twelve (12) month period and (B) cannot be terminated within sixty (60) days after giving notice of termination without resulting in any material cost or penalty to such Group Company.

(b) Each Contract required to be disclosed in Section 3.20(a) of the Disclosure Schedule is in full force and effect and constitutes a legal, valid and binding agreement, enforceable in accordance with its terms, of a Group Company and, to the Knowledge of the

Sellers, each other party thereto. Except as disclosed in Section 3.20(b) of the Disclosure Schedule, no Group Company nor, to the Knowledge of the Sellers, any other party to such Contract is, or has received notice of termination or notice that it is, in violation or breach of or default under any such Contract (or with notice or lapse of time or both, would be in violation or breach of or default under any such Contract) in any material respect. There are no outstanding claims for indemnification under any such Contracts.

Section 3.21 Licenses. Except as disclosed in Section 3.21 of the Disclosure Schedule:

(a) each Group Company owns or validly holds all Licenses that are material, individually or in the aggregate, to its business or operations;

(b) each such License is valid, binding and in full force and effect; and

(c) no Group Company is, or has received any notice that it is, in default (or with the giving of notice or lapse of time or both, would be in default) under any such License.

Section 3.22 Insurance. Section 3.22 of the Disclosure Schedule contains a true and complete list of all material liability, property, workers' compensation, directors' and officers' liability and other insurance policies currently in effect that insure the business, operations or employees of a Group Company or affect or relate to the ownership, use or operation of any of the Assets and Properties of a Group Company and that (i) have been issued to a Group Company or (ii) have been issued to any Person (other than a Group Company) for the benefit of such Group Company. The insurance coverage provided by any of the policies described in clause (i) above will not terminate or lapse by reason of the transactions contemplated by this Agreement. Each policy listed in Section 3.22 of the Disclosure Schedule is valid and binding and in full force and effect, no premiums due thereunder have not been paid and neither such Group Company nor the Person to whom such policy has been issued has received any notice of cancellation or termination in respect of any such policy or is in default thereunder. Neither a Group Company nor the Person to whom such policy has been issued has received notice that any insurer under any policy referred to in this Section is denying liability with respect to a claim thereunder.

Section 3.23 Affiliate Transactions. Except as disclosed in Section 3.23(a) of the Disclosure Schedule to this Agreement, (i) there are no indebtedness, obligations or other liabilities between any Group Company Covered Person, on the one hand, and Seller Covered Person, on the other, (ii) no Seller Covered Person provides or causes to be provided any assets, services or facilities to any Group Company Covered Person, (iii) no Group Company Covered Person provides or causes to be provided any assets, services or facilities to any Seller Covered Person, (iv) no Group Company Covered Person beneficially owns, directly or indirectly, any debt or equity securities, loans or the like issued by any Seller Covered Person, and (v) there are no other contracts or other arrangements between any Seller Covered Person, on the one hand, and any Group Company Covered Persons, on the other hand (collectively, "Affiliate Transactions"), except that the foregoing representation and warranty specifically is not intended to and does not include any agreements, transactions and other arrangements between and among Mr. Sorensen and his Affiliates (other than the Group Companies), on the one hand, and one or more Seller Covered Persons, on the other, to the extent such agreements, transactions and other

arrangements are unrelated to the Business or Condition of each Group Company and their subsidiaries.

Section 3.24 Regulatory Permits. Each Group Company possesses and is in compliance with the terms and conditions of, all certificates, authorizations, approvals and permits (each, a "Permit") necessary for such Group Company to own, lease and operate its properties or to conduct its business. No Group Company has received any written notice of any Actions or Proceedings relating to the revocation or modification of any Permit.

Section 3.25 Employees; Labor Relations.

(a) Sellers have provided a list of the name of each officer and employee of each Group Company whose duties relate to the functions of any Group Company, as opposed to any client of such Group Company ("Corporate Employee") at the date hereof, together with each such Corporate Employee's position or function, compensation (including annual base salary and any incentive, bonus arrangement or other compensation), benefits, status (full-time, part-time, active or inactive), cumulative length of service, annualized vacation rate and accrued and unused vacation or other paid time off as of January 31, 2014, and overtime eligibility and whether each Corporate Employee listed is party a written employment Contract with any Group Company. Except as disclosed in Section 3.25(a) of the Disclosure Schedule, to the Knowledge of Sellers, no Seller has received written notice that any of such Corporate Employees with an annual salary in excess of $100,000 will terminate employment or may cease to be employed by a Group Company, in either case, in connection with or immediately following the consummation of the transactions contemplated by this Agreement.

(b) Except as disclosed in Section 3.25(b) of the Disclosure Schedule, (i) no union, employee association or similar organization represents employees of any Group Company or has applied or to the Knowledge of Sellers, threatened to apply to be certified as bargaining agent with respect to any such employees, (ii) to the Knowledge of the Sellers, there are no threatened attempts to organize for collective bargaining purposes any of the employees of any Group Company, (iii) since January 1, 2012, no unfair labor practice charge proceeding has been brought against any Group Company before the National Labor Relations Board or any other Governmental or Regulatory Authority, (iv) to the Knowledge of the Sellers, no Group Company has engaged in any unfair labor practice, (v) to the Knowledge of Sellers, no union has applied to have any Group Company declared a common or related employer in any jurisdiction in which a Group Company carries on business, (vi) no Group Company has received written notice of a material (A) charge based on sex, age, race, national origin, disability or any other protected characteristic under applicable human rights Law against any Group Company by or before the Equal Employment Opportunity Commission or any other Governmental or Regulatory Authority, and or (B) claim, charge or complaint by or on behalf of any employee against any Group Company arising out of or relating to such employee's employment or the termination of such employment. Since January 1, 2012, there has been no work stoppage, strike, lock-out or work slowdown by employees of any Group Company. Since January 1, 2012, each Group Company has complied in all material respects with all applicable Laws relating to the employment, including, without limitation those relating to wages, hours of work, independent contractor classification, overtime, human rights, occupational health and safety, pay equity and

collective bargaining and Group Company has received notice of a pending investigation by a Governmental or Regulatory Authority relating to any such Laws.

(c) Except as disclosed on Section 3.25(c) of the Disclosure Schedule, there is no employment Contract with any employee of any Group Company that provides for a notice period or severance in excess of what would otherwise be required by Law absent such Contract.

(d) Section 3.25(d) of the Disclosure Schedule contains a list of each independent contractor engaged by each Group Company (excluding any Associate), including each contractor's name and compensation arrangement. No Group Company has received any notice from any Governmental or Regulatory Authority or otherwise disputing the classification of any independent contractor disclosed in Section 3.25(d) of the Disclosure Schedule.

(e) There are no material charges pending under occupational health and safety legislation ("OHSA"); the Group Companies have complied in all material respects with any orders issued under OHSA; there are no material appeals of any orders under OHSA currently outstanding.

Section 3.26 Environmental Matters. Except as set forth in Section 3.26 of the Disclosure Schedule (with paragraph references corresponding to those set forth below):

(a) Each Group Company is in compliance in all material respects and has at all times since January 1, 2011 complied in all material respects with all Environmental Laws.

(b) Each Group Company has obtained, maintains and is in compliance in all material respects with, all Permits, Licenses and other authorizations that are required pursuant to Environmental Laws for the occupation of its facilities and the operation of its businesses, and no proceedings or other actions are pending or, to the Knowledge of the Sellers, threatened, to revoke, cancel, limit, terminate, challenge, amend or modify any such permits, licenses or other authorizations.

(c) No Group Company has received any written or oral notice, report or other information since January 1, 2011 regarding any actual or alleged violation of Environmental Laws, or any liabilities or potential liabilities, including any investigatory, remedial or corrective obligations, arising under any Environmental Laws and relating to any of its past or present facilities or operations.

(d) No Group Company or any respective predecessors or Affiliates has (i) treated, stored, disposed of, arranged for or permitted the disposal of, transported, handled, or Released any Hazardous Material so as to give rise to any material liabilities or any material investigative, corrective or remedial obligations under any Environmental Law, or (ii) either expressly, by operation of law or otherwise, assumed or undertaken any material liability, including without limitation any obligation for corrective or remedial action, of any other Person under any Environmental Laws.

(e) To the Knowledge of the Sellers, there are no environmental investigations, studies, audits, tests, reviews or other analyses that are in the possession or control of, a Group Company in relation to any site or facility now or previously owned,

operated or leased by a Group Company that have not been delivered to Purchaser prior to the execution of this Agreement.

(f) This Section 3.26 is the sole and exclusive representation and warranty regarding environmental matters of the Group Companies.

Section 3.27 Substantial Customers and Suppliers. Section 3.27(a) of the Disclosure Schedule lists the ten (10) largest customers of each Group Company, on the basis of revenues for goods sold or services provided for the most recently completed fiscal year. Section 3.27(b) of the Disclosure Schedule lists the ten (10) largest suppliers of each Group Company, on the basis of cost of goods or services purchased for the most recently completed fiscal year. Except as disclosed in Section 3.27(c) of the Disclosure Schedule, no such customer or supplier has ceased or materially reduced its purchases from, use of the services of, or sales or provision of services to such Group Company since the Audited Financial Statement Date, or to the Knowledge of the Sellers, has threatened or intends to cease or materially reduce such purchases, use, sales or provision of services after the date hereof. Except as disclosed in Section 3.27(d) of the Disclosure Schedule, to the Knowledge of Sellers, no such customer or supplier is insolvent or presently intends to file for bankruptcy protection. To the Knowledge of the Sellers, the consummation of the Transactions will not adversely affect any such relationship.

Section 3.28 No Powers of Attorney. Except as set forth in Section 3.28 of the Disclosure Schedule, no Group Company has any powers of attorney or comparable delegations of authority outstanding.

Section 3.29 Accounts Receivable; Accounts Payable. Except as set forth in Section 3.29(a) of the Disclosure Schedule, to the Knowledge of Sellers, the accounts and notes receivable of each Group Company reflected on the balance sheet included in the Unaudited Financial Statements, and all accounts and notes receivable arising subsequent to the Unaudited Financial Statement Date, (i) arose from bona fide sales transactions in the ordinary course of business and are payable on ordinary trade terms, (ii) are legal, valid and binding obligations of the respective debtors enforceable in accordance with their terms, (iii) are not subject to any valid set-off or counterclaim, (iv) are not subject to any circumstances that would make them uncollectible in the ordinary course of business, net of any applicable reserve reflected in the balance sheet included in the Unaudited Financial Statements, and (v) are not the subject of any Actions or Proceedings brought by or on behalf of a Group Company. Section 3.29(b) of the Disclosure Schedule sets forth a description of any security arrangements and collateral securing the repayment or other satisfaction of receivables of each Group Company. All steps necessary to render all such security arrangements legal, valid, binding and enforceable, and to give and maintain for a Group Company, as the case may be, a perfected security interest in the related collateral, have been taken.

Section 3.30 Propriety of Past Payments. No payment has been made by or on behalf of a Group Company with the understanding that any part of such payment is to be used for any purpose other than that described in the documents supporting such payment, and no Seller, Group Company, director, officer, employee or agent of such Seller or Group Company, or any other Person associated with or acting for or on behalf of a Seller or Group Company has, directly or indirectly, made any illegal contribution, gift, bribe, rebate, payoff, influence payment,

kickback or other payment to any Person, private or public, regardless of form, whether in money, property or services, to obtain any benefit for such Seller, Group Company, or any of their respective Affiliates in violation of any federal, provincial, state, local, municipal, foreign, international, multinational or other administrative statute, regulation, order, ordinance, treaty or Law. No Group Company has accepted or received any unlawful contribution, payment, gift, kickback, expenditure or other item of value.

Section 3.31 Sufficiency of Assets and Properties. The Assets and Properties of the Group Companies constitute all of the Assets and Properties required to conduct the business of the Group Companies as currently conducted in the ordinary course of business.

Section 3.32 Brokers. All negotiations relative to this Agreement and the transactions contemplated hereby have been carried out by Sellers directly with Purchaser without the intervention of any Person on behalf of Seller in such manner as to give rise to any valid claim by any Person against Purchaser or a Group Company for a finder's fee, brokerage commission or similar payment.

Section 3.33 Accredited Investor. The Purchaser Shares are being acquired by Sellers for its own account and without a view to the public distribution of the Purchaser Shares or any interest therein. Sellers have sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of their investment in the Purchaser Shares, and Sellers are capable of bearing the economic risks of such investment, including a complete loss of its investment in the Purchaser Shares. In evaluating the suitability of an investment in the Purchaser Shares, Sellers have relied solely upon the representations, warranties, covenants and agreements made by Purchaser herein and Sellers have not relied upon any other representations or other information (whether oral or written and including any projections or supplemental data) made or supplied by or on behalf of Purchaser or any employee, agent or other representative of Purchaser. Sellers understand and agree that Sellers may not sell or dispose of any of the Purchaser Shares other than pursuant to a registered offering or in a transaction exempt from the registration requirements of applicable securities Laws and otherwise in compliance with the Stockholders Agreement. Each Seller is an "accredited investor" as defined under the Securities Act.

Section 3.34 Disclaimer. EXCEPT AS EXPRESSLY SET FORTH IN THIS ARTICLE III, NO SELLER MAKES OR HAS MADE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AT LAW OR IN EQUITY, IN RESPECT OF ANY GROUP COMPANY, ANY SUBSIDIARY OR ANY TRANSFERRED CONTRACT, INCLUDING WITH RESPECT TO (I) MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR (II) THE PROBABLE SUCCESS OR PROFITABILITY OF THE GROUP COMPANIES AFTER THE CLOSING AND, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, NO SELLER WILL HAVE OR BE SUBJECT TO ANY LIABILITY OR INDEMNIFICATION OBLIGATION TO PURCHASER OR TO ANY OTHER PERSON RESULTING FROM THE DISTRIBUTION TO PURCHASER, ITS AFFILIATES OR REPRESENTATIVES OR ANY OTHER PERSON OF, OR SUCH PERSONS' RESPECTIVE USE OF, ANY INFORMATION, DOCUMENTS, PROJECTIONS, FORECASTS OR OTHER MATERIALS RELATING TO THE GROUP COMPANIES, ANY SUBSIDIARY OR ANY TRANSFERRED CONTRACT, INCLUDING ANY INFORMATION,

DOCUMENTS, PROJECTIONS, FORECASTS OR OTHER MATERIALS MADE AVAILABLE TO PURCHASER, ITS AFFILIATES OR REPRESENTATIVES OR ANY OTHER PERSON, WHETHER ORALLY OR IN WRITING, IN ANY DATA ROOM RELATING TO THE TRANSACTION, IN MANAGEMENT PRESENTATIONS, FUNCTIONAL "BREAK-OUT" DISCUSSIONS, RESPONSES TO QUESTIONS OR REQUESTS SUBMITTED BY OR ON BEHALF OF PURCHASER OR ANY OTHER PERSON OR IN ANY OTHER FORM IN CONSIDERATION OR INVESTIGATION OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. ANY SUCH OTHER REPRESENTATION OR WARRANTY IS HEREBY EXPRESSLY DISCLAIMED.

## ARTICLE IV

## REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser hereby represents and warrants to the Sellers as follows:

Section 4.01 Organization. Purchaser is a **[**corporation**]** duly organized, validly existing and in good standing under the Laws of the State of **[**Delaware**]**. Purchaser has full **[**corporate**]** power and authority to execute and deliver this Agreement and the Operative Agreements to which it is a party, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby.

Section 4.02 Authority. The execution and delivery by Purchaser of this Agreement and the Operative Agreements to which it is a party, and the performance by Purchaser of its obligations hereunder and thereunder, have been duly and validly authorized by the Board of Directors of Purchaser, no other **[**corporate**]** action on the part of Purchaser being necessary. This Agreement has been duly and validly executed and delivered by Purchaser and constitutes, and upon the execution and delivery by Purchaser of the Operative Agreements to which it is a party, such Operative Agreements will constitute, a legal, valid and binding obligation of Purchaser enforceable against Purchaser in accordance with their terms.

Section 4.03 Capital Stock. The Purchaser Shares are duly authorized, validly issued, outstanding, fully paid and nonassessable.

Section 4.04 Accredited Investor. The Shares are being acquired by Purchaser for its own account and without a view to the public distribution of the Shares or any interest therein. Purchaser has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of their investment in the Shares, and Purchaser is capable of bearing the economic risks of such investment, including a complete loss of its investment in the Shares. In evaluating the suitability of an investment in the Shares, Purchaser has relied solely upon the representations, warranties, covenants and agreements made by the Sellers herein and Purchaser has not relied upon any other representations or other information (whether oral or written and including any projections or supplemental data) made or supplied by or on behalf of the Sellers or any Group Company, or any Subsidiary, employee, agent or other representative of the Sellers or any Group Company. Purchaser understands and agrees that Purchaser may not sell or dispose of any of the Shares other than pursuant to a registered

offering or in a transaction exempt from the registration requirements of applicable securities Laws. The Purchaser is an "accredited investor" as defined under the Securities Act.

## ARTICLE V

## TAX MATTERS AND POST-CLOSING TAXES

Section 5.01 Tax Returns.

(a) SB Holdings shall prepare (or cause to be prepared) and timely file all income Tax Returns of each Group Company or any Subsidiary with respect to any period ending on or before the Closing Date, whether due before or after the Closing Date. Any such Tax Returns shall be prepared, and each item thereon treated, in a manner consistent with past practices (including, without limitation, prior Tax elections and accounting methods or conventions made or utilized by such entities), except as required by applicable Law and provided that no reserve shall be claimed under any provision of the ITA or any equivalent provincial provision, if any amount could be included in the income of the Group Company (or a Subsidiary) for any period ending after the Closing Date. Purchaser and the Sellers agree that an election under subsection 256(9) of the ITA, shall, at Purchaser's option and in a form acceptable to the Sellers, be made in respect of a taxation year of Decca Ltd. or Resdin ending on or immediately prior to the Closing Date. SB Holdings shall permit Purchaser to review and comment on each Tax Return described in the preceding sentence prior to filing and shall consider in good faith any revisions to such tax returns as are reasonably requested by Purchaser.

(b) Purchaser shall prepare (or cause to be prepared) and timely file all Tax Returns of each Group Company or any Subsidiary that are due after the Closing Date, other than those Tax Returns to be filed by the Sellers pursuant to Section 5.01(a). Purchaser shall permit SB Holdings to review and comment on each Tax Return described in the preceding sentence that relates to a period ending on or before the Closing Date prior to filing and shall consider in good faith any revisions to such income tax returns as are reasonably requested by SB Holdings.

Section 5.02 Tax Indemnification.

(a) The Sellers shall indemnify and hold harmless the Purchaser Indemnified Parties from and against any and all Losses resulting from, arising out of or relating to (i) any Taxes of or payable by any Group Company or any Subsidiary, or with respect to the Transferred Agreements, relating to (x) any periods ending on or before the Closing Date and (y) that portion of any Straddle Period that ends on the Closing Date (calculated as set forth in Section 5.02(b) hereof) and (ii) without duplication of amounts included in clause (i), any Taxes resulting from a breach of the representations and warranties contained in Sections 3.13(g), (h), (i), (j), (l), (o), and (s) hereof, provided, however, that the Sellers shall have no obligation to indemnify and hold harmless Purchaser Indemnified Parties from and against Losses resulting from, arising out of or relating to (A) Tax to the extent such Tax was taken into account as a Current Liability in the calculation of Working Capital or (b) any transactions occurring on the Closing Date after the Closing outside the ordinary course of business (other than as expressly contemplated by this Agreement). The indemnity provided in the foregoing sentence shall include, without limitation,

any Tax liability arising by reason of any Group Company or Subsidiary being severally liable for any Taxes of another person pursuant to Treasury Regulation Section 1.1502-6 or any analogous state, local or foreign Tax provision, by contract as a transferee or otherwise and any Tax liability incurred in connection with the transactions contemplated by this Agreement.

(b) In the case of any Taxes of or payable by a Group Company or any Subsidiary that are payable with respect to Straddle Periods, the portion of any such Taxes that are attributable to the portion of the Straddle Period that ends on the Closing Date shall (i) in the case of Taxes that are based upon or related to income or receipts or imposed on a transactional basis, be deemed equal to the amount that would be payable if the Tax year or period ended on the Closing Date; and (ii) in the case of other Taxes, be allocated pro rata per day between the period ending on the Closing Date and the period beginning after the Closing Date. For purposes of clause (i) of the preceding sentence, any exemption, deduction, credit or other item that is calculated on an annual basis shall be allocated pro rata per day between the period ending on the Closing Date and the period beginning after the Closing Date. The parties hereto will, to the extent permitted by applicable Law, elect with the relevant Tax authority to treat a portion of any Straddle Period as a short taxable period ending as of the close of business on the Closing Date.

Section 5.03 Tax Contests.

(a) After the Closing, Purchaser and the Sellers shall promptly notify the other party in writing of any demand, claim or notice of the commencement of an audit received by such party from any Tax authority or any other person with respect to Taxes for which such other party is liable pursuant to the terms of this Agreement; provided, however, that a failure to give such notice will not affect such other party's rights to indemnification under Section 5.02(a) hereof, except to the extent that such party is actually prejudiced thereby. Such notice shall contain factual information (to the extent known) describing the asserted Tax liability and shall include copies of the relevant portion of any notice or other document received from any Tax authority or any other Person in respect of any such asserted Tax liability.

(b) (i) The Sellers shall control the conduct, through counsel of their own choosing, at the Sellers' expense, of any audit, claim for refund, or administrative or judicial proceeding involving any asserted Tax liability with respect to a Group Company or Subsidiary (any such audit, claim for refund, or proceeding relating to an asserted Tax liability or Tax refund referred to herein as a "Contest") relating solely to Taxes (or items raised therein, in which case Seller control shall be limited to such items if they are separable, otherwise Purchaser shall be entitled to control the entire Contest) for which the Sellers have an indemnification obligation pursuant to Section 5.02(a); provided, however, that Sellers shall be entitled to control such a Contest only after Sellers have provided Purchaser with a written acknowledgement of Sellers' liability to Purchaser with respect to all Taxes that are the subject of such Contest; provided, further, that the Sellers shall not settle any such Contest that could impact the Taxes of a Group Company or Subsidiary without the consent of Purchaser, such consent not to be unreasonably withheld. Purchaser shall be entitled to participate in but not control, and in connection therewith to retain separate counsel to represent it in any defense or settlement of, any Contest that is controlled by Sellers in accordance with the terms of this Section 5.03(b), provided that Purchaser will bear its own costs and expenses with respect to such separate counsel. To the extent payment has not already been made by the Sellers to Purchaser, should

Purchaser be required by applicable law to pay any such amount in respect of such Contest, forthwith upon request therefor, the Sellers will pay to Purchaser in cash the amount that Purchaser is required to pay by applicable law to such assessing authority. Should the Sellers fail to pay such amount within 30 days after receipt of written request from Purchaser to do so, the right of the Sellers to control the contesting of such Contest will cease and, for greater certainty, the concurrence of the Sellers to any compromise or settlement of such Contest will not be required.

(ii) The Sellers and Purchaser agree to furnish or cause to be furnished to each other, upon request, as promptly as practicable, such information (including access to Books and Records and accountants for the Group Companies and each Subsidiary) and assistance relating to the Group Companies and any Subsidiary as is reasonably requested for the filing of any Tax Returns and the preparation, prosecution, defense or conduct of any Contest. The Sellers and Purchaser shall reasonably cooperate with each other in the conduct of any Contest or other proceeding involving or otherwise relating to a Group Company or any Subsidiary with respect to any Tax and each shall execute and deliver such powers of attorney and other documents as are necessary to carry out the intent of this Section 5.03. Any information obtained under this Section 5.03 shall be kept confidential, except as may be otherwise necessary in connection with the filing of Tax Returns or in the conduct of a Contest or other Tax proceeding.

(iii) The Sellers and Purchaser shall, and Purchaser shall cause the Group Companies to, (A) use their commercially reasonable efforts to properly retain and maintain the Tax and accounting records of each Group Company and Subsidiary that relate to Tax periods for which the Sellers may have any indemnification obligations pursuant to Section 5.02(a) for eight (8) years and shall thereafter provide the other party with written notice prior to any destruction, abandonment or disposition of all or any portion of such records, (B) transfer such records to the other party upon their written request prior to any such destruction, abandonment or disposition and (C) allow the other party and their respective agents and representatives, at times and dates reasonably and mutually acceptable to the parties, to from time to time inspect and review such records as the other party may deem necessary or appropriate. Any information obtained under this Section 5.03(b)(iii) shall be kept confidential, except as may be otherwise necessary in connection with the filing of Tax Returns or in the conduct of a Contest or other Tax proceedings.

(iv) Payment by the Sellers of any amount due to a Purchaser Indemnified Party under Section 5.02(a) of this Agreement shall be made within ten (10) days following written notice by the Purchaser Indemnified Party to the Sellers that payment of such amounts to the appropriate Tax authority or other applicable third party is due by the Purchaser Indemnified Party, provided that the Sellers shall not be required to make any payment earlier than five (5) Business Days before it is due to the appropriate Tax authority or applicable third party.

Section 5.04 Transfer Taxes. The Sellers and Purchaser shall each pay 50% of all sales, use, transfer, real property transfer, recording, gains, stock transfer and other similar taxes and

fees ("Transfer Taxes") arising out of or in connection with the transactions effected pursuant to this Agreement, and each shall indemnify, defend, and hold harmless the other on an after-Tax basis with respect to such party's portion of such Transfer Taxes. Purchaser shall cause the Group Companies to file all necessary documentation and Tax Returns with respect to such Transfer Taxes.

Section 5.05 Tax Treatment of Indemnity Payments. All indemnity payments made under Section 5.02(a) shall be in cash from the Sellers. All indemnity payments made pursuant to Articles V and VII shall be treated as purchase price adjustments to the extent permitted by applicable law.

Section 5.06 Tax Treatment.

(a) The parties intend that the transfer of Shares and Transferred Agreements assets in exchange for the Purchaser Shares shall be treated as a tax-free transaction pursuant to Section 351 of the Code. The parties agree to treat such transfer as a tax-free contribution pursuant to Section 351 of the Code and shall not take any inconsistent tax positions on any Tax Returns or otherwise, unless required by a change in law after March 1, 2014.

(b) It is the present intent of Purchaser as of the date hereof and as of the Closing Date to have Decca Ltd. and Resdin continue to be classified as corporations for United States Federal income tax purposes after the Closing Date. Purchaser does not have a present intent to (i) liquidate Decca Ltd. or Resdin or (ii) take any action or transaction, including a tax election, that could be treated as a liquidation of Decca Ltd. or Resdin for United States Federal income tax purpose after the Closing Date.

Section 5.07 Tax-Sharing Agreements. All tax-sharing agreements or similar agreements to or involving any Group Company or a Subsidiary shall be terminated as of the Closing Date, and, after the Closing Date, the Group Companies and each Subsidiary shall not be bound thereby or have any liability thereunder.

## ARTICLE VI

## SURVIVAL OF REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS

Section 6.01 Survival of Representations, Warranties, and Agreements. The representations, warranties, covenants and agreements of the Sellers and Purchaser contained in this Agreement will survive the Closing (a) indefinitely with respect to (i) the representations and warranties contained in Sections 3.01, 3.02, 3.03, 3.04, and 4.02 and 4.03 (collectively, the "Fundamental Representations") and (ii) the covenants and agreements contained in Sections 2.04, 2.05, and 9.03; (b) until sixty (60) days after the expiration of all applicable statutes of limitations (including all periods of extensions, whether automatic or permissive), with respect to matters covered by Section 3.13 and Article V, (c) until the third anniversary of the date of this Agreement with respect to matters covered by (i) (insofar as they relate to ERISA) Section 3.16 and (ii) Section 3.26; (d) for a period of eighteen (18) months following the date of this Agreement in the case of all other representations and warranties and any covenant or

agreement to be performed in whole or in part on or prior to the Closing Date; or (e) with respect to each other covenant or agreement contained in this Agreement, until sixty (60) days following the last date on which such covenant or agreement is to be performed or, if no such date is specified, indefinitely; provided that any representation, warranty, covenant or agreement that would otherwise terminate in accordance with clause (b), (c), (d) or (e) above will continue to survive if a Claim Notice or Indemnity Notice (as applicable) shall have been timely given under Article VII on or prior to such termination date, until the related claim for indemnification has been satisfied or otherwise resolved as provided in Article VII.

## ARTICLE VII

## INDEMNIFICATION

Section 7.01 Indemnification.

(a) Subject to the other Sections of this Article VII and other than with respect to Tax matters which shall be governed by Article V, the Sellers shall indemnify the Purchaser Indemnified Parties in respect of, and hold each of them harmless from and against, any and all Losses suffered, incurred or sustained by any of them or to which any of them becomes subject, resulting from, arising out of or relating to (i) any breach of representation or warranty made by the Sellers pursuant to Article III of this Agreement or (ii) nonfulfillment of or failure to perform any covenant or agreement on the part of any Seller contained in this Agreement (the amount of Losses to be determined in all cases as if the terms "Material Adverse Effect," "material" or "materially" were not included therein).

(b) Subject to the other Sections of this Article VII, Purchaser shall indemnify the Seller Indemnified Parties in respect of, and hold each of them harmless from and against, any and all Losses suffered, incurred or sustained by any of them or to which any of them becomes subject, resulting from, arising out of or relating to any breach of representation or warranty made by Purchaser in Article IV of this Agreement or nonfulfillment of or failure to perform any covenant or agreement on the part of Purchaser contained in this Agreement.

Section 7.02 Method of Asserting Claims. All claims for indemnification by any Indemnified Party under Section 7.01 will be asserted and resolved as follows:

(a) In the event any claim or demand in respect of which an Indemnified Party might seek indemnity under Section 7.01 is asserted against or sought to be collected from such Indemnified Party by a Person other than a Seller or any Affiliate of a Seller or of Purchaser (a "Third Party Claim"), the Indemnified Party shall deliver a Claim Notice with reasonable promptness to the Indemnifying Party. If the Indemnified Party fails to provide the Claim Notice with reasonable promptness after the Indemnified Party receives notice of such Third Party Claim, the Indemnifying Party will not be obligated to indemnify the Indemnified Party with respect to such Third Party Claim to the extent that the Indemnifying Party's ability to defend has been materially and irreparably prejudiced by such failure of the Indemnified Party. The Indemnifying Party will notify the Indemnified Party within the Dispute Period whether the Indemnifying Party disputes its liability to the Indemnified Party under Section 7.01 and whether

the Indemnifying Party desires, at its sole cost and expense, to defend the Indemnified Party against such Third Party Claim.

(i) If the Indemnifying Party elects to defend the Third Party Claim, the Indemnifying Party shall do so with counsel reasonably satisfactory to the Indemnified Party, at the sole cost and expense of the Indemnifying Party, and shall have the right to enter into any settlement of a Third Party Claim on the Indemnifying Party's and Indemnified Party's behalf; provided, however, that if the Sellers are the Indemnifying Parties, the Sellers shall be allowed to control the defense of the Third Party Claim only after Sellers have provided Purchaser with a written acknowledgement of Sellers' liability to Purchaser and the other Indemnified Parties with respect to all Losses that are related to such Third Party Claim; provided, further, that any such settlement of a Third Party Claim shall require the prior written consent of the Indemnifying Party and Indemnified Party (such consent not to be unreasonably withheld, delayed or conditioned) unless (i) the Indemnifying Party undertakes to pay the entire amount of such settlement, (ii) such settlement does not involve any injunctive or other equitable relief binding upon the Indemnified Party or any of its Affiliates, (iii) such settlement expressly and unconditionally releases the Indemnified Party from all liabilities and obligations with respect to such claim, and (iv) such settlement involves no finding or admission of any violation of Laws or the rights of any Person. The Indemnifying Party will have full control of such defense and proceedings, including (except as provided in the immediately preceding sentence) any settlement thereof; provided, however, that the Indemnified Party may, at the sole cost and expense of the Indemnified Party, at any time prior to the Indemnifying Party's delivery of the notice referred to in the first sentence of this clause (i), file any motion, answer or other pleadings or take any other action that the Indemnified Party reasonably believes to be necessary or appropriate to protect its interests; and provided further that if requested by the Indemnifying Party, the Indemnified Party will, at the sole cost and expense of the Indemnifying Party, provide reasonable cooperation to the Indemnifying Party in contesting any Third Party Claim that the Indemnifying Party elects to contest. The Indemnified Party may retain separate counsel to represent it in, but not control, any defense or settlement of any Third Party Claim controlled by the Indemnifying Party pursuant to this clause (i), and the Indemnified Party will bear its own costs and expenses with respect to such separate counsel, except that the Indemnifying Party will pay the costs and expenses of such separate counsel if (x) in the Indemnified Party's good faith judgment, it is advisable, based on advice of counsel, for the Indemnified Party to be represented by separate counsel because a conflict or potential conflict exists between the Indemnifying Party and the Indemnified Party or (y) the named parties to such Third Party Claim include both the Indemnifying Party and the Indemnified Party and the Indemnified Party determines in good faith, based on advice of counsel, that defenses are available to it that are unavailable to the Indemnifying Party. Notwithstanding the foregoing, the Indemnified Party may retain or take over the control of the defense or settlement of any Third Party Claim the defense of which the Indemnifying Party has elected to control if the Indemnified Party irrevocably waives its right to be indemnified under Section 7.01 with respect to such Third Party Claim.

(ii) If the Indemnifying Party fails to notify the Indemnified Party within the Dispute Period that the Indemnifying Party desires to defend the Third Party Claim pursuant to this Section 7.02(a), the Indemnifying Party is not permitted to control such defense pursuant to the first sentence of Section 7.02(a)(i), or if the Indemnifying Party gives such notices but fails to prosecute vigorously and diligently or settle the Third Party Claim, then the Indemnified Party will have the right to defend, at the sole cost and expense of the Indemnifying Party, the Third Party Claim by all appropriate proceedings, which proceedings will be prosecuted by the Indemnified Party in good faith or will be settled at the discretion of the Indemnified Party (with the prior written consent of the Indemnifying Party, which consent will not be unreasonably withheld, delayed or conditioned). The Indemnified Party will have full control of such defense and proceedings, including (except as provided in the immediately preceding sentence) any settlement thereof; provided, however, that if requested by the Indemnified Party, the Indemnifying Party will, at the sole cost and expense of the Indemnifying Party, provide reasonable cooperation to the Indemnified Party and its counsel in contesting any Third Party Claim which the Indemnified Party is contesting. Notwithstanding the foregoing provisions of this clause (ii), if the Indemnifying Party has notified the Indemnified Party within the Dispute Period that the Indemnifying Party disputes its liability hereunder to the Indemnified Party with respect to such Third Party Claim and if such dispute is resolved in favor of the Indemnifying Party in the manner provided in clause (iii) below, the Indemnifying Party will not be required to bear the costs and expenses of the Indemnified Party's defense pursuant to this clause (ii) or of the Indemnifying Party's participation therein at the Indemnified Party's request, and the Indemnified Party will reimburse the Indemnifying Party in full for all reasonable costs and expenses incurred by the Indemnifying Party in connection with such litigation. The Indemnifying Party may retain separate counsel to represent it in, but not control, any defense or settlement controlled by the Indemnified Party pursuant to this clause (ii), and the Indemnifying Party will bear its own costs and expenses with respect to such participation.

(iii) If the Indemnifying Party notifies the Indemnified Party that it does not dispute its liability to the Indemnified Party with respect to the Third Party Claim under Section 7.01 or fails to notify the Indemnified Party within the Dispute Period whether the Indemnifying Party disputes its liability to the Indemnified Party with respect to such Third Party Claim, the Loss arising from such Third Party Claim will be conclusively deemed a liability of the Indemnifying Party under Section 7.01 and the Indemnifying Party shall pay the amount of such Loss to the Indemnified Party on demand following the final determination thereof. If the Indemnifying Party has timely disputed its liability with respect to such claim, the Indemnifying Party and the Indemnified Party will proceed in good faith to negotiate a resolution of such dispute, and if not resolved through negotiations within the Resolution Period, such dispute shall be resolved by arbitration in accordance with Section 8.10.

(b) In the event any Indemnified Party has a claim under Section 7.01 against any Indemnifying Party that does not involve a Third Party Claim, the Indemnified Party shall deliver an Indemnity Notice with reasonable promptness to the Indemnifying Party. The failure by any Indemnified Party to give the Indemnity Notice required hereunder shall not impair such party's rights hereunder except to the extent that an Indemnifying Party demonstrates that it has

been irreparably prejudiced thereby. If the Indemnifying Party notifies the Indemnified Party that it does not dispute the claim described in such Indemnity Notice or fails to notify the Indemnified Party within the Dispute Period whether the Indemnifying Party disputes the claim described in such Indemnity Notice, the Loss arising from the claim specified in such Indemnity Notice will be conclusively deemed a liability of the Indemnifying Party under Section 7.01 and the Indemnifying Party shall pay the amount of such Loss to the Indemnified Party on demand following the final determination thereof. If the Indemnifying Party has timely disputed its liability with respect to such claim, the Indemnifying Party and the Indemnified Party will proceed in good faith to negotiate a resolution of such dispute, and if not resolved through negotiations within the Resolution Period, such dispute shall be resolved by arbitration in accordance with Section 8.10.

Section 7.03 Calculation and Payment of Indemnity. The indemnification obligation of the Sellers with respect to any Loss which gives rise to indemnification under this Article VII shall be subject to the limitations set forth in Section 7.04, and shall otherwise be determined in accordance with this Section 7.03.

(a) The amount of any Losses that are indemnified by the Sellers under this Article VII shall be deemed to reduce the Final Purchased Stock and Assets Value which were the basis of exchange as set forth in Section 2.01 (a "Reduction Event") and, accordingly, the Final Purchased Stock and Assets Value shall be reduced by an amount equal to the aggregate Losses that are indemnified by the Sellers under this Article VII and, in each case, the number of Purchaser Shares held by the Sellers shall be forfeited as provided in paragraph (b) below.

(b) Immediately following a Reduction Event, the Escrow Agent shall transfer to Purchaser for cancelation an aggregate number of Escrow Shares equal to (i) the amount of Losses that are indemnified by the Sellers in respect of the Claim divided by (ii) the Price Per Share, and all of the Sellers' right, title and interest in and to such forfeited Escrow Shares shall cease.

(c) Without limiting the foregoing, to the extent Purchaser Shares are required to be forfeited pursuant to this Section 7.03 as a result of a breach of a Fundamental Representation, following the date on which no Escrow Shares remain, the Sellers shall transfer to Purchaser for cancellation an aggregate number of Purchaser Shares equal to (i) the amount of losses that are indemnified by the Sellers in respect of such claim not covered by such Escrow Shares divided by (ii) the Price Per Share, and all of the Sellers' right, title and interest in and to such forfeited Purchaser Shares shall cease.

(d) The amount of any and all Losses recoverable hereunder shall be determined net of (i) any insurance or other third party recoveries actually received by the Indemnified Party (including with respect to indemnification recoveries from third parties, which Purchaser shall use its reasonable best efforts to seek), less the actual costs and expenses of obtaining such recoveries and (ii) the amount of any actual cash tax savings actually recognized by the Indemnified Party in the year in which the Loss is incurred. If the Indemnifying Party has actually indemnified the Indemnified Party for an indemnified Loss, the Indemnified Party shall pay the Indemnifying Party the amount of any actual cash tax savings recognized by the

Indemnified Party that is attributable to such Loss to the extent realized in either of the first two tax years beginning after the year in which the indemnified Loss was incurred.

(e) The Purchaser Indemnified Parties shall not be entitled to indemnification with respect to any Losses to the extent taken into account in the calculation of the Final Purchased Stock and Assets Value (without giving effect to any Reduction Event in respect thereof) or the Final Working Capital Value.

(f) Notwithstanding anything to the contrary set forth herein, "Losses" shall not include lost business opportunities, lost profits, any measure of damages based on diminution in value or based on any multiple of earnings or EBITDA or similar concept, consequential damages of any kind or indirect, special, exemplary or punitive damages.

Section 7.04 Limitation of Liability. Notwithstanding Section 7.03 or any other provision of this Agreement:

(a) The Sellers shall have no obligation to indemnify any Purchaser Indemnified Party from and against any Losses incurred by any Purchaser Indemnified Party pursuant to Section 7.01 in respect of breaches of representations and warranties (other than Fundamental Representations) until the aggregate amount of indemnifiable Losses suffered by the Purchaser Indemnified Party exceeds an amount equal to $260,000 (the "Threshold Amount"), in which event Sellers shall be responsible for the aggregate amount of all Losses in excess of the Threshold Amount; and

(b) in no event shall the Sellers' aggregate liability under this Article VII exceed the number of Escrow Shares remaining in escrow or required to be delivered to the Escrow Agent pursuant to Section 2.03(h), except with respect to any breach of any Fundamental Representation, in which case the aggregate liability of the Sellers under this Article VII shall not exceed the number of Purchaser Shares delivered to the Sellers, it being understood that the Escrow Shares and, solely with respect to a breach of the Fundamental Representations, the Purchaser Shares, represent the sole and exclusive recourse available to the Purchaser Indemnified Parties for any indemnification claim pursuant to this Article VII.

Section 7.05 Exclusive Remedy. Notwithstanding anything to the contrary set forth in this Agreement, but subject to Article II and Article V, a claim pursuant to this Article VII shall be the parties' sole and exclusive remedy with respect to any breach of representation or warranty or covenant in this Agreement, regardless of whether such claim arises in contract, tort, breach of warranty or any other legal or equitable theory, and shall be limited to the rights contained in this Article VII. In addition, each party shall be entitled to specific performance in accordance with this Agreement.

## ARTICLE VIII

## MISCELLANEOUS

Section 8.01 Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given: (a) on the date of service if served personally on the party to whom notice is to be given; (b) on the day of

transmission if sent via facsimile transmission to the facsimile number given below, and telephonic confirmation of receipt is obtained promptly after completion of transmission; (c) on the day after delivery to Federal Express or similar overnight courier or the Express Mail service maintained by the United States Postal Service; or (d) on the fifth day after mailing, if mailed to the party to whom notice is to be given, by first class mail, registered or certified, postage prepaid and properly addressed, to the party as follows:

If to Purchaser, to:

[Reorganized Parent]
3820 State Street
Santa Barbara, CA 93105
Attn: Board of Directors

with a copy to:

Milbank, Tweed, Hadley & McCloy LLP
601 South Figueroa Street, Thirtieth Floor
Los Angeles, CA 90017
Attention: Mark Shinderman
Attention: Brett Goldblatt
Facsimile: (213) 629-5063

and

Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square
New York, NY 10036
Attention: Ken Ziman
Facsimile: (917) 777-3310

and

Skadden, Arps, Slate, Meagher & Flom LLP
920 N. King Street
Wilmington, DE 19801
Attention: Steven J. Daniels
Facsimile: (302) 552-3240

If to the Sellers, to:

SB Group Holdings, Inc.
[3820 State Street
Santa Barbara, CA 93105]
Attn: D. Stephen Sorensen

with a copy to:

Cole, Schotz, Meisel, Forman and Leonard, P.A
301 Commerce Street, Suite 1700
Fort Worth, TX 76102
Attention: Michael Warner
Facsimile: (817) 810-5255

and

Cole, Schotz, Meisel, Forman and Leonard, P.A
Court Plaza North
25 Main Street
Hackensack, NJ 07601
Attention: Marc P. Pres
Facsimile: (201) 678-6234

Any party from time to time may change its address, facsimile number or other information for the purpose of notices to that party by giving notice specifying such change to the other party hereto.

Section 8.02 Entire Agreement. This Agreement, the Disclosure Schedules and the Operative Agreements supersede all prior discussions and agreements between the parties with respect to the subject matter hereof and thereof, and contain the sole and entire agreement between the parties hereto with respect to the subject matter hereof and thereof.

Section 8.03 Expenses. Whether or not the transactions contemplated hereby are consummated, each party will pay its own costs and expenses incurred in connection with the negotiation, execution and closing of this Agreement and the Operative Agreements and the transactions contemplated hereby and thereby; provided that following the Closing, Purchaser may cause a Group Company to pay, or reimburse Purchaser for, such expenses incurred by Purchaser.

Section 8.04 Waiver. Any term or condition of this Agreement may be waived at any time by the party that is entitled to the benefit thereof, but no such waiver shall be effective unless set forth in a written instrument duly executed by or on behalf of the party waiving such term or condition. No waiver by any party of any term or condition of this Agreement, in any one or more instances, shall be deemed to be or construed as a waiver of the same or any other term or condition of this Agreement on any future occasion. All remedies, either under this Agreement or by Law or otherwise afforded, will be cumulative and not alternative.

Section 8.05 Canadian Privacy Laws.

(a) Each party shall comply with Canadian Privacy Laws in the course of collecting, using and disclosing Transaction Personal Information. Purchaser shall use Transaction Personal Information prior to Closing only for purposes related to the transactions contemplated by this Agreement and as is necessary to determine whether to proceed with such transactions contemplated by this Agreement, or as otherwise permitted by applicable Laws.

Each party acknowledges and confirms that the disclosure of Transaction Personal Information is necessary for the purposes of determining if the parties will proceed with the transactions contemplated by this Agreement and that the disclosure of Transaction Personal Information relates solely to the carrying on of the business of the Group Companies and the completion of the transactions contemplated by this Agreement.

(b) Each party shall keep strictly confidential all Transaction Personal Information and shall instruct such party's Representatives responsible for processing Transaction Personal Information to protect its confidentiality in a manner consistent with each party's obligations under applicable Law. Each party shall ensure that access to Transaction Personal Information will be restricted to those Representatives who have a bona fide need to access such information in order to evaluate, advise on, or perform the transactions contemplated by this Agreement. Each party acknowledges and confirms that such party shall employ appropriate technology, safeguards and procedures in accordance with applicable Laws to prevent accidental loss or corruption of Transaction Personal Information, unauthorized input or access to Transaction Personal Information, or unauthorized or unlawful collection, storage, disclosure, recording, copying, alteration, removal, deletion, use or other processing of Transaction Personal Information.

(c) After Closing, Purchaser shall, and shall ensure that its Affiliates, collect, use and disclose Transaction Personal Information only for those purposes for which that information was initially collected from or in respect of the individuals to whom such Transaction Personal Information relates, unless (i) Purchaser or its Affiliates, as applicable, have first notified such individuals of the additional purpose(s) for which such Transaction Personal Information will be used or disclosed and, where required by applicable Law, has obtained the consent of such individual to such additional purpose(s); or (ii) such use or disclosure is permitted or authorized by applicable Law without notice to or consent from such individuals.

(d) If Closing does not occur, or otherwise upon the reasonable request of any party, Purchaser shall, if Transaction Personal Information is in its possession or in the possession of any of its Representatives, promptly return to the Sellers, or destroy, all such Transaction Personal Information, including all copies, reproductions, summaries or extracts thereof.

(e) Each party shall promptly notify the other of all inquiries, complaints, requests for access, or legal proceedings of which each party is made aware in connection with Transaction Personal Information. The parties shall fully cooperate with each other, with the individuals to whom Transaction Personal Information relates, and any Governmental Authority charged with the enforcement of Canadian Privacy Laws in responding to such inquiries, complaints, requests for access, or legal proceedings.

(f) Nothing in this Agreement is to be construed so as to restrict a party from obtaining the consent of an individual to the collection, use or disclosure of his or her Personal Information for purposes beyond those for which the party obtained the Personal Information under this Agreement.

Section 8.06 Amendment. This Agreement may be amended, supplemented or modified only by a written instrument duly executed by or on behalf of each party hereto.

Section 8.07 Third-Party Beneficiaries. Except as set forth in Sections 2.05, the terms and provisions of this Agreement are intended solely for the benefit of each party hereto and their respective successors or permitted assigns, and it is not the intention of the parties to confer third-party beneficiary rights upon any other Person other than any Person entitled to indemnity under Article VII.

Section 8.08 No Assignment; Binding Effect. Neither this Agreement nor any right, interest or obligation hereunder may be assigned by any party hereto without the prior written consent of the other party hereto and any attempt to do so will be void, except (a) for assignments and transfers by operation of Law and (b) that Purchaser may assign any or all of its rights, interests and obligations hereunder (including without limitation its rights under Article VII) to (i) a wholly-owned subsidiary, provided that any such subsidiary agrees in writing to be bound by all of the terms, conditions and provisions contained herein, (ii) any post-Closing purchaser of all of the issued and outstanding stock of one or more Group Companies or a substantial part of one or more Group Companies' assets in the aggregate or (iii) any financial institution providing purchase money or other financing to Purchaser or a Group Company from time to time as collateral security for such financing. Subject to the preceding sentence, this Agreement is binding upon, inures to the benefit of and is enforceable by the parties hereto and their respective successors and assigns.

Section 8.09 Headings. The headings used in this Agreement have been inserted for convenience of reference only and do not define or limit the provisions hereof.

Section 8.10 Arbitration. Any dispute, claim or controversy arising out of or relating to this Agreement that cannot be resolved amicably by the parties hereto, including the scope or applicability of this agreement to arbitrate, shall be determined by binding arbitration administered by JAMS, The Resolution Experts ("JAMS"), in accordance with its expedited Comprehensive Arbitration Rules and Procedures. Any judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Any JAMS arbitration proceeding shall be conducted in the State of Delaware. The JAMS arbitrator shall have the authority to award any remedy or relief that a court of competent jurisdiction could order or grant, including the issuance of an injunction or other equitable relief. Any party may, however, without inconsistency with this arbitration provision, apply to any court having jurisdiction hereof and seek interim provisional, injunctive or other equitable relief until the arbitration award is rendered or the controversy is otherwise resolved. Except as necessary in court proceedings to enforce this arbitration provision or an award rendered hereunder, or to obtain interim relief, neither a party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of each party.

Section 8.11 Invalid Provisions. If any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future Law, (a) such provision will be fully severable, (b) this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof, and (c) the remaining provisions of

this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom.

Section 8.12 Governing Law. This Agreement shall be governed by and construed in accordance with the Laws of the State of Delaware applicable to a Contract executed and performed in such State, without giving effect to the conflicts of laws principles thereof.

Section 8.13 Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

Section 8.14 Specific Performance. Each party hereto agrees that, in the event of any breach or threatened breach of the provisions of this Agreement by such party, Purchaser, on the one hand, and the Sellers, on the other hand, shall be entitled to equitable relief without the requirement of posting a bond or other security, including in the form of injunctions and orders for specific performance, in addition to all other remedies available to such other parties pursuant to this Agreement. Each of Purchaser, on the one hand, and the Sellers, on the other hand, hereby agrees not to raise any objections to the availability of the equitable remedy of specific performance to prevent or restrain breaches or threatened breaches of this Agreement by the other party hereto, and to specifically enforce the terms and provisions of this Agreement to prevent breaches or threatened breaches of, or to enforce compliance with, the covenants and obligations of Purchaser and the Sellers, as applicable, under this Agreement.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the duly authorized officer of each party hereto as of the date first above written.

[REORGANIZED PARENT]

By: _____
Name:
Title:

SB GROUP HOLDINGS, INC.

By: _____
Name:
Title:

ESPERER HOLDINGS, INC.

By: _____
Name:
Title:

_____
D. STEPHEN SORENSEN

EXHIBIT E

OPTION AGREEMENT

# OPTION AGREEMENT

This OPTION AGREEMENT is made as of [___], 2014 (this "**Agreement**"), by and among (i) [REORGANIZED PARENT], a Delaware corporation ("**Option Holder**"), (ii) [NEW BUTLER HOLDCO],[1] a Delaware [corporation] ("**Owner**") and (iii) with respect to Sections 4.1, 5.1, 5.5 and 6.3 only, D. STEPHEN SORENSEN ("**Mr. Sorensen**").

## RECITALS:

WHEREAS, Owner owns, directly or indirectly, 100% of the Capital Stock of each of Butler America Inc. ("**Butler America**"), Butler America TCS, Inc. ("**Butler America TCS**"), Butler America Staffing LLC ("**Butler America Staffing**") and Butler Technical Services India (P) Ltd. ("**Butler India**" and, together with Butler America, Butler America TCS and Butler America Staffing, the "**Companies**" and, each individually, a "**Company**");

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

## 1. DEFINITIONS.

**Section 1.1.** The following terms when used in this Agreement shall have the following meanings (such meanings to be equally applicable to the singular and plural forms thereof):

"Additional Term" has the meaning given to it in the definition of "Option Period".

"Affiliate" means any Person that directly, or indirectly through one or more intermediaries, controls or is controlled by or is under common control with the Person specified. For purposes of this definition, control of a Person means the power, direct or indirect, to direct or cause the direction of the management and policies of such Person whether by contract or otherwise.

"Agreement" has the meaning given to it in the preamble hereto.

"Assets and Properties" of any Person means all assets and properties of every kind, nature, character and description (whether real, personal or mixed, whether tangible or intangible, whether absolute, accrued, contingent, fixed or otherwise and wherever situated), including the goodwill related thereto, operated, owned or leased by such Person, including without limitation cash, cash equivalents, investment assets, accounts and notes receivable, chattel paper, documents, instruments, general intangibles, real estate, equipment, inventory, goods and intellectual property.

"Business Day" means any day other than Saturday, Sunday or a day on which banks are generally not open in California or New York.

[1] All current holders of equity in the Butler entities, including members of management, will contribute that equity into a newly-formed entity that will grant the option. This will happen prior to, or as soon as reasonably prascticable after, the launch of the solicitation.

"Butler America" has the meaning given to it in the recitals hereto.

"Butler America Staffing" has the meaning given to it in the recitals hereto.

"Butler America TCS" has the meaning given to it in the recitals hereto.

"Butler EBITDA" shall have the meaning set forth in the Butler Purchase Agreement.

"Butler India" has the meaning given to it in the recitals hereto.

"Butler Organizational Documents" has the meaning given to it in Section 4.1(b)(i) hereto.

"Butler Purchase Agreement" means, in the event Option Holder elects to exercise the Option pursuant to Section 2.3, the purchase agreement to be entered into between Option Holder and Owner in substantially the form attached hereto as Exhibit A.

"Capital Stock" means (i) with respect to any Person that is a corporation, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock; and (ii) with respect to any other Person, any and all partnership, membership or other equity interests in such Person.

"Cash Sale" means the sale of Option Holder, or any subsidiary or Affiliate of Option Holder holding, directly or indirectly, all or substantially all of the assets of Option Holder on a consolidated basis, to a Person or group of Persons for cash consideration pursuant to which such Person or group of Persons acquires (i) 100% of the Capital Stock of Option Holder (whether by merger, consolidation or sale or transfer of the Option Holder's Capital Stock) or (ii) all or substantially all of Option Holder's assets determined on a consolidated basis.

"Closing Date" has the meaning given to it in Section 2.3(d) hereto.

"Companies" has the meaning given to it in the recitals hereto.

"Companies Equity" means 100% of the Equity Interests in each of the Companies, including without limitation: (a) [_____] shares of common stock of Butler America, (b) [_____] shares of common stock of Butler America TCS, (c) 100% of the limited liability company membership interests of Butler America Staffing, and (d) 100% of [_____] of Butler India.

"Company Subsidiary" means any entity in which a Company, directly or indirectly, owns more than 50% of either the equity interests in, or the voting control of, such entity, including without limitation those entities set forth on Exhibit B.

"Employment Agreement" means that certain Employment Agreement, dated as of the date hereof, by and between Mr. Sorensen and Option Holder.

"Equity Interests" of any Person means Capital Stock of such Person or warrants, Stock Options, securities or instruments convertible into or exchangeable for Capital Stock, or other rights to acquire Capital Stock, of such Person.

"Estimated Indebtedness" shall have the meaning set forth in the Butler Purchase Agreement.

"Exercise Consideration Period" means the period (a) beginning on the date of delivery of an Intent Notice by Option Holder to Owner and (b) ending on (i) if following the delivery of such Intent Notice, Option Holder shall have delivered an Exercise Notice to Owner prior to the expiration of the related Exercise Period, the Closing Date or (ii) if following the delivery of such Intent Notice, Option Holder shall not have delivered an Exercise Notice to Owner prior to the expiration of the Exercise Period, the expiration of such Exercise Period.

"Exercise Notice" has the meaning given to it in Section 2.3(c) hereto.

"Exercise Period" has the meaning given to it in Section 2.3(c) hereto.

"Family Member" means, with respect to any natural person, such person's spouse, children, parents and lineal descendants of such person's parents (in each case, natural or adopted).

"GAAP" means generally accepted accounting principles, consistently applied throughout the specified period and in the immediately prior comparable period.

"Governmental or Regulatory Authority" means any court, tribunal, arbitrator, authority, agency, commission, official or other instrumentality of the United States, any foreign country or any domestic or foreign state, county, city or other political subdivision.

"Independent Third Party" means any Person who, immediately prior to the contemplated transaction, does not own, directly or indirectly, and together with its Affiliates and, in the case of an individual, such individual's Family Members and Affiliates of such Family Members, 5% or more of Owner.

"Initial Term" has the meaning given to it in the definition of "Option Period".

"Intent Notice" has the meaning given to it in Section 2.3(a) hereto.

"Law" means all laws, statutes, rules, regulations, ordinances and other pronouncements having the effect of law of the United States, any foreign country or any domestic or foreign state, county, city or other political subdivision or of any Governmental or Regulatory Authority.

"Lien" means any mortgage, pledge, assessment, security interest, lease, lien, levy, charge or other encumbrance of any kind, or any conditional sale contract, title retention contract or other contract to give any of the foregoing.

"Mr. Sorensen" has the meaning given to it in the preamble hereto.

"Offer" has the meaning given to it in Section 3.1(a)(iv) hereto.

"Offer Letter" has the meaning given to it in Section 3.1(a) hereto.

"Offer Period" has the meaning given to it in Section 3.1(a)(iv) hereto.

"Option" has the meaning given to it in Section 2.1 hereto.

"Option Holder" has the meaning given to it in the preamble hereto.

"Option Holder's EBITDA Calculation Statement" has the meaning given to it in Section 2.3(b) hereto.

"Option Period" means the period that commences on the date hereof and ends on the second anniversary of the date hereof (the "Initial Term"), which Option Period shall be automatically extended for three successive one-year terms (each, an "Additional Term" and each of the Initial Term and each Additional Term, a "Term") unless, at or prior to the expiration of the Initial Term or current Additional Term, as applicable, (i) Mr. Sorensen's employment shall have been terminated by Option Holder without Cause (as defined in the Employment Agreement), or (ii) Mr. Sorensen shall have terminated his employment with Option Holder for Good Reason (as defined in the Employment Agreement), in which case the Option Period shall not be extended and shall end at the expiration of such Initial Term or Additional Term, as applicable.

"Order" means any writ, judgment, decree, injunction or similar order of any Governmental or Regulatory Authority (in each such case whether preliminary or final).

"Owner" has the meaning given to it in the preamble hereto.

"Permitted Holder" means (a) Anchorage Capital Group, L.L.C., (b) Blue Mountain Capital Management LLC, (d) Pine River Fixed Income Master Fund Ltd., (e) LMA SPC for and on behalf of the MAP 89 Segregated Portfolio, (f) Pine River Opportunistic Credit Master Fund Ltd., (g) Pine River Master Fund Ltd., (h) Pine River Credit Relative Value Master Fund Ltd., (i) Marblegate Special Opportunities Master Fund, L.P., (j) Redwood Master Fund, Ltd., (k) each Affiliate of the foregoing, (l) in the case of any of the foregoing that is, or is managed by, an investment manager, such investment manager, any of such investment manager's Affiliates, and each fund or pooled investment fund managed by such investment manager or any of such investment manager's Affiliates.

"Person" means any natural person, corporation, limited liability company, general partnership, limited partnership, proprietorship, other business organization, trust, union, association or governmental or regulatory authority.

"Preferential Purchase Right" has the meaning given to it in Section 4.1(d) hereto.

"Preliminary Disclosure Schedules" has the meaning given to it in Section 2.3(b) hereto.

"QLE" means (1) (A) the acquisition by a Person or group of Persons (other than one or more Permitted Holders) of capital stock of Option Holder that constitutes at least 50% of the total fair market value or the total voting power of the capital stock of Option Holder then outstanding, (B) a merger, amalgamation, consolidation or similar transaction that results in the stockholders of Option Holder, as of immediately prior to such transaction, together with the Permitted Holders, ceasing to collectively and beneficially own at least 50% of the outstanding equity securities of the surviving or resulting corporation as of immediately following such transaction, or (C) a sale of at least 40% of the assets of Option Holder (or any Affiliate or subsidiary of Option Holder holding substantially all of the assets of Option Holder on a consolidated basis) to a Person or a group of Persons in a twelve (12) month period, measured from the date of the most recent acquisition of Option Holder's (or such Affiliate's or subsidiary's) assets by such Person or group of Persons, or (2) the first underwritten public offering of the equity securities of Option Holder or one of its Affiliates or subsidiaries on a firm commitment basis covering the offer and sale of equity securities of Option Holder or such Affiliate or subsidiary for the account of Option Holder or such Affiliate or subsidiary and/or its stockholders underwritten by a reputable nationally recognized underwriter pursuant to which such equity securities will be quoted on the NASDAQ or NYSE.

"ROFR Period" means the period (a) beginning on the delivery of an Offer Letter and (b) ending on (i) if Option Holder accepts the Offer during the Offer Period, the date of closing of the related purchase and sale, and (ii) otherwise, the 90th day following the expiration of the related Offer Period.

"ROFR Purchase Price" has the meaning given to it in Section 3.1(a)(ii) hereto.

"Stock Options" with respect to any Person means any security, right, subscription, warrant, option, "phantom" stock right or other contract that gives the right to (i) purchase or otherwise receive or be issued any shares of capital stock of such Person or any security of any kind convertible into or exchangeable or exercisable for any shares of capital stock of such Person or (ii) receive or exercise any benefits or rights similar to any rights enjoyed by or accruing to the holder of shares of capital stock of such Person, including any rights to participate in the equity or income of such Person or to participate in or direct the election of any directors or officers of such Person or the manner in which any shares of capital stock of such Person are voted.

"Term" has the meaning given to it in the definition of "Option Period".

"Third Party Sale" has the meaning given to it in Section 3.1(a) hereto.

"Transaction Expenses" has the meaning given to it in Section 5.3 hereto.

Any capitalized term used in this Agreement, but not defined herein, shall have the meaning ascribed to such term in the Butler Purchase Agreement.

## 2. OPTION.

**Section 2.1.** Grant of the Option. Owner hereby grants to Option Holder the option (the "**Option**") to purchase and acquire the Companies Equity for the consideration (the

"Purchase Price")[2] set forth in the Butler Purchase Agreement, and on the other terms and conditions set forth herein and in the Butler Purchase Agreement. The parties acknowledge and agree that Owner shall have the right to elect to receive the Purchase Price in cash or, except in connection with an exercise of the Option concurrently with a Cash Sale, in Option Holder common stock;[3] provided, that if (a) the Option is exercised in conjunction with a QLE and (b) Mr. Sorensen serves as Option Holder's Chief Executive Officer on the Closing Date and, as of the Closing Date, no written notice has been provided or process begun to terminate Mr. Sorensen's employment with Option Holder, then at Option Holder's election, the Purchase Price will be payable in cash or, except in connection with an exercise of the Option concurrently with a Cash Sale, Option Holder common stock.

**Section 2.2.** Access to Information. From the date of this Agreement and through the end of the Option Period, Owner shall deliver to Option Holder the following financial statements:

(a) Within 110 days following the end of each calendar year ending during the Option Period: (i) annual audited consolidated balance sheets of the Companies and their subsidiaries, and the related audited consolidated statements of operations, stockholders' equity and cash flows, in each case, for the calendar year then ended, together with a true and correct copy of the report on such audited information by an independent auditor of such Company; (ii) an annual calculation of Butler EBITDA for the calendar year then ended; and (iii) the average annual Butler EBITDA for the preceding three-year period ending with the calendar year then ended; and

(b) Within 60 days following the end of each calendar quarter ending during the Option Period: (i) quarterly unaudited consolidated balance sheets of the Companies and their subsidiaries, and the related quarterly unaudited consolidated statements of operations, stockholders' equity and cash flows for the quarter then ended; and (ii) Butler EBITDA for the immediately preceding 12-month period.

**Section 2.3.** Exercise of the Option.

(a) At any time during the Option Period other than during a ROFR Period and subject to Section 2.3(e), Option Holder may deliver to the Owner a notice (an "**Intent Notice**") setting forth that Option Holder intends to exercise the Option.

[2] NTD: As set forth in greater detail in the Butler Purchase Agreement, the Purchase Price will be (a) the greater of (i) 8.0x LTM EBITDA and (ii) 8.0x average annual EBITDA for the preceding three years ended December 31 minus (b) Indebtedness.

[3] NTD: In the event that the consideration for Butler is Option Holder common stock, Option Holder will be valued at (a) if Newco is public, the Current Market Price on the Closing and (b) otherwise, 9.0x LTM EBITDA, and, in the case of this clause (b) would be subject to the same QofE adjustment that will be applied to Butler EBITDA under the Butler Purchase Agreement. For purposes of clause (a), "Current Market Price" on any date of determination means the average volume-weighted average price for the 20 most recent days on which the exchange listing Option Holder common stock was open for trading.

(b) If Option Holder timely delivers an Intent Notice, (i) Owner shall deliver to Option Holder, on or before the date that is thirty (30) days after delivery of the Intent Notice, (x) a written statement setting forth in reasonable detail Owner's determination of (1) the Butler EBITDA for the 12-month period ending on the last day of the month immediately preceding the date of delivery of the Intent Notice, (2) the average annual Butler EBITDA for the preceding three-year period ended December 31 and (3) the Companies' Estimated Indebtedness; (y) reasonable supporting documentation for such Butler EBITDA and Estimated Indebtedness, and (z) preliminary Disclosure Schedules to the Butler Purchase Agreement (the "**Preliminary Disclosure Schedules**"); and (ii) if Owner may elect to receive the Purchase Price in cash or Option Holder common stock in accordance with Section 2.1, then (x) Option Holder shall deliver to Owner, on or before the date that is thirty (30) days after delivery of the Intent Notice, a written statement (the "**Option Holder's EBITDA Calculation Statement**") setting forth in reasonable detail Option Holder's determination of Purchaser EBITDA (as defined in the Butler Purchase Agreement) for the 12-month period ending on the last day of the month immediately preceding the date of delivery of the Intent Notice; and (y) Owner shall deliver to Option Holder, on or before the date that is five (5) Business Days after delivery of the Option Holder's EBITDA Calculation Statement, a written statement setting forth whether Owner elects to receive the Purchase Price in cash or Option Holder common stock. Except as may be otherwise agreed to by the parties, the statements and schedules delivered pursuant to this Section 2.3(b) shall be conclusive for purposes of determining the Purchase Price for the purchase and sale of the Companies Equity absent manifest error, but shall be subject to adjustment and the other terms set forth in the Butler Purchase Agreement.

(c) Option Holder may elect to exercise the Option by delivering to Owner a notice (an "**Exercise Notice**") on or before the 30th day after the date of delivery of all of the documents required to be delivered pursuant to Section 2.3(b)(i) (such 30-day period, the "**Exercise Period**"), setting forth that Option Holder (i) is electing to exercise the Option, and (ii) agrees to enter into the Butler Purchase Agreement, with such necessary changes thereto as the parties may identify and agree upon. If Option Holder fails to deliver an Exercise Notice during the Exercise Period, then Option Holder shall be deemed to have elected not to exercise the Option.

(d) If Option Holder delivers an Exercise Notice during the Exercise Period, then Option Holder and Owner shall, as soon as practicable, but in any event no later than thirty (30) days after the delivery of the Exercise Notice, execute and deliver the Butler Purchase Agreement, with such modifications thereto as may be agreed upon by the parties, together with the Preliminary Disclosure Schedules incorporating any changes as the parties may agree upon, which Preliminary Disclosure Schedules (with such modifications that are agreed to by the parties, if any) shall be attached as final Disclosure Schedules to the Butler Purchase Agreement. The closing of the purchase and sale of the Companies Equity to Option Holder shall be held concurrently with the execution and delivery of the Butler Purchase Agreement or on such later date as may be necessary to obtain any required regulatory approvals or third party consents (the actual date of closing, the "**Closing Date**"). Unless otherwise agreed by Option Holder and Owner, Owner shall cause those Affiliate Transactions (as defined in the Butler Purchase Agreement) required to be terminated pursuant to the Butler Purchase Agreement to be terminated without cost effective as of the Closing Date.

(e) Notwithstanding any failure to deliver an Exercise Notice and consummate the purchase and sale of the Companies Equity following delivery of an Intent Notice, Option Holder shall continue to have the right to exercise the Option at a subsequent date during the Option Period on the terms set forth herein; provided, however, that Option Holder shall not be entitled to deliver an Intent Notice sooner than 90 days after delivery of the most recent Intent Notice delivered hereunder.

(f) If Option Holder delivers an Intent Notice other than the first Intent Notice delivered hereunder and subsequently elects not to deliver an Exercise Notice or otherwise elects, or is deemed to elect, not to exercise the Option, then Option Holder shall promptly (and in any event within 15 days after the later of (x) the expiration of the Exercise Period and (y) the delivery of supporting documentation for such out-of-pocket costs and expenses), reimburse Owner for all out-of-pocket costs and expenses (including attorneys' fees) reasonably incurred by or on behalf of Owner in connection with the preparation and delivery of the documents required to be prepared and delivered pursuant to Section 2.3(b) of this Agreement.

## 3. RIGHT OF FIRST REFUSAL

**Section 3.1.** Right of First Refusal. At all times during the Option Period, the following provisions shall apply:

(a) Offer Notice. Notwithstanding anything to the contrary set forth herein, Owner may sell, convey, transfer and dispose of the Companies Equity, free and clear of any restriction under this Agreement, at any time other than during an Exercise Consideration Period, pursuant to a bona fide, definitive offer or offers from one or more Independent Third Parties to purchase all, and not less than all, of the Companies Equity (pursuant to a sale of such Companies Equity, a merger, consolidation, or otherwise) or all or substantially all the assets of each of the Companies and the Company Subsidiaries, in each case without any diligence contingency, non-customary financing contingency or similar contingency (each such transaction, a "**Third Party Sale**"), by complying with the terms of this Section 3.1. Prior to consummating any Third Party Sale hereunder, no later than 30 days prior to the expected closing date of such Third Party Sale, Owner shall deliver to Option Holder a letter (an "**Offer Letter**") signed by Owner setting forth the following information:

(i) the name of such Independent Third Parties, including with respect to a limited liability company, partnership or corporation, the names of all members, partners (including general partners and any limited partners) or stockholders owning more than 10% of any class of its membership interest, partnership interest or capital stock, as the case may be;

(ii) the purchase price offered by such Independent Third Parties (the "**ROFR Purchase Price**");

(iii) all material terms and conditions contained in the offer of such Independent Third Parties;

(iv) the Owner's offer (irrevocable by its terms for 30 days following (x) in the case of a cash offer, the receipt of the Offer Letter and (y) in the case of an offer for other

than cash, the determination of the fair market value of such offer (such period, the "**Offer Period**")) to sell the Companies to Option Holder on the same terms and conditions as contained in the offer of the Independent Third Parties (the "**Offer**"); and

(v) to the extent such date is determinable, a closing date (which in all cases shall be a date that is not less than 30 days following the date of such letter in the event of an offer for cash and the date that is 10 Business Days following the determination of the fair market value of such offer in the case of an offer for consideration other than cash) for a purchase and sale of the Companies pursuant to this Section 3.1.

During the Offer Period, Option Holder shall have the right to elect to purchase the Companies for the ROFR Purchase Price and otherwise on the same terms and conditions as set forth in the Offer; provided, however, to the extent that any of the Companies or Option Holder are required to pay any break-up fee, expense reimbursement or similar payment in connection with the exercise by Option Holder of the right to purchase the Companies, then the ROFR Purchase Price shall be reduced by the aggregate amount of any break-up fee, expense reimbursement, or similar payment, required to be paid by the Companies to the Independent Third Parties in connection with and as a result of the exercise by Option Holder of the right to purchase the Companies pursuant to this Section 3.1. Notwithstanding anything to the contrary herein, if the Offer is other than for all cash, the right to purchase the Companies hereunder shall be exercisable only in cash at the fair market value of the securities or other property which constitute the Offer, as determined (a) if the non-cash consideration consists of publicly traded securities, by the volume weighted average closing price of such securities for the twenty trading days immediately preceding the Offer, or (b) if the non-cash consideration consists of other non-cash consideration, then by Owner and Option Holder negotiating in good faith or, failing an agreement between them within ten days, a neutral valuation firm engaged by the parties for such purpose.

(b) Sale of Covered Interest. The closing of the purchase and sale pursuant to such acceptance shall take place at the offices of Option Holder on the date set forth in the Offer Letter, or at such other place or on such other date as the applicable parties may agree or such later date as may be necessary to obtain any required regulatory approvals. In connection with such purchase and sale, each party shall execute and deliver all agreements, certificates and other documentation reasonably requested by, and in form and substance satisfactory to, the other party to effect the purchase of the Companies. To the extent that, prior to the expiration of the Offer Period, Option Holder does not elect to exercise its right to purchase the Companies pursuant to this Section 3.1, Owner may consummate the Third Party Sale to such Independent Third Parties for the ROFR Purchase Price and on the other terms and conditions contained in such Offer. Prior to consummating any such sale, Owner shall, upon request from Option Holder, provide Option Holder with reasonable supporting documentation with respect to the terms and conditions of any such sale to the Independent Third Parties so as to demonstrate Owner's compliance with the provisions of the preceding sentence. The Option Period shall automatically expire upon the consummation of a Third Party Sale in compliance with this Section 3.1, provided, however, that if the purchase and sale of the Companies by Owner to such Independent Third Parties is in violation of this Section 3.1, the Companies will remain subject to the Option. If such sale has not been completed within ninety (90) days after the expiration of the Offer Period, the Companies may not thereafter be sold by Owner during the Option Period,

unless (i) to Option Holder in accordance with this Agreement, or (ii) to Independent Third Parties in compliance with the procedures set forth in this Section 3.1.

## 4. REPRESENTATIONS AND WARRANTIES.

**Section 4.1.** Representations and Warranties of Owner. Owner hereby represents and warrants to Option Holder, as of the date hereof, as to each of the statements in this Section 4.1 and Sorensen hereby represents and warrants to Option Holder, as of the date hereof, as to the statement in Section 4.1(c):

(a) Owner has all requisite power and authority to enter into this Agreement, and to perform its obligations hereunder. The execution and delivery of this Agreement have been duly and validly authorized by all requisite action on the part of Owner. This Agreement has been duly executed and delivered on behalf of Owner and constitutes the legal, valid and binding obligation of Owner enforceable in accordance with its terms, subject, however, to the effects of bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally, and to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(b) None of the execution and delivery of this Agreement by Owner, the consummation of the transactions contemplated hereby by Owner, or the performance by Owner of its obligations hereunder (in each case, with or without the giving of notice or lapse of time, or both) will:

(i) conflict with or result in a violation of any of the terms, conditions or provisions of any certificate or articles of incorporation or by-laws (or other comparable organizational documents) of Owner, as appropriate, or of any Company (the "**Butler Organizational Documents**");

(ii) conflict in any material respect with or result in any material violation or material breach of any term or provision of any Law or Order applicable to Owner, any Company or any of their respective Assets or Properties;

(iii) conflict in any material respect with any agreement or instrument to which Owner or any Company is a party or is bound, or any judgment or any decree, order, statute, rule or regulation applicable to it;

(iv) violate in any material respect or constitute a material default, an event of default or an event creating rights of acceleration, termination, cancellation, imposition of additional material obligations or loss of material rights under any contract or agreement to which Owner or any Company is a party or by which Owner, any Company or any Company Subsidiary is bound;

(v) require Owner, Mr. Sorensen, any Company or any Company Subsidiary to obtain any consent, approval or action of, make any filing with, or give any notice to, any Person as a result or under the terms of any material contract or agreement to which Owner or a Company is a party or by which any of their respective Assets and Properties is bound;

(vi) result in the creation or imposition of any Lien upon Owner, any Company, or any of the material Assets and Properties of Owner, any Company or any Company Subsidiary; or

(vii) give any governmental entity or other person the right to exercise any remedy or obtain any relief under any such law that will have the effect of revoking or otherwise modifying any rights of Option Holder hereunder.

(c) The Owner is the sole record owner of 100% of the rights, title and interest in and to all of the Companies Equity.

(d) Except as set forth in Section 3.1 hereof, the optioning and conveyance of the Companies Equity is not subject to any preferential purchase right, right of first refusal, option to purchase, optional preferential right or any similar right or restriction (collectively, "**Preferential Purchase Right**") held by or in favor of any party.

**Section 4.2.** Representations and Warranties of Option Holder. Option Holder hereby represents and warrants to Owner as of the date hereof as to each of the statements in this Section 4.2.

(a) Option Holder is a corporation duly organized and validly existing under the laws of the state in which it was formed.

(b) Option Holder has all requisite power and authority to enter into this Agreement, and to perform its obligations hereunder. The execution and delivery of this Agreement and the transactions contemplated hereby have been duly and validly authorized by all requisite action on the part of Option Holder. This Agreement has been duly executed and delivered on behalf of Option Holder and constitutes the legal, valid and binding obligations of Option Holder enforceable in accordance with its terms, subject, however, to the effects of bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally, and to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

## 5. AGREEMENTS AND COVENANTS OF THE PARTIES.

**Section 5.1.** Certain Covenants. Owner and, in the case of paragraph (i) below, Mr. Sorensen and Owner on a joint and several basis, covenants from the date of this Agreement and through the end of the Option Period that it will not and will not cause or permit any Company or Company Subsidiary to, without the prior written consent of Option Holder:

(a) other than in connection with a Third Party Sale made at any time other than during an Exercise Consideration Period in compliance with Section 3.1, (i) sell, assign, pledge or in any manner dispose of or create or suffer the creation of a Lien in or any other encumbrance on all or a portion of the Equity Interests of Owner, any Company or any Company Subsidiary (other than the creation of Liens that secure obligations that would be satisfied on the Closing Date), and/or (ii) sell any assets of Owner, any Company or any Company Subsidiary outside of the ordinary course of such entity's business;

(b) (i) issue or grant any Equity Interests of any Company or Company Subsidiary to any Person other than to Owner or a wholly-owned subsidiary of Owner or (ii) take any action or omit to take any action that would result in 100% of the Equity Interests in each Company and Company Subsidiary no longer being owned 100% directly or indirectly by Owner and wholly-owned subsidiaries of Owner;

(c) during any Exercise Consideration Period (i) declare, pay, reserve or set aside payment for, any dividends or distributions on any Capital Stock of any Company, other than dividends or distributions from a Company Subsidiary to a Company or a wholly-owned subsidiary of a Company, or (ii) redeem, repurchase, retire, combine, split or reclassify any Equity Interests in Owner or redeem or repurchase any debt securities of Company or any Company Subsidiary not required by the terms of such debt securities, commitments or contingencies of any Company;

(d) enter into any agreement or transaction between a Company or any Company Subsidiary, on the one hand, and any member of the Sorensen Group, on the other, except for such agreements or transactions that would be terminable without cost or penalty to the Companies on the Closing Date;

(e) engage in, or acquire, any business other than a business providing temporary staffing and employment services or businesses reasonably and directly related thereto;

(f) amend, modify or supplement any Butler Organizational Documents in any material way that would reasonably be expected to prevent or otherwise restrict or hinder the exercise of the Option in accordance with the terms of this Agreement;

(g) voluntarily commence any liquidation, dissolution or voluntary bankruptcy, administration, insolvency proceeding, recapitalization or reorganization of any Company or Company Subsidiary in any form of transaction, any arrangement with creditors, or the consent to entry of an order for relief in an involuntary case, or the conversion of an involuntary case to a voluntary case, or the consent to any plan of reorganization in any involuntary or voluntary case, or the consent to the appointment or taking possession by a receiver, trustee or other custodian for all or any portion of its property, or otherwise seek the protection of any applicable bankruptcy or insolvency law;

(h) admit any additional shareholders, members, or other owners to any Company or Company Subsidiary other than Owner or a wholly-owned subsidiary of Owner; or

(i) take any action or fail to take any action the primary purpose of which is to (i) impede or reduce the likelihood of the exercise of this Option by Option Holder, (ii) create restrictions on the ability of Owner to comply with any of the provisions of this Agreement, or (iii) otherwise reduce the assets or value Option Holder would otherwise receive upon exercise of this Option.

**Section 5.2.** Operation of Business. From the date hereof and through the end of the Option Period, Owner shall, and shall cause each Company and each Company Subsidiary to, preserve and maintain its existence and legal form.

**Section 5.3.** Expenses. With respect to the expenses (including attorneys' and consultants' fees) incurred in the negotiation and preparation of this Agreement and, except as otherwise set forth herein, in the consummation of any of the transactions contemplated hereby (collectively, "**Transaction Expenses**"), each party hereto shall be responsible for its own Transaction Expenses.

**Section 5.4.** Due Diligence Access.

(a) Each party hereto acknowledges and agrees that any proposal for a transaction under this Agreement is, following delivery of an Intent Notice, subject to the satisfactory completion of a due diligence investigation by each of (i) Option Holder of the business, assets, financial condition, results of operations, liabilities and prospects of Owner, each Company and each Company Subsidiary and (ii) if Owner has a right to elect to receive cash or Option Holder common stock as consideration for the Option exercise, Owner of the business, assets, financial condition, results of operations, liabilities and prospects of Option Holder and each of its direct and indirect subsidiaries; provided, however, that the foregoing shall not require Option Holder (i) to permit any inspection, or to disclose any information, that in the reasonable judgment of Option Holder would cause Option Holder to violate any of its obligations with respect to confidentiality to a third party if Option Holder shall have used commercially reasonable efforts to obtain the consent of such third party to such inspection or disclosure, (ii) based upon the advice of outside legal counsel, to disclose any privileged information of Option Holder or any of its direct or indirect subsidiaries, (iii) to disclose any material trade secrets or the like, or (iv) based upon the advice of outside legal counsel, to violate in any material respect any applicable laws.

(b) In order to facilitate such due diligence investigations during the Option Period, each of Owner and, if applicable, Option Holder shall and shall cause each of its respective subsidiaries to provide the other party and its representatives, agents and advisors with reasonable access during normal business hours, upon reasonable advance notice, to the personnel, auditors, assets, properties, contracts, books and records, and other data and information reasonably requested in connection with such due diligence investigations ("**Information**"). The party requesting the information shall be referred to as the "**Requesting Party**." The party transmitting the information shall be referred to as the "**Transmitting Party**".

(c) Each party agrees to keep confidential and not to disclose or reveal any Information to any person other than its representatives, agents and advisors who are actively and directly participating in such due diligence investigations and who are bound by or subject to obligations of confidentiality and non-disclosure with respect thereto, it being understood that each party shall be responsible for any disclosure of Information by its representatives, agents and advisors. The foregoing confidentiality obligations of this Section 5.4(c) (A) shall not apply to any Information (i) that is publicly available or becomes publicly available through no act or omission of the Requesting Party, (ii) that was already in the possession of the Requesting Party prior to receiving such Information from the Transmitting Party, (iii) becomes available to the Requesting Party on a non-confidential basis from a person that is not bound by any obligation of confidentiality, or (iv) is independently developed by the Requesting Party without use of the Information; and (B) shall not prohibit the disclosure of any such Information to the extent that it is required to be disclosed by any applicable Law or pursuant to the rules of any applicable stock

exchange, provided that, the Requesting Party will provide the Transmitting Party with prompt notice of such requirement in order to enable it to seek or to cause the Requesting Party to seek, at the Transmitting Party's request and expense, an appropriate protective order or other remedy. The Requesting Party will disclose only that portion of the Information which the Requesting Party is advised by counsel is legally required and is not protected by any such protective order. In any such event the Requesting Party will use its reasonable best efforts to ensure that all Information and other information that is so disclosed will be accorded confidential treatment, if available. The provisions of this Section 5.4(c) shall survive termination of this Agreement.

**Section 5.5.** Non-Compete. At the closing of the purchase by Option Holder either pursuant to the exercise of the Option pursuant to Section 2 or the acceptance of the Offer pursuant to Section 3, Sorensen agrees to enter into a non-competition agreement in favor of the Option Holder in substantially the form attached hereto as Exhibit C.

## 6. TERM; SURVIVAL.

**Section 6.1.** Term of Agreement. The term of this Agreement shall be the Option Period.

**Section 6.2.** Survival. The representations and warranties set forth in this Agreement shall survive the Option Period and the Closing Date (if such date occurs).

**Section 6.3.** Further Agreements. Mr. Sorensen and Owner shall, and shall cause each Company to, warrant and forever defend title to the Companies Equity and the assets of the Companies and Company Subsidiaries conveyed (directly or indirectly) to Option Holder, its successors and assign, against the lawful claims and demands of every Person whomsoever claiming or to claim the title to the Companies Equity, the assets of the Companies, or any part thereof.

## 7. MISCELLANEOUS.

**Section 7.1.** Notices. All notices, demands or requests required or permitted under this Agreement must be in writing, and shall be made by hand delivery, certified mail, overnight courier service, electronic mail or facsimile to the address, electronic mail address or facsimile number set forth below; provided that each party hereto may change its address, electronic mail address or facsimile number by giving written notice thereof to each other party. Any such notice or communication shall be deemed given (a) when delivered by hand, if delivered on a Business Day; (b) the next Business Day after delivery by hand if delivered by hand on a day that is not a Business Day; (c) four Business Days after being deposited in the United States mail, postage prepaid, return receipt requested, if mailed; (d) on the next Business Day after being deposited for next day delivery with Federal Express or a similar overnight courier; (e) when receipt is acknowledged, whether by facsimile confirmation or return electronic mail, if sent by facsimile or electronic mail on a Business Day; and (f) the next Business Day following the day on which receipt is acknowledged whether by facsimile confirmation or return electronic mail, if sent by facsimile or electronic mail on a day that is not a Business Day.

If to Option Holder: [Restructured Parent]
3820 State Street

| | |
|---|---|
| | Santa Barbara, California 93105<br>Attn: Board of Directors |
| with a copy (which shall not constitute notice) to: | Milbank, Tweed, Hadley & McCloy LLP<br>601 South Figueroa Street, Thirtieth Floor<br>Los Angeles, California 90017<br>Attention: Mark Shinderman<br>Attention: Brett Goldblatt<br>Facsimile: (213) 629-5063<br><br>and<br><br>Skadden, Arps, Slate, Meagher & Flom LLP<br>Four Times Square<br>New York, New York 10036<br>Attention: Ken Ziman<br>Facsimile: (917) 777-3310<br><br>and<br><br>Skadden, Arps, Slate, Meagher & Flom LLP<br>920 N. King Street<br>Wilmington, Delaware 19801<br>Attention: Steven J. Daniels<br>Facsimile: (302) 552-3240 |
| If to Owner or any Company: | 3820 State Street<br>Santa Barbara, California 93105<br>Attn: D. Stephen Sorensen |
| with a copy (which shall not constitute notice) to: | Cole, Schotz, Meisel, Forman and Leonard, P.A<br>301 Commerce Street, Suite 1700<br>Fort Worth, TX 76102<br>Attention: Michael Warner<br>Facsimile: (817) 810-5255<br><br>and<br><br>Cole, Schotz, Meisel, Forman and Leonard, P.A<br>Court Plaza North<br>25 Main Street<br>Hackensack, NJ 07601<br>Attention: Marc P. Press<br>Facsimile: (201) 678-6234 |

**Section 7.2.** Further Assurances. Subject to the terms and conditions of this Agreement, at any time or from time to time after the date hereof, each of the parties hereto shall, for no additional consideration, execute and deliver such other documents and instruments,

provide such materials and information and take such other actions as may reasonably be necessary, proper or advisable, to the extent permitted by law, to fulfill its obligations under this Agreement.

**Section 7.3.** Entire Agreement. This Agreement constitutes the entire agreement among the parties with respect to the subject matter hereof. It supersedes any prior agreement or understandings among them with respect to the subject matter hereof, and it may not be modified or amended in any manner other than as set forth herein.

**Section 7.4.** Assignments.

(a) Except as herein otherwise specifically provided, this Agreement shall be binding upon and inure to the benefit of the parties and their legal representatives, successors and permitted assigns.

(b) No party to this Agreement may assign this Agreement or any right, interest or obligation hereunder without the prior written consent of the other parties hereto, and any attempt to do so will be void; provided, that Option Holder may assign its rights and obligations hereunder without the prior written consent of Owner to (i) any affiliate of Option Holder and (ii) to any successor or purchaser in connection with (A) a merger of Option Holder, (B) a sale of all or substantially all of the assets of Option Holder or (C) a sale of any line of business of Option Holder and its direct and indirect subsidiaries to which this Agreement relates.

**Section 7.5.** Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware.

**Section 7.6.** Captions. Captions contained in this Agreement are inserted only as a matter of convenience and in no way define, limit or extend the scope or intent of this Agreement or any provision hereof.

**Section 7.7.** Counterparts. This Agreement may be executed by one or more of the parties hereto on any number of separate counterparts, by facsimile or electronic mail, and all of said counterparts taken together shall be deemed to constitute one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signatures are physically attached to the same document. A facsimile or portable document format ("pdf") signature page shall constitute an original for purposes hereof.

**Section 7.8.** Third Party Beneficiaries. The terms and provisions of this Agreement are intended solely for the benefit of each party hereto and their respective successors or permitted assigns, and it is not the intention of the parties to confer third party beneficiary rights upon any other Person.

**Section 7.9.** Headings Descriptive. The headings of the several sections and subsections of this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

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

**OPTION HOLDER:**

**[RESTRUCTURED PARENT]**

By: _____
Name:
Title:

**OWNER:**

**[NEW BUTLER HOLDCO]**

By: _____
Name:
Title:

[_____]
_____

**ACKNOWLEDGED AND AGREED TO:**

D. STEPHEN SORENSEN
_____

EXHIBIT F

STOCKHOLDERS AGREEMENT

**[REORGANIZED PARENT]**

**STOCKHOLDERS AGREEMENT**

**DATED AS OF [_____]**

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# STOCKHOLDERS AGREEMENT

This Stockholders Agreement (as it may be amended from time to time in accordance with the terms hereof, this "Agreement") is made as of the [_____], by and among [REORGANIZED PARENT], a Delaware corporation (the "Company"), each of the Stockholders (as defined below) named on the signature pages hereto, and each Person (as defined below) that hereafter becomes a Stockholder.

## WITNESSETH

WHEREAS, the Stockholders as of the date of this Agreement have received shares of Common Stock pursuant to the Prepackaged Joint Plan of Reorganization (including all exhibits, schedules, supplements, and ancillary documents, and as may be amended from time to time, the "Plan") for Ablest Inc. and the other Debtors (as defined in the Plan) in the jointly-administered cases which were commenced under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware.

NOW THEREFORE, in consideration of the premises and the mutual agreements, covenants and provisions contained herein, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

## ARTICLE 1. DEFINITIONS; RULES OF INTERPRETATION

Section 1.1 Definitions. As used herein, the terms below shall have the following meanings. Any such term, unless the context otherwise requires, may be used in the singular or plural, depending on reference:

"5% Stockholder" means each Stockholder who, together with its Affiliates (and, in the case of any member of the Sorensen Group, together with all other members of the Sorensen Group), owns or holds with power to vote 5% or more of the outstanding shares of Common Stock.

"10% Stockholder" means each Stockholder who, together with its Affiliates (and, in the case of any member of the Sorensen Group, together with all other members of the Sorensen Group), owns or holds with power to vote 10% or more of the outstanding shares of Common Stock.

"20% Stockholder" means each Stockholder who, together with its Affiliates (and, in the case of any member of the Sorensen Group, together with all other members of the Sorensen Group), owns or holds with power to vote 20% or more of the outstanding shares of Common Stock.

"Accredited Investor" has the meaning defined in Regulation D promulgated under the Securities Act.

"Affiliate" means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such

specified Person, or any Related Fund of any of the foregoing. For the purposes of this definition, "control" when used with respect to any specified Person means the power to direct or cause the direction of the management and policies of such specified Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"After-Tax Proceeds" has the meaning set forth in Section 6.7.

"Agreement" has the meaning set forth in the preamble of this Agreement.

"Board" means the Board of Directors of the Company.

"Business Day" means any day (other than a day which is a Saturday, Sunday or legal holiday in the States of California or New York) on which banks are open for business in the States of California and New York.

"Bylaws" means the bylaws of the Company, as may be amended, modified or amended and restated and in effect from time to time.

"Cash Sale" means the sale of the Company, or any Subsidiary or Affiliate of the Company holding, directly or indirectly, all or substantially all of the assets of the Company on a consolidated basis, to a Person or group of Persons for cash consideration pursuant to which such Person or group of Persons acquires (i) 100% of the Capital Stock of the Company (whether by merger, consolidation or sale or transfer of the Company's Capital Stock) or (ii) all or substantially all of Option Holder's assets determined on a consolidated basis.

"Certificate of Incorporation" means the amended and restated certificate of incorporation of the Company, as may be amended, modified, supplemented or amended and restated and in effect from time to time, including any certificates of correction or amendment thereto that are filed with the Secretary of State of the State of Delaware.

"Common Stock" means common stock of the Company, par value $ [0.01] per share.

"Company" has the meaning set forth in the preamble of this Agreement.

"Company Sale Notice" has the meaning set forth in Section 6.5(b).

"Company Securities" has the meaning set forth in Section 3.1(a).

"Competitor" means any Person engaged (whether directly or indirectly through the control (as defined in the definition of "Affiliate") of any other Person) other than through the Company and its Subsidiaries (i) in the business of providing temporary staffing and employment services throughout the United States or Canada, directly or indirectly, including the provision of such services to third parties, such as, but not limited to, personnel, payroll, and risk management services, and (ii) the franchising, as franchisor or franchisee, of businesses for the provision of temporary staffing and employment services throughout the United States or Canada, directly or indirectly, including businesses that provide such services to third parties

such as, but not limited to, personnel, payroll, and risk management services; provided, that (a) no Person shall be deemed to be a Competitor on account of owning less than 5% of (i) the outstanding shares of any class of equity securities issued by any such entity or (ii) any outstanding debt securities issued by any such entity and (b) under no circumstances shall any 10% Stockholder or any member of the Sorensen Group be deemed to be a Competitor.

"Control Transfer" has the meaning set forth in Section 4.1(c).

"Covenants in Connection with Sale of Business Agreement" means that certain Covenants in Connection with Sale of Business Agreement, dated as of the date hereof, by and between the Company and Sorensen.

"Covered Shares" means (a) the DRV Shares, (b) all shares of Common Stock issued by the Company pursuant to Article V.H[1] of the Plan, (c) all shares of Common Stock issued by the Company pursuant to Article V.H of the Plan in respect of the Related Party Notes (as defined in the Plan), and (d) all securities issued or issuable with respect to any Covered Shares by way of a split, dividend, or other division of securities, or in combination of securities, conversion, exchange, replacement, recapitalization, merger, consolidation, or other reorganization or otherwise.

"Demand Registration Notice" has the meaning set forth in Section 3.1(a).

"Dilutive Securities" has the meaning set forth in Section 6.5(a).

"Director" means a member of the Board.

"Drag-Along Notice" has the meaning set forth in Section 5.1(a).

"Drag-Along Rights" has the meaning set forth in Section 5.1(a).

"Drag-Along Sale" shall mean (i) a sale transaction pursuant to which a buyer has agreed to purchase all (but not less than all) of the outstanding Shares, (ii) any merger or consolidation of the Company with or into any other corporation or entity (other than transactions solely involving the merger or consolidation of a wholly-owned Subsidiary with or into the Company or another wholly-owned Subsidiary of the Company) or (iii) the sale, transfer or other disposition of all or substantially all of the assets or business of the Company which is followed by a distribution to the Stockholders of the net proceeds of such sale; provided, that in no event shall any of the transactions described in clauses (i), (ii) and (iii) of this definition be deemed a Drag-Along Sale unless such transaction is negotiated on an arm's-length basis and the purchaser is not an Affiliate of any of the Drag-Along Sellers; for the purposes of this definition, any Person in which any Drag-Along Seller owns a direct or indirect voting or economic interest of ten percent (10%) or greater shall be deemed an Affiliate of the Drag-Along Sellers.

"Drag-Along Sellers" has the meaning set forth in Section 5.1(a).

[1] Sorensen purchase right of up to $4 million.

"Dragged Stockholders" means, collectively, with respect to any Drag-Along Sale, all of the Stockholders to whom a Drag-Along Notice with respect to such Drag-Along Sale is given pursuant to Section 5.1(a).

"DRV Purchase Agreement" means the Purchase Agreement, dated as of the date hereof, by and among the Company, Sorensen, SB Group Holdings, Inc. and Esperer Holdings, Inc.

"DRV Shares" means all shares of Common Stock issued by the Company from time to time pursuant to the DRV Purchase Agreement, and shall include all securities issued or issuable with respect thereto by way of a split, dividend, or other division of securities, or in combination of securities, conversion, exchange, replacement, recapitalization, merger, consolidation, or other reorganization or otherwise.

"DRV/RS Share Recipient" means (a) each Person to whom DRV Shares or Restricted Stock Shares were issued and (b) each Transferee of a DRV / RS Share Recipient (but only in respect of such DRV Shares or Restricted Stock Shares, as applicable).

"Effective Date" has the meaning set forth in the Plan.

"Eligible Participating Stockholder" has the meaning set forth in Section 5.2(a).

"Employee Shares" means any shares of Common Stock received by a Stockholder under or pursuant to the terms of the Management Incentive Plan or any other employee stock option plan, stock purchase plan, employee benefit plan, employment contract or any similar benefit or incentive program or agreement covering directors, employees or consultants of the Company or its Subsidiaries.

"Employment Agreement" means that certain Employment Agreement, dated as of [_____], between the Company and Sorensen.

"Exchange Act" means the Securities Exchange Act of 1934, and the rules and regulations of the SEC promulgated thereunder.

"Family Members" means, with respect to any natural person, such person's spouse, children, parents and lineal descendants of such person's parents (in each case, natural or adopted).

"Family Trust" of any natural person means a trust benefiting solely such person and/or the Family Members of such individual.

"Good Reason" has the meaning set forth in the Employment Agreement.

"Independent Director" means a Director that meets the following requirements: (a) qualification as an "independent director" under the NYSE Listed Company Manual Section 303A.02(a), meaning that such Director has no material relationship with the Company, either directly or as an officer, partner or stockholder of a company that has a relationship with

the Company; and (b) is not an employee of any Stockholder holding, together with its Affiliates, more than 5% of the outstanding shares of Common Stock of the Company.

"Initial Directors" has the meaning set forth in Section 2.1(a).

"Initial Requesting Holder" means, with respect to any registration of Registrable Securities that is requested pursuant to Section 3.1, the Stockholder or Stockholders (as the case may be) who made the underlying Registration Demand.

"Initial Stockholders" means each party (other than the Company) named on the signature pages to this Agreement.

"Losses" has the meaning set forth in Section 3.7(a).

"Majority Non-Sorensen Stockholders" means Stockholders other than members of the Sorensen Group that hold in the aggregate Shares representing a majority of the Shares held by all Stockholders other than the members of the Sorensen Group.

"Majority Stockholders" means (a) at any time the Sorensen Group owns in the aggregate 20% or less of the outstanding Shares, Stockholders that hold in the aggregate a majority of the Shares, and (b) otherwise, Stockholders that both (i) hold in the aggregate a majority of the Shares and (ii) constitute the Majority Non-Sorensen Stockholders.

"Management Incentive Plan" means the Company's Management Equity Incentive Plan adopted by the Company pursuant to the Plan.

"Necessary Action" means, with respect to a specified result, all actions that are permitted by law and necessary to cause such result, including (i) voting or providing a written consent or proxy with respect to shares of Common Stock, (ii) causing the adoption of Stockholders' resolutions and amendments to the Organizational Documents, (iii) executing agreements and instruments, and (iv) making, or causing to be made, with governmental, administrative or regulatory authorities, all filings, registrations or similar actions that are required to achieve such result.

"Organizational Documents" means the Certificate of Incorporation and the Bylaws.

"Permitted Holder" means (a) Anchorage Capital Master OffShore, Ltd., (b) GRF Master Fund II, L.P., (c) Blue Mountain Credit Alternatives Master Fund L.P., (d) BlueMountain Distressed Master Fund L.P., (e) BlueMountain Guadalupe Peak Fund L.P., (f) BlueMountain Kicking Horse Fund L.P., (g) BlueMountain Long/Short Credit Master Fund L.P., (h) BlueMountain Montenvers Master Fund SCA SICAV-SIF, (i) BlueMountain Long/Short Credit and Distressed Reflection Fund, a sub-fund of AAI BlueMountain Fund PLC, (j) BlueMountain Timberline Ltd., (k) BlueMountain Strategic Credit Master Fund L.P., (l) BlueMountain Credit Opportunities Master Fund I L.P., (m) Pine River Fixed Income Master Fund Ltd., (n) LMA SPC for and on behalf of the MAP 89 Segregated Portfolio, (o) Pine River Opportunistic Credit Master Fund Ltd., (p) Pine River Master Fund Ltd., (q) Pine River Credit Relative Value Master Fund Ltd., (r) Marblegate Special Opportunities Master Fund, L.P., (s)

Redwood Master Fund, Ltd., (t) each Affiliate of the foregoing, (u) in the case of any of the foregoing that is, or is managed by, an investment manager, such investment manager, any of such investment manager's Affiliates, and each fund or pooled investment fund managed by such investment manager or any of such investment manager's Affiliates.

"Permitted Offering" has the meaning set forth in Section 6.5(c).

"Person" means an individual, partnership, corporation, unincorporated organization, joint stock company, limited liability company, trust, joint venture or other legal entity, or a governmental agency or political subdivision thereof.

"Personal Representative" means, with respect to any natural person, the estate, executor, executrix or other personal representative, custodian, administrator or guardian of such natural person.

"Pledgee" has the meaning set forth in the definition of "Transfer" herein.

"Piggyback Registration" means any proposed filing of a Registration Statement with respect to Company Securities that requires the Company to provide the Stockholders with a Piggyback Registration Notice.

"Piggyback Registration Notice" has the meaning set forth in Section 3.2(a).

"Piggyback Registration Request" has the meaning set forth in Section 3.2(a).

"Plan" has the meaning set forth in the recitals to this Agreement.

"Preemptive Rights Offer" has the meaning set forth in Section 6.5(b).

"Preemptive Rights Period" has the meaning set forth in Section 6.5(b).

"Preemptive Rights Stockholder" has the meaning set forth in Section 6.5(a).

"Proposed Buyer" has the meaning set forth in Section 5.2(a).

"Proposed Offering" has the meaning set forth in Section 6.5(a).

"Proposed Offering Terms" has the meaning set forth in Section 6.5(b).

"Proposed Sale" has the meaning set forth in Section 5.2(a).

"Proposed Seller" has the meaning set forth in Section 5.2(a).

"Public Offering" means any bona fide firm commitment underwritten sale of Common Stock to the public pursuant to an effective Registration Statement.

"QLE" means (1) (A) the acquisition by a Person or group of Persons (other than one or more Permitted Holders) of Capital Stock of the Company that constitutes at least 50% of the total fair market value or the total voting power of the Capital Stock of the Company then

outstanding, (B) a merger, amalgamation, consolidation or similar transaction that results in the stockholders of the Company, as of immediately prior to such transaction, together with the Permitted Holders, ceasing to collectively and beneficially own at least 50% of the outstanding Capital Stock of the surviving or resulting corporation as of immediately following such transaction, or (C) a sale of at least 40% of the assets of the Company (or any Affiliate or subsidiary of the Company holding substantially all of the assets of the Company on a consolidated basis) to a Person or a group of Persons in a twelve (12) month period, measured from the date of the most recent acquisition of the Company's (or such Affiliate's or subsidiary's) assets by such Person or group of Persons, or (2) the first underwritten public offering of the equity securities of the Company or one of its Affiliates or subsidiaries on a firm commitment basis covering the offer and sale of equity securities of the Company or such Affiliate or subsidiary for the account of the Company or such Affiliate or subsidiary and/or its stockholders underwritten by a reputable nationally recognized underwriter pursuant to which such equity securities will be quoted on the NASDAQ or NYSE.

"Qualified Public Offering" means the first Public Offering that results in gross proceeds to the Company and its Stockholders of not less than $75 million.

"Registrable Securities" means all Shares issued by the Company to the Stockholders, any additional shares of Common Stock held by the Stockholders (including Shares acquired upon the exercise of any preemptive rights and upon exercise of options issued pursuant to the Management Incentive Plan or any similar plan), and any additional Shares issued or distributed by way of a dividend or other distribution in respect of any such Shares; provided, that such Registrable Securities shall cease to be Registrable Securities (i) upon any sale pursuant to a Registration Statement or, Rule 144 and (ii) upon repurchase by the Company.

"Registration Demand" has the meaning set forth in Section 3.1(a).

"Registration Expenses" means any and all expenses incident to the performance of or compliance with Article 3, including (i) the fees, disbursements and expenses of the Company's counsel and accountants (including the expenses of any annual audit letters and "cold comfort" letters required or incidental to the performance of such obligations), (ii) the reasonable fees and disbursements of one counsel for all of the Selling Holders, which counsel shall be selected by the holders of a majority of the Registrable Securities to be registered on the Registration Statement, (iii) all expenses, including filing fees, in connection with the preparation, printing and filing of the Registration Statement, any free writing, preliminary prospectus or final prospectus, any other offering document and amendments and supplements thereto and the mailing and delivering of copies thereof to any underwriters and dealers, (iv) the cost of printing or producing any agreements among underwriters, underwriting agreements, any selling agreements and any other documents in connection with the offering, sale or delivery of the securities to be disposed of, (v) all expenses in connection with the qualification of the securities to be disposed of for offering and sale under state securities laws, (vi) the filing fees incidental to securing any required review by the Financial Industry Regulatory Authority of the terms of the sale of the securities to be disposed of, (vii) transfer agents' and registrars' fees and expenses and the fees and expenses of any other agent or trustee appointed in connection with such offering, (viii) all security engraving and security printing expenses, (ix) all fees and

expenses payable in connection with the listing of the securities on any national securities exchange and (x) all rating agency fees.

"Registration Request" has the meaning set forth in Section 3.1(a).

"Registration Statement" means a registration statement under the Securities Act that is filed by the Company with the SEC for a public offering and sale of securities of the Company, other than a registration statement on Form S-8 or Form S-4 or any successor forms thereto.

"Related Fund" means, with respect to any Person, a fund now or hereafter existing that is (i) controlled by one or more general partners or managing members of such Person, (ii) managed by the same entity as such Person or (iii) otherwise managed or advised by such Person, or the entity that manages or advises such Person; provided, that any fund controlled by a Person who, after the Effective Date, shall cease to be a general partner or managing member of, or cease to be managed by the same entity as, a Stockholder shall not be deemed a Related Fund.

"Requesting Holder" means, with respect to any Registration Statement that is used to register Registrable Securities pursuant to Article 3, any Stockholder who is an Initial Requesting Holder or timely submits a Registration Request pursuant to Section 3.1 or any Stockholder who timely submits a Piggyback Registration Request pursuant to Section 3.2.

"Responsible Requesting Holder" has the meaning set forth in Section 3.4.

"Restricted Stock Agreement" means the Restricted Stock Award Agreement, dated as of the date hereof, between the Company and Sorensen.

"Restricted Stock Shares" means all shares of Common Stock issued by the Company from time to time to Sorensen pursuant to the Restricted Stock Award Agreement, dated as of the date hereof, and shall include all securities issued or issuable with respect thereto by way of a split, dividend, or other division of securities, or in combination of securities, conversion, exchange, replacement, recapitalization, merger, consolidation, or other reorganization or otherwise.

"Rule 144" means Rule 144 under the Securities Act, and any successor rule or regulation hereafter adopted by the SEC.

"SEC" means the United States Securities and Exchange Commission, or any other Federal agency at the time administering the Securities Act or the Exchange Act.

"Securities Act" means the Securities Act of 1933, and the rules and regulations of the SEC promulgated thereunder.

"Selling Holder" means, with respect to any Registration Statement that is used to register Registrable Securities pursuant to Article 3, any Stockholder who beneficially owns Registrable Securities included in such Registration Statement.

"Shares" means, collectively, all shares of Common Stock held by the Stockholders and shall include all securities issued or issuable with respect thereto by way of a split, dividend, or other division of securities, or in connection with a combination of securities, conversion, exchange, replacement, recapitalization, merger, consolidation, or other reorganization or otherwise.

"Sorensen" means D. Stephen Sorensen.

"Sorensen Designee" means (a) for so long as Sorensen is an employee of the Company, Sorensen, and (b) at any other time, any natural person designated by Sorensen.

"Sorensen Director" has the meaning set forth in Section 2.1(b)(i).

"Sorensen Group" means (i) Sorensen, (ii) Shannon Sorensen, (iii) each Family Member of Sorensen, (iv) each Family Trust of Sorensen, and (v) each Affiliate of one or more persons identified in the foregoing clauses (i) through (iv) (with Affiliate status measured collectively for all such Persons).

"Sorensen Security Agreement" has the meaning set forth in Section 6.7.

"Sorensen Trigger Date" means the earliest to occur of the following: (a) any determination by a court of competent jurisdiction that Sorensen has breached the Covenants in Connection with Sale of Business Agreement (provided, that if such determination shall have been overturned by a court of competent jurisdiction upon the lawful appeal of such determination, then such determination shall not be taken into account in determining whether a Sorensen Trigger Date has occurred), (b) the termination by the Company of the employment of Sorensen as Chief Executive Officer of the Company for Terminable Cause, (c) the termination by Sorensen of his employment as Chief Executive Officer of the Company other than for Good Reason, (d) the death of Sorensen, and (e) the Sorensen Group ceases to beneficially own with the power to vote Common Stock constituting at least 50% of the shares of Common Stock beneficially owned by the Sorensen Group as of the Effective Date (as adjusted to take account of any stock split or subdivision, stock dividend or recapitalization of the Company).

"Stockholder List Request Date" has the meaning set forth in Section 6.1(d).

"Stockholders" means, collectively, (i) all Initial Stockholders, (ii) any other Person who is a Transferee of Shares beneficially owned by another Stockholder in a Transfer that complies with the terms and conditions of this Agreement and who is required by this Agreement to agree to be bound by the terms and conditions of this Agreement and (iii) any other person who otherwise becomes a party to this Agreement pursuant to the terms and conditions of this Agreement.

"Subsidiary" means any Person in which the Company, directly or indirectly through Subsidiaries or otherwise, beneficially owns more than fifty percent (50%) of either the equity interests in, or the voting control of, such Person.

"Tag-Along Notice" has the meaning set forth in Section 5.2(a).

"Tag-Along Portion" means, with respect to any Tagging Stockholder in any Proposed Sale that is subject to Section 5.2, a number of Shares, rounded down to the nearest whole Share, equal to (i) the total number of Shares proposed to be Transferred by the Proposed Seller in such Proposed Sale *multiplied by* (ii) a fraction the numerator of which is the total number of Shares held by such Tagging Stockholder immediately prior to such Transfer and the denominator of which is the total number of Shares outstanding immediately prior to such Transfer.

"Tag-Along Sale Percentage" has the meaning set forth in Section 5.2(a).

"Tagging Stockholder" has the meaning set forth in Section 5.2(b).

"Terminable Cause" means "Cause" as that term is defined in the Employment Agreement.

"Transfer" means, with respect to any security of the Company, to directly or indirectly sell, exchange, transfer, hypothecate, negotiate, gift, bequeath, convey in trust, pledge, mortgage, grant a security interest in, assign, encumber, or otherwise dispose of all or any portion of such security, including by recapitalization, merger, consolidation, liquidation, dissolution, dividend, distribution or otherwise; provided, however, that a pledge or grant of a security interest in Shares to secure a "bona fide" loan shall in no event be deemed a Transfer for any purpose of this Agreement so long as (i) written notice is provided to the Company identifying the pledgee or Person to whom a security interest in the Shares is granted (the "Pledgee"); and (ii) the Pledgee's interest in the Shares is limited to an actual or contingent economic interest, it being understood and agreed that the pledge or grant of a security interest in Shares does not grant such Pledgee the rights of a Stockholder under this Agreement, including any right to vote, or the right to direct the vote of, the pledged Shares; provided, further, that any foreclosure, transfer in lieu of foreclosure or other enforcement of such pledge or security interest shall be deemed to constitute a Transfer hereunder and shall be subject to the rights of the Company and the Stockholders set forth in this Agreement (including but not limited to Article 4 and Article 5). "Transferred," "Transferor" and "Transferee" shall have the correlative meanings.

"Transfer Request" has the meaning set forth in Section 4.1(d).

"Underwriter's Maximum Number" has the meaning set forth in Section 3.1(j).

"Underwriting Agreement" has the meaning set forth in Section 3.6(a).

Section 1.2 Rules of Interpretation. Unless the context otherwise clearly requires: (a) a term has the meaning assigned to it; (b) "or" is not exclusive; (c) wherever from the context it appears appropriate, each term stated in either the singular or the plural shall include the singular and the plural, and pronouns stated in either the masculine, feminine or neuter shall include the masculine, feminine and neuter; (d) provisions apply to successive events and transactions; (e) all references in this Agreement to "including" shall be deemed to be followed by the phrase "without limitation"; (f) all references in this Agreement to designated "Articles," "Sections," "paragraphs," "clauses" and other subdivisions are to the designated Articles, Sections, paragraphs, clauses and other subdivisions of this Agreement, and the words

"herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section, paragraph, clause or other subdivision; and (g) any definition of or reference to any agreement, instrument, document, statute, rule or regulation herein shall be construed as referring to such agreement, instrument, document, statute, rule or regulation as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein). This Agreement is among financially sophisticated and knowledgeable Persons and is entered into by such Persons in reliance upon the economic and legal bargains contained herein and shall be interpreted and construed in a fair and impartial manner without regard to such factors as the Person who prepared, or cause the preparation of, this Agreement or the relative bargaining power of such Persons. Subject to applicable law, wherever in this Agreement a Stockholder is empowered to take or make a decision, direction, consent, vote, determination, election, action or approval, such Stockholder is entitled to consider, favor and further such interests and factors as it desires, including its own interests, and has no duty or obligation to consider, favor or further any other interest of the Company, any Subsidiary or any other Stockholder.

## ARTICLE 2. CORPORATE GOVERNANCE

Section 2.1 Election of Directors; Number and Composition of the Board.

(a) Generally. Each Stockholder and the Company hereby agrees to take all Necessary Action within its control so as to (i) cause the Board to be initially constituted with five (5) persons, which number may be increased or reduced as provided herein and in accordance with the Bylaws, and (ii) take or cause to be taken such action as may be necessary to effectuate the provisions of this Section 2.1.

(b) Initial Board. The initial Board as of the Effective Date shall consist of the Directors identified below in accordance with the terms and conditions of the Plan (collectively, the "Initial Directors"), and each Stockholder hereby consents to the election of each such Initial Director, effective as of the Effective Date:

| Name of Director |
|---|
| Alvaro Jose Aguirre |
| Greg Netland |
| Steve Giusto |
| Gary DiCamillo |
| Sorensen |

(c) Subsequent Board Composition. Beginning with the first election of directors following the Effective Date, each of the Stockholders shall take all Necessary Action within its control to cause the Board to be constituted as follows:

(i) Sorensen Director. At all times prior to the Sorensen Trigger Date, if any, the Sorensen Designee shall be appointed as a member of the Board (the "Sorensen Director") and, unless otherwise agreed by the Sorensen Director, a member of each committee of the Board other than the Audit Committee of the Board and the Compensation Committee of the Board. If at any time prior to the Sorensen Trigger Date, Sorensen ceases to be the Sorensen Designee, Sorensen shall be removed as a Director and the resulting vacancy shall be filled with the Sorensen Designee.

(ii) Independent Directors. The remaining members of the Board shall be determined as follows:

(I) Persons nominated by the Majority Stockholders, all of whom shall be required to be Independent Directors; and

(II) to the extent the nominations of the Majority Stockholders are fewer than the remaining seats on the Board, then such number of persons as is needed to fill such Board seats shall be nominated by the Independent Directors acting by majority vote;

provided, however, that in the event that at any time the total number of Directors nominated by the Majority Stockholders pursuant to Section 2.1(c)(ii)(I), plus the Sorensen Director, is greater than the total number of board seats that comprise the full Board at such time, then the Company and the Stockholders agree to take all Necessary Action within its control to increase the total number of Board seats by a number equal to such difference. Notwithstanding the foregoing or anything to the contrary set forth in this Agreement, the size of the Board shall at no time exceed nine (9) Directors, and all of such additional Directors shall be Independent Directors.

(d) Other Board Matters: The Stockholders and the Company hereby further agree as follows:

(i) A Director may be removed (A) in the case of a Director other than the Sorensen Director, with the prior written consent or at the direction of the Majority Stockholders, or (B) in the case of the Sorensen Director, (I) with the prior written consent or at the direction of Sorensen, or (II) following the Sorensen Trigger Date, as provided in subparagraph (ii) below.

(ii) Promptly following the Sorensen Trigger Date, if any, the Company and the Stockholders shall take all Necessary Action to remove the Sorensen Director from the Board unless otherwise agreed by the Majority Stockholders.

(iii) In the event that any Director (other than, prior to the Sorensen Trigger Date, the Sorensen Director) for any reason ceases to serve as a member of a Board during such person's term of office, then the resulting vacancy shall be filled by an Independent Director designated by majority vote of the remaining Directors other than the Sorensen Director.

(iv) In the event that the Sorensen Director ceases to serve as a member of the Board during such person's term of office (A) as a result of or following a Sorensen

Trigger Event, the resulting vacancy shall be filled by a director designated by majority vote of the remaining Directors, or (B) from the date of this Agreement until the Sorensen Trigger Date, if any, the resulting vacancy (including as a result of the termination by the Company of Sorensen as Chief Executive Officer of the Company without Terminable Cause or the termination by Sorensen of his employment as Chief Executive Officer of the Company with Good Reason) shall be filled by Sorensen, or, in the event of the incapacity of Sorensen, the Sorensen Group.

(v) Each committee of the Board shall be constituted with not less than two (2) Independent Directors.

(vi) In the event of a Qualified Public Offering prior to the Sorensen Trigger Date and during the time in which Sorensen is serving as the Chief Executive Officer of the Company, the Stockholders shall take all necessary action to nominate Sorensen as a member of the Board, effective upon the consummation of such Qualified Public Offering.

(e) Committees. The Company shall at all times maintain an Audit Committee and Compensation Committee unless otherwise agreed in writing by the Majority Stockholders.

(f) Chairperson; Vice Chairman. The initial chairperson of the Board, vice chairperson of the Board, chairperson of the Audit Committee of the Board, and chairperson of the Compensation Committee of the Board shall be as follows:

| Name of Director |
|---|
| Chairperson of the Board: Alvaro Jose Aguirre |
| Vice Chairperson of the Board: Greg Netland |
| Chairperson of the Audit Committee: Steven Giusto |
| Chairperson of the Compensation Committee: Gary DiCamillo |

Beginning with the first election of directors following the Effective Date, the chairperson of the Board, vice chairperson of the Board, chairperson of the Audit Committee of the Board and chairperson of the Compensation Committee of the Board shall be selected by the Independent Directors (acting by majority vote).

(g) Annual Meetings. The Company shall cause the annual meeting of the Company's Stockholders for each fiscal year of the Company to be held prior to March 31 of such fiscal year. Directors shall be elected for one-year terms at each annual meeting of Stockholders. Each Director shall hold office until his or her death, disability, retirement, resignation or removal, or until such Director's successor shall have been duly elected and qualified, in each case in accordance with the terms of this Section 2.1 and the Bylaws.

Section 2.2 Exculpation. The Company and the Stockholders agree that no Stockholder, nor any Affiliate of any Stockholder, shall have any liability as a result of designating any individual as a Director or proposing to nominate any individual for election as a Director, for any act or omission by such individual in his or her capacity as a Director, nor shall any Stockholder or any Affiliate of any Stockholder have any liability as a result of voting for any such individual in accordance with the provisions of this Agreement.

Section 2.3 Further Assurances. Each Stockholder hereby agrees to vote, in person or by proxy, all of its Shares, at any annual or special meeting of Stockholders or by the written consent of Stockholders in lieu of a meeting, and take all other Necessary Actions within its reasonable control (a) to effect the provisions of Section 2.1 including causing the election of Directors nominated in accordance therewith and, as applicable, the removal of Directors, the filling of Board vacancies and changes in the size of the Board, in each case in accordance with Section 2.1, (b) against any matter that is presented to Stockholders for a vote or consent that is inconsistent with this Agreement, and (c) to ensure that the Organizational Documents do not at any time conflict with the provisions of this Agreement. Notwithstanding anything to the contrary in the Certificate of Incorporation or Bylaws, no Stockholder shall take any action with respect to the nomination or election of Directors (including, without limitation, the calling of a special meeting of Stockholders or executing any written consent in lieu of a special meeting of Stockholders) if such action is in violation of or inconsistent with any of the terms of this Article 2.

Section 2.4 Stockholder Consent. Notwithstanding anything herein to the contrary and without limiting the General Corporation Law of the State of Delaware, the Company shall not, and shall cause its Subsidiaries not to, directly or indirectly, take any of the following actions, whether by merger, consolidation or otherwise, without first obtaining the affirmative vote or written consent of the Majority Stockholders (or, in the case of Section 2.4(c), the Majority Non-Sorensen Stockholders.

(a) merge, consolidate, amalgamate or effect an arrangement or reorganization or similar transaction with or into any other person (other than mergers, consolidations, amalgamations, arrangements, reorganizations or similar transactions solely between wholly-owned Subsidiaries) or sell, assign, lease, license, transfer or otherwise dispose of all or substantially all of its assets (other than by a wholly-owned Subsidiary to another wholly-owned Subsidiary);

(b) subject to Section 7.5, amend the Organizational Documents, or waive any provisions thereof, in each case in a manner that is materially adverse to the interests of the Stockholders (in their capacity as such);

(c) enter into, amend, modify or terminate (other than in accordance with its terms) any transaction or arrangement with any member of the Sorensen Group involving (x) the payment(s) to or from the Company or any Subsidiary of $1 million or more in the aggregate, (y) the Covenants in Connection with Sale of Business Agreement, or (z) the Employment Agreement; provided, however, that no such approval or consent of the Majority Stockholders shall be required if (i) the Company shall have provided written notification to 20% Stockholders no later than 30 calendar days prior to the effectiveness of the proposed action, which such

notice contains all the material terms of such proposed transaction or arrangement, (ii) the Majority Stockholders shall not have provided written notice to the Company objecting to such transaction or arrangement within such 30-day period and (iii) such transaction or arrangement is consummated within 45 days of the delivery of the Company's notice pursuant to clause (i);

(d) consummate any Public Offering of the Company or any of its Subsidiaries;

(e) issue (i) any equity interests, options, rights or warrants to acquire equity interests or any security convertible into or exercisable or exchangeable for an equity interest of the Company; or (ii) any equity interest in a Subsidiary other than to the Company or a Subsidiary, any options, rights or warrants to acquire any equity interest in a Subsidiary or any security convertible into or exercisable or exchangeable for any equity interest in a Subsidiary; provided, however, that no such approval or consent of the Majority Stockholders shall be required if (A) the Company shall have provided written notification to 20% Stockholders no later than 30 calendar days prior to the effectiveness of the proposed action, which such notice contains all the material terms of such proposed transaction or arrangement, (B) the Majority Stockholders shall not have provided written notice to the Company objecting to such transaction or arrangement within such 30-day period and (C) such transaction or arrangement is consummated within 45 days of the delivery of the Company's notice pursuant to clause (A); or

(f) enter into any agreement or understanding to take any of the actions set forth in this Section 2.4.

## ARTICLE 3. REGISTRATION RIGHTS

Section 3.1 Demand Registration.

(a) Requests for Registration. Prior to a Public Offering, the Majority Stockholders may, and following a Public Offering, any 10% Stockholder shall have the right to, in each case, pursuant to Section 3.1(c) or Section 3.1(d) and subject to the terms and conditions set forth in this Article 3, request the Company to effect the registration under and in accordance with the provisions of the Securities Act of all or any portion of the Registrable Securities beneficially owned by the Majority Stockholders or 10% Stockholder, as appropriate, by submitting a written request of such registration and specifying the amount of Registrable Securities proposed to be registered and the intended method (or methods) and plan of disposition thereof, including whether such requested registration is to involve an underwritten offering (a "Registration Demand"). The Company shall give prompt written notice thereof (a "Demand Registration Notice") (and in any event within ten (10) Business Days from the date of receipt of such Registration Demand) to each of the other Stockholders, each of whom shall be entitled to elect to include, subject to the terms and conditions set forth in this Article 3, Registrable Securities beneficially owned by it in the Registration Statement to which a Demand Registration Notice relates, by submitting a written request to the Company (a "Registration Request") within fifteen (15) days after the date of such Demand Registration Notice, specifying the number of Registrable Securities that such Stockholder intends to dispose of pursuant to such Registration Statement. Except as otherwise provided in this Agreement, the Company shall prepare and use its reasonable best efforts to file with the SEC, within sixty (60) days after the

date of the applicable Registration Demand, a Registration Statement with respect to the following (in either case subject to Section 3.1(j) if the Registrable Securities will be sold in an underwritten offering): (i) all Registrable Securities of the Initial Requesting Holder included in such Registration Demand and (ii) all Registrable Securities that other Stockholders elect to include in such Registration Statement, pursuant to one or more timely submitted Registration Requests. Thereafter, the Company shall use its reasonable best efforts, in accordance with Section 3.5, to effect the registration of such Registrable Securities under the Securities Act and applicable state securities laws, for disposition in accordance with the intended method or methods of disposition stated in the underlying Registration Demand. Subject to Section 3.1(j), the Company may include in such Registration Statement such number of shares of Common Stock and/or other securities of the Company (collectively, "Company Securities") as the Company proposes to offer and sell for its own account or the account of any other Person.

(b) Limitation on Demand Registration. Notwithstanding anything to the contrary in this Section 3.1, no Stockholder may make a Registration Demand during the period beginning on the date of the Company's initial Public Offering by the Company of shares of Common Stock and ending on the date which is six (6) months following the completion of such initial Public Offering.

(c) Registration. Subject to the terms and conditions of this Article 3, the Majority Stockholders or 10% Stockholder, as appropriate, shall have the right to submit a Registration Demand to effect the registration on Form S-1 (or any successor form) of all or any portion of the Registrable Securities held by such Stockholders; provided, that the Stockholders, other than the Sorensen Group, shall, collectively, be limited to three (3) such Registration Demands; provided further that the Sorensen Group shall be limited to one (1) such Registration Demand.

(d) Registration; Shelf Registration. Subject to the terms and conditions of this Article 3, at any time after the Company becomes eligible to use Form S-3 (or any successor form) for the registration of Registrable Securities for resale, the Majority Stockholders or 10% Stockholder, as appropriate, shall have the right, subject to the terms and conditions of this Article 3, to submit a Registration Demand to effect the registration on Form S-3 (or any successor form) of the Registrable Securities held by such Stockholders. Any registration pursuant to such a Registration Demand may, if so requested in the underlying Registration Demand, be a "shelf" registration for an offering of Registrable Securities on a continuous or delayed basis pursuant to Rule 415 under the Securities Act (or any successor rule that is subsequently adopted by the SEC); provided, that the Company is at the time of such registration eligible to use Form S-3 (or any successor form) for the registration of such Registrable Securities for resale. Subject to paragraph (f), the number of Registration Demands that may be made pursuant to this paragraph is unlimited.

(e) Delay for Disadvantageous Condition. If, in connection with any registration requested pursuant to a Registration Demand, the Company provides a certificate to the Requesting Holders, signed by the President or Chief Executive Officer of the Company and stating that, in the good faith judgment of a majority of the Board, it would be materially detrimental to the Company or its Stockholders for such Registration Statement either to become effective or to remain effective for as long as such Registration Statement otherwise would be

required to remain effective, or if the Company is prohibited by the terms of any applicable underwriting or securities purchase agreement, then the Company shall have the right to defer taking action with respect to such Registration Statement and any time periods with respect to filing or effectiveness thereof shall be tolled correspondingly; provided, however, that (i) the aggregate number of days in all such delay periods in any period of twelve (12) consecutive months shall not exceed sixty (60) days and (ii) at least forty-five (45) days shall elapse between the termination of any delay period and the commencement of the immediately succeeding delay period.

(f) Limitation on Successive Registrations. The Company shall not be required to effect a registration of Registrable Securities pursuant to Section 3.1(c) or Section 3.1(d) for a period of ninety (90) days immediately following the effective date of any Registration Statement filed pursuant to this Section 3.1 and in no event shall the Company be required to file more than three (3) Registration Statements pursuant to Section 3.1(d) during any twelve (12) month period.

(g) Demand Withdrawal. With respect to any registration requested pursuant to this Section 3.1, (i) the Initial Requesting Holder(s) who submitted the underlying Registration Demand may withdraw such Registration Demand and (ii) any Requesting Holder may withdraw its Registrable Securities from such registration, in either case by providing written notice to the Company at any time prior to the effective date of the Registration Statement relating to such Registration Demand. If all of the Registrable Securities to be included in the registration pursuant to any Registration Demand are so withdrawn, then such Registration Demand shall be deemed withdrawn. In the event of any such actual or deemed withdrawal of a Registration Demand, the Company shall cease all efforts to effect the registration of the Registrable Securities requested to be included in such registration, without liability to any Requesting Holder. Such registration will be deemed to have been effected (including for purposes of Section 3.1(c) and Section 3.1(d), with respect to a Registration Demand made thereunder) unless (A) each Requesting Holder who has withdrawn its Registration Demand or has withdrawn all of its Registrable Securities from such registration has paid (or reimbursed the Company for), pursuant to Section 3.4, its pro rata share (based on a fraction, the numerator of which is the number of Registrable Securities that such Requesting Holder asked to be included in such withdrawn registration and the denominator of which is the aggregate number of Registrable Securities that all Requesting Holders, collectively, requested to be included in such withdrawn registration) of the Registration Expenses incurred by the Company in connection with such withdrawn registration; provided that if any revocation was based on the Company's failure to comply in any material respect with its obligations hereunder, such reimbursement of Registration Expenses shall not be required or (B) the withdrawal is made following the occurrence of a material adverse change in the business or financial condition of the Company that is made known to the Initial Requesting Holder(s) after the date of the applicable Registration Demand, or (C) if the registration is interfered with by any stop order, injunction or other order or requirement of the SEC or other governmental agency or court for any reason other than a misrepresentation or omission by any Requesting Holder; provided, that if any such stop order, injunction, order or requirement is issued or imposed as a result of any misrepresentation or omission by any Requesting Holder(s), the Responsible Requesting Holder(s) shall be solely responsible for paying (or reimbursing the Company for) all of the Registration Expenses to be paid or reimbursed to the Company pursuant to Section 3.4.

(h) Effective Registration. Notwithstanding anything to the contrary in this Agreement, except to the extent expressly set forth in Section 3.1(g), a Registration Statement filed pursuant to this Section 3.1 shall not be deemed to have been requested or effected (including for purposes of Section 3.1(c) and Section 3.1(d), with respect to a Registration Demand made thereunder) unless it has been declared effective by the SEC and shall have remained effective for one hundred eighty (180) days (excluding any periods of time during which such Registration Statement is tolled or suspended pursuant to Section 3.1(e) or 3.5(c)) or such shorter period as may be required to sell all Registrable Securities included in such Registration Statement; provided, that in the case of any registration on Form S-3 of Registrable Securities that are intended to be offered on a continuous or delayed basis, such one hundred eighty (180) day period shall be extended, if necessary, to keep the Registration Statement effective until all such Registrable Securities are sold. In no event shall a registration be deemed to have been effected if (i) after the Registration Statement has been declared effective by the SEC, such registration is interfered with by any stop order, injunction or other order or requirement of the SEC or other governmental agency or court, for any reason other than a misrepresentation or an omission by any Requesting Holder and, as a result thereof, the Registrable Securities requested to be registered therein cannot be completely distributed in accordance with the plan of distribution set forth in such Registration Statement or (ii) the conditions to closing the sale of Registrable Securities specified in any purchase agreement or Underwriting Agreement, which agreement was entered into in connection with such registration for the purpose of distributing Registrable Securities in accordance with the plan of distribution set forth in the applicable Registration Statement, are not satisfied or waived other than solely by reason of some act or omission by any Requesting Holder.

(i) Selection of Underwriters. Any registration of Registrable Securities pursuant to this Section 3.1 may, if so requested in the underlying Registration Demand, be effected as an underwritten offering, and in such event the Company shall have the right to select the managing underwriter or underwriters for the offering; provided, that such underwriter or underwriters shall be reasonably acceptable to the Requesting Holder(s).

(j) Priority. If a registration under this Section 3.1 involves an underwritten offering and the managing underwriter(s) in its good faith judgment advises the Company that the number of Registrable Securities requested to be included in the Registration Statement by the Requesting Holders exceeds the number of securities that can be sold without adversely affecting the price, timing, distribution or sale of securities in the offering (the "Underwriter's Maximum Number"), the Company shall be required to include in such Registration Statement only such number of securities as is equal to the Underwriter's Maximum Number and the Company and the Requesting Holders shall participate in such offering in the following order of priority:

(i) First, the Company shall be obligated and required to include in the Registration Statement the number of Registrable Securities that the Requesting Holder(s) have requested to be included in the Registration Statement and that does not exceed the Underwriter's Maximum Number; provided, that if there are multiple Requesting Holders, the Registrable Securities to be included in the Registration Statement shall be allocated among all such Requesting Holders in proportion, as nearly as practicable, to the respective number of Registrable Securities held by them on the

date of the underlying Registration Demand. If any Requesting Holder would thus be entitled to include more Registrable Securities than it requested to be registered, the excess shall be allocated among other Requesting Holders pro rata in the manner described in the preceding sentence.

(ii) Second, the Company shall be entitled to include in such Registration Statement such number of Company Securities as the Company proposes to offer and sell for its own account or the account of any other Person to the full extent of the remaining portion of the Underwriter's Maximum Number.

Section 3.2 Piggyback Registration.

(a) Notice of Registrations. In the event that the Company proposes to file a Registration Statement with respect to Company Securities (other than a registration statement (i) in connection with the Company's initial Public Offering, or (ii) filed solely in connection with a dividend reinvestment plan or an employee benefit plan covering only officers or directors of the Company or its Affiliates), whether or not for sale for its own account, the Company shall provide each Stockholder with written notice of its intention to do so (a "Piggyback Registration Notice") at least thirty (30) days prior to filing such Registration Statement. Any Stockholder may elect to include Registrable Securities beneficially owned by it in the Registration Statement to which a Piggyback Registration Notice relates, by submitting a written request (a "Piggyback Registration Request") to the Company within fifteen (15) days after the date of such Piggyback Registration Notice, specifying the number of Registrable Securities that such Stockholder intends to dispose of pursuant to such Registration Statement, and the intended method of disposition thereof. The Company shall use its reasonable best efforts to effect the registration under the Securities Act of all Registrable Securities that Stockholders have requested, pursuant to timely submitted Registration Requests, to be included in the Registration Statement to which the underlying Piggyback Registration Notice relates.

(b) Withdrawal of Registration. If, at any time after the Company provides a Piggyback Registration Notice and prior to the effective date of any Registration Statement filed in connection therewith, the Company shall determine for any reason not to register the Company Securities to which such Piggyback Registration Notice relates, the Company may, in its sole discretion, give the Requesting Holders written notice of such determination and thereupon shall be relieved of its obligation to register any Registrable Securities that the Requesting Holders requested to be registered pursuant to a Piggyback Registration Request delivered in response to such Piggyback Registration Notice. Each Stockholder shall be permitted to withdraw all or any portion of the Registrable Securities of such Stockholder from a Piggyback Registration at any time prior to the effective date of such Piggyback Registration.

(c) Priority. If a registration under this Section 3.2 involves an underwritten offering and the managing underwriter(s) in its good faith judgment advises the Company that the number of Registrable Securities requested to be included in the Registration Statement by the Requesting Holders exceeds the Underwriter's Maximum Number, the Company shall be required to include in such Registration Statement only such number of securities as is equal to the Underwriter's Maximum Number and the Company and the Requesting Holders shall participate in such offering in the following order of priority:

(i) First, the Company shall be entitled to include in such Registration Statement the Company Securities that the Company proposes to offer and sell for its own account in such registration and that does not exceed the Underwriter's Maximum Number.

(ii) Second, the Company shall be obligated and required to include in such Registration Statement that number of Registrable Securities that the Requesting Holders have, collectively, requested to be included in such offering, to the full extent of the remaining portion of the Underwriter's Maximum Number; provided, that if such number of Registrable Securities exceeds the remaining portion of the Underwriter's Maximum Number, the Registrable Securities to be included in such offering shall be allocated among all of the Requesting Holders, in proportion, as nearly as practicable, to the respective number of Registrable Securities held by them on the date of the underlying Piggyback Registration Notice. If any Requesting Holder would thus be entitled to include more Registrable Securities than it requested to be registered, the excess shall be allocated among other Requesting Holders pro rata in the manner described in the preceding sentence.

(iii) Third, the Company shall be entitled to include in such Registration Statement that number of Company Securities that the Company proposes to offer and sell for the account of any other Person, to the full extent of any remaining portion of the Underwriter's Maximum Number.

(d) Not a Demand Registration. No registration of Registrable Securities effected under this Section 3.2 shall relieve the Company of its obligation to effect any registration of Registrable Securities pursuant to Section 3.1.

Section 3.3 Certain Information. In connection with any request for registration pursuant to Section 3.1 or Section 3.2, each Selling Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such Registrable Securities as the Company shall reasonably request, to the extent required to complete the filing of such Registration Statement in accordance with applicable law (including the Securities Act and any state securities or "blue sky" laws).

Section 3.4 Expenses. Except as expressly provided otherwise in this Agreement, if the Company is required to effect the registration of any Registrable Securities pursuant to Section 3.1 or Section 3.2, the Company shall pay all Registration Expenses with respect to such registration; provided, that each Selling Holder shall bear its pro rata share, on the basis of the number of Registrable Securities registered, of all underwriting discounts, selling commissions and stock transfer taxes, and each such Selling Holder shall be responsible for any fees and expenses of any persons retained by such Selling Holder. Notwithstanding the foregoing, in the event that any registration of Registrable Securities requested pursuant to Section 3.1 is withdrawn or deemed withdrawn pursuant to Section 3.1(g) and the Initial Requesting Holder(s) elects not to have such withdrawn registration counted as a registration under Section 3.1, the Initial Requesting Holder(s) and each Requesting Holder withdrawing all of its Registrable Securities shall pay (or reimburse the Company for) its pro rata share (in

accordance with the number of Registrable Securities that it asked to be included in such withdrawn registration) of the Registration Expenses incurred by the Company with respect to such withdrawn registration. The immediately preceding sentence shall not apply if such registration is withdrawn (i) as a result of information concerning the occurrence of a material adverse change in the business or financial condition of the Company that is made known to the Requesting Holders after the date on which such registration was requested, (ii) if the revocation of such Selling Holder's request for registration is based on the Company's failure to comply in any material respect with its obligations hereunder or (iii) if the registration is interfered with by any stop order, injunction or other order or requirement of the SEC or other governmental agency or court for any reason other than a misrepresentation or omission by any Requesting Holder; provided, that if any such stop order, injunction, order or requirement is issued or imposed as a result of any misrepresentation or omission by any Requesting Holder(s), such Requesting Holder(s) (each, a "Responsible Requesting Holder") shall be solely responsible for paying (or reimbursing the Company for) all of the Registration Expenses incurred by the Company with respect to such withdrawn registration; provided, further, that if more than one Responsible Requesting Holder is responsible for such payment or reimbursement of Registration Expenses, then each such Responsible Requesting Holder shall be responsible for its pro rata share of such Registration Expenses (for each Responsible Requesting Holder based on a fraction, the numerator of which is the number of Registrable Securities that such Responsible Requesting Holder asked to be included in such withdrawn registration and the denominator of which is the aggregate number of Registrable Securities that all Responsible Requesting Holder, collectively, asked to be included in such withdrawn registration).

Section 3.5 Registration and Qualification.

(a) In the event that the Company is required to effect the registration of any Registrable Securities pursuant to this Article 3, the Company shall:

(i) use its reasonable best efforts to, as promptly as practicable, prepare, file and cause to become effective and remain effective a Registration Statement relating to such Registrable Securities;

(ii) prepare and file with the SEC such amendments (including post-effective amendments) and supplements to the Registration Statement for such Registrable Securities and the prospectus used in connection therewith as may be necessary to keep such Registration Statement effective and to comply with the provisions of the Securities Act with respect to the disposition of all such Registrable Securities until such time as all of such Registrable Securities have been disposed of; provided, that the Company shall, as far in advance as practicable but at least five (5) Business Days prior to filing a Registration Statement or prospectus (or any amendment or supplement thereto), furnish to each Selling Holder, for their review, copies of such Registration Statement or prospectus (or amendment or supplement) as proposed to be filed (including, upon the request of such Selling Holder, documents to be incorporated by reference therein); provided, further, that each Selling Holder may request reasonable changes to such Registration Statement, prospectus, amendment or supplement (as the case may be) and the Company shall be required to comply therewith to the extent necessary to lawfully complete such filing or maintain the effectiveness of such Registration Statement;

(iii) furnish to each Selling Holder and each underwriter of such Registrable Securities such number of conformed copies of such Registration Statement and each amendment and supplement thereto (in each case including all exhibits), such number of copies of the prospectus included in such Registration Statement (including each preliminary prospectus and any summary prospectus), in conformity with the requirements of the Securities Act, such documents as are incorporated by reference in such Registration Statement or prospectus (including any amendments or supplements thereto), and such other documents as such Selling Holder or underwriter may reasonably request;

(iv) promptly notify each Selling Holder in writing of the effectiveness of the Registration Statement and of any stop order issued or threatened by the SEC with respect thereto, use its reasonable best efforts to prevent the entry of any such stop order that is threatened and promptly remove any such stop order that has been entered, and promptly notify each Selling Holder of such lifting or withdrawal of any such stop order;

(v) use its reasonable best efforts to (x) register or qualify all Registrable Securities covered by such Registration Statement under the securities or blue sky laws of such jurisdictions as may be requested by any Selling Holder or underwriter of such Registrable Securities, and promptly notify the Selling Holders of the receipt of any notification with respect to the suspension of the qualification of Registrable Securities for sale or offer in any such jurisdiction and (y) obtain all appropriate registrations, permits and consents in connection with such registrations and qualifications, and do any and all other acts and things (including using reasonable best efforts to promptly remove any such suspension) necessary or advisable to enable the Selling Holders and underwriters to consummate the disposition of such Registrable Securities in such jurisdictions; provided, that the Company shall not be required to qualify to do business as a foreign corporation in any such jurisdiction where it is not so qualified, to consent to general service of process in any such jurisdiction or to amend its Organizational Documents;

(vi) use its reasonable best efforts to furnish to each Selling Holder and underwriter of such Registrable Securities (x) an opinion of counsel to the Company addressed to each such Selling Holder and underwriter and dated the date of the closing under the Underwriting Agreement (with respect to an underwritten offering) or the effective date of the Registration Statement (if the offering is not underwritten) and (y) "cold comfort" letters dated the effective date of the Registration Statement (and, with respect to any underwritten offering, brought down to the date of closing under the Underwriting Agreement) addressed to each Selling Holder and (as applicable) underwriter and signed by the independent public accountants who have certified the Company's financial statements included in such Registration Statement, in each such case covering substantially the same matters as are customarily covered in such opinions and cold comfort letters in connection with underwritten public offerings of securities;

(vii) if requested by the managing underwriter, use its reasonable best efforts to list all such Registrable Securities covered by such registration on each national securities exchange on which shares of Common Stock are then listed;

(viii) furnish for delivery in connection with the closing of the registered offering of such Registrable Securities unlegended certificates representing ownership of such Registrable Securities in such denominations as shall be requested by the Selling Holders or the underwriters (if any) for such Registered Securities;

(ix) not later than the effective date of the applicable Registration Statement, (x) retain a transfer agent and registrar (if the Company does not already have one), (y) obtain a CUSIP number for all Registrable Securities included in such Registration Statement and (z) provide the applicable transfer agent with printed certificates for the Registrable Securities which are in a form eligible for deposit with The Depository Trust Company or other applicable clearing agency;

(x) in the case of an underwritten offering of such Registrable Securities, cause its senior executive officers to participate in such customary "road show" presentations as may be reasonably requested by the managing underwriter, and to otherwise facilitate, cooperate with, and participate in each proposed offering of Registrable Securities pursuant to this Article 3 and customary selling efforts related thereto; and

(xi) otherwise use its reasonable best efforts to comply with all applicable securities laws, including the Securities Act, the Exchange Act, and state securities and "blue sky" laws.

(b) In the event that the Company delivers a prospectus covering Registrable Securities to the Selling Holders and such prospectus is subsequently amended to comply with the requirements of the Securities Act, the Company shall promptly notify each Selling Holder and may, in its discretion, request that the Selling Holders cease making offers of Registrable Securities and return to the Company all prospectuses in their possession. In the event that the Company makes such a request each Selling Holder shall immediately cease making such offers and shall promptly return all such prospectuses. The Company shall promptly provide the Selling Holders with revised prospectuses and each Selling Holder shall be free, following its receipt of such revised prospectuses, to resume making offers of the Registrable Securities.

(c) In the event that the Company determines, in its sole discretion, that it is advisable to suspend use of a prospectus included in a Registration Statement due to pending material developments or other events that have not yet been publicly disclosed and as to which the Company believes public disclosure would be detrimental to the Company, the Company shall direct the Selling Holders to discontinue sales of Registrable Securities pursuant to such prospectus, and each Selling Holder shall immediately so discontinue, until such Selling Holder has received copies of a supplemented or amended prospectus or until such Selling Holder is advised in writing by the Company that the then-current prospectus may be used and has received copies of any additional or supplemental filings that are incorporated or deemed incorporated by reference in such prospectus. The Company shall promptly furnish to each Selling Holder copies of any such supplemented or amended prospectuses or additional or supplemental filings, as the case may be. Notwithstanding anything to the contrary in this Agreement, the Company shall not exercise its rights under this Section 3.5(c) to suspend sales

of Registrable Securities for a period in excess of sixty (60) consecutive days or ninety (90) days during any period of 365 consecutive days.

Section 3.6 Underwriting; Due Diligence.

(a) In the event of an underwritten offering of Registrable Securities pursuant to a registration requested under this Article 3, the Company shall, if requested by the underwriters for such offering, enter into an underwriting agreement with such underwriters (an "Underwriting Agreement"). Any such Underwriting Agreement shall contain such representations, warranties and covenants by the Company and such other terms and provisions as are customarily contained in underwriting agreements with respect to secondary distributions, and shall include indemnification and contribution provisions substantially to the effect and extent of those set forth in Section 3.7, and agreements as to the provision of opinions of counsel and accountants' letters substantially to the effect and extent of those set forth in Section 3.5(a)(vi). The Selling Holders on whose behalf such Registrable Securities are to be distributed by the underwriters shall be parties to any such Underwriting Agreement, which shall also contain such representations, and warranties by the Selling Holders as are customarily provided by selling stockholders in underwriting agreements with respect to secondary distributions. The Underwriting Agreement shall also include indemnification and contribution provisions substantially to the effect and extent of those set forth in Section 3.7. With respect to any Underwriting Agreement: (i) all of the representations and warranties by the Company to and for the benefit of the underwriters shall also be made to the Selling Holders, (ii) all of the conditions precedent to the obligations of the underwriters thereunder shall be conditions precedent to the obligations of the Selling Holders and (iii) no Selling Holder shall be required to make any representations or warranties to, or agreements with, the Company or the underwriters, other than customary representations, warranties or agreements regarding such Selling Holder, its Registrable Securities, its intended method of distribution of such Registrable Securities.

(b) In connection with the preparation and filing of each Registration Statement that is used to register Registrable Securities pursuant to a registration requested under this Article 3, the Company shall (except during any suspension period pursuant to Section 3.5(c)) give the Selling Holders, the underwriters (if any) and their respective counsel and accountants such reasonable and customary access to its books, records and properties and such opportunities to discuss the Company's business and affairs with its officers and the independent public accountants who have certified the Company's financial statements included with such Registration Statement, to the extent necessary (in the opinion of such Selling Holders, underwriters or their respective counsel) to conduct a reasonable investigation within the meaning of the Securities Act; provided, that such Selling Holders and underwriters shall (and shall cause their respective counsel and accountants to) use their reasonable best efforts to coordinate their respective investigations of the books, records and properties of the Company.

Section 3.7 Indemnification and Contribution.

(a) The Company's Indemnification Obligations. To the fullest extent permitted by law, the Company agrees to indemnify and hold harmless each Selling Holder, its Affiliates, and their respective directors, officers, members, managers, partners, employees, stockholders, agents, advisors, investment managers and any Person who "controls" such Selling

Holder (within the meaning of Section 15 of the Securities Act), from and against any and all losses, claims, damages and liabilities, including any legal or other costs, fees and expenses reasonably incurred in connection with defending or investigating any such action or claim (collectively, "Losses") insofar as such Losses are caused by (i) any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement or amendment thereto, any free writing prospectus, any preliminary prospectus or prospectus (as amended or supplemented) relating to the Registrable Securities, (ii) caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, (iii) any untrue statement or alleged untrue statement of a material fact in the information conveyed to any purchaser at the time of the sale to such purchaser, or the omission or alleged omission to state therein a material fact required to be stated therein, or (iv) any violation by the Company of any federal, state or common law rule or regulation applicable to the Company and relating to action required of or inaction by the Company in connection with such registration, except insofar as such Losses (i) relate to a transaction or sale made by a Selling Holder in violation of Section 3.5(c) or (ii) are caused by any such untrue statement or omission or alleged untrue statement or omission that is based upon and in conformity with information relating to a Selling Holder which is furnished to the Company in writing by such Selling Holder expressly for use therein; provided, that clause (y) shall not apply to the extent that the Selling Holder has furnished in writing to the Company prior to the filing of such Registration Statement, free writing prospectus, preliminary prospectus, prospectus, amendment or supplement information expressly for use in such document which information corrected or made not misleading the information previously furnished to the Company by such Selling Holder, and the Company failed to include such information therein.

(b) To the fullest extent permitted by law, each Selling Holder agrees to indemnify and hold harmless the Company, all Affiliates of the Company, each of their respective directors, officers, members, managers, partners, employees, stockholders, agents and advisors and each Person, if any, who "controls" (within the meaning of Section 15 of the Securities Act) the Company, from and against any and all Losses insofar as such Losses are caused by any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement or amendment thereto, any free writing prospectus, preliminary prospectus or prospectus (as amended or supplemented if the Company shall have furnished any amendments or supplements thereto) relating to the Registrable Securities, or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, but only with reference to information relating to such Selling Holder furnished in writing by or on behalf of such Selling Holder expressly for use in such Registration Statement, free writing prospectus, preliminary prospectus, prospectus, amendments or supplement; provided, that such Selling Holder shall not be liable in any such case to the extent that it has furnished in writing to the Company prior to the filing of any such Registration Statement, free writing prospectus, preliminary prospectus, prospectus, amendment or supplement information expressly for use in such document which information corrected or made not misleading the information previously furnished to the Company by such Selling Holder, and the Company failed to include such information therein. Notwithstanding anything to the contrary in this Section 3.7, each Selling Holder's indemnification obligations under this paragraph are several, and not joint and several, and shall not exceed, with respect to any given registration of Registrable Securities pursuant to this Article 3, the amount of net

proceeds received by such Selling Holder in connection with the offering of its Registrable Securities under such registration.

(c) Each party that is entitled to indemnification under paragraph (a) or (b) of this Section 3.7 shall, promptly after receipt of notice of a claim or action against such indemnified party in respect of which indemnity may be sought hereunder, notify the indemnifying party in writing of the claim or action and the indemnifying party shall assume the defense thereof, including the employment of counsel reasonably satisfactory to such indemnified party, and shall assume the payment of all fees and expenses; provided, that the failure of any indemnified party to so notify the indemnifying party shall not relieve the indemnifying party of its obligations hereunder except to the extent that the indemnifying party is materially prejudiced by such failure to notify. In any such action, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the sole expense of such indemnified party unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the retention of such counsel or (ii) in the reasonable judgment of such indemnified party, representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them, in which case the fees and expenses of such counsel shall be at the sole expense of the indemnifying party; provided, that in the event that the Company, as indemnifying party, is required to pay expenses of separate legal counsel for any one or more Selling Holders as indemnified party, such single counsel shall be designated in writing to the Company by the Selling Holder with the largest number of Registrable Securities included in such registration. All such fees and expenses shall be reimbursed as they are incurred. The indemnifying party shall not be liable for any settlement of any claim or action effected without its written consent, which consent shall not be unreasonably withheld or delayed, but if settled with such consent, or if there be a final judgment for the plaintiff, the indemnifying party shall indemnify and hold harmless such indemnified parties from and against any loss or liability (to the extent stated above) by reason of such settlement or judgment. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened claim or action in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability arising out of such proceeding and imposes no obligations on such indemnified party other than the payment of monetary damages (which damages will be paid by the indemnifying party hereunder).

(d) If the indemnification provided for in this Section 3.7 shall for any reason be unavailable (other than in accordance with its terms) to an indemnified party in respect of any Loss referred to therein, then the indemnifying party shall, in lieu of indemnifying such indemnified party, contribute to the amount paid or payable by the indemnified party as a result of such Loss in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and the indemnified party on the other. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the indemnifying party or the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. Notwithstanding anything to the contrary in this paragraph, no indemnifying party (other than the Company) shall be required to contribute any amount in

excess of the amount by which the net proceeds received by such indemnifying party from the sale of Registrable Securities in the offering to which the Loss relates exceeds the amount of any damages which such indemnifying party has otherwise been required to pay by reason of such untrue statement or omission. The parties to this Agreement agree that it would not be just and equitable if contribution pursuant to this paragraph were determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to in Section 3.7(c). No Person who is guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) that results in a Loss shall be entitled to contribution with respect to such Loss from any Person who is not guilty of such fraudulent misrepresentation.

(e) Indemnification and contribution similar to that specified in the preceding paragraphs of this Section 3.7 (with appropriate modifications) shall be given by the Company, the Selling Holders and the underwriters with respect to any required registration or other qualification of Registrable Securities under any state law or regulation or governmental authority.

(f) The obligations of the parties under this Section 3.7 shall be in addition to any liability which any party may otherwise have to any other party. If indemnification is available under this Section 3.7, the indemnifying parties shall indemnify each indemnified party to the fullest extent permitted by applicable law and as provided in paragraphs (a) and (b) hereof without regard to the relative fault of said indemnifying parties or indemnified party.

(g) The rights and obligations of the Company and the Selling Holders under this Section 3.7 shall survive the termination of this Agreement.

Section 3.8 Rule 144 Information. The Company hereby covenants and agrees that as soon as practicable after the first issuance of Company Securities in a Public Offering, it shall (a) file such periodic reports as it is required to file under the Exchange Act or if the Company is not required to file such reports, it shall, upon the reasonable request of any Stockholder, make publicly available such information as is necessary to permit such Stockholder to sell Registrable Securities pursuant to Rule 144 and (b) take such further action as any Stockholder may reasonably request, to the extent such action is necessary to permit such Stockholder to sell Registrable Securities pursuant to Rule 144.

Section 3.9 Transfer of Registration Rights. A Stockholder may Transfer all or any portion of its registration rights under this Article 3 with respect to any of its Registrable Securities in connection with any Transfer of such Registrable Securities that fully complies with the terms and conditions of this Agreement. Any other purported direct or indirect Transfer of such registration rights by any Stockholder shall be null and void and of no force or effect.

Section 3.10 Grant of Additional Registration Rights. Except for the registration rights granted pursuant to this Article 3, the Company shall not grant any registration rights with respect to shares of Common Stock to any other Person without the prior written consent of the Majority Stockholders.

Section 3.11 Holdback Agreement. The Company and each Stockholder (whether or not such Registrable Securities are covered by a Registration Statement filed pursuant to Section 3.1 or Section 3.2) agrees, if requested (pursuant to a timely written notice) by the lead or managing underwriter or underwriters in an underwritten offering, not to effect any public sale or distribution of any of the Registrable Securities, including a sale pursuant to Rule 144 (except as part of such underwritten offering), for a customary period (which period shall be the same for all Stockholders and shall not be longer than one hundred eighty (180) days, except to the extent required by Financial Industry Regulatory Authority regulations or applicable law), as reasonably determined by the lead or managing underwriter or underwriters in consultation with the Stockholders, after the closing date of the underwritten offering made pursuant to such registration statement; provided, that no Stockholder shall be subject to any such restrictions unless (a) all such restrictions shall have been requested of, and shall be applicable to, all Stockholders and (b) such underwriter(s) shall have obtained written holdback agreements from the Company, each executive officer of the Company and each other person who has been granted registration rights by the Company. No waiver of any such restrictions shall be effective with respect to any Stockholder unless such waiver applies uniformly to all such Stockholders. Notwithstanding anything contained in this Section 3.11, all obligations of the Stockholders under this Section 3.11 shall terminate in the event that the Company or any underwriter terminates, releases or waives, in whole or in part, the holdback agreements with respect to the Company, any executive officer of the Company or any such other Person who has been granted registration rights by the Company, unless such termination, release or waiver also applies proportionally (based on their respective ownership of Registrable Securities relative to the number of Registrable Securities held by such executive officer or other Person) to each Stockholder. The foregoing provisions shall not apply to any Stockholder who is prevented by applicable law from entering into any such agreement; provided, however, that any such Stockholder shall undertake not to effect any public sale or distribution of the class of securities covered by such Registration Statement (except as part of the underwritten offering) during such period unless it has provided sixty (60) days' prior written notice of such sale or distribution to the lead or managing underwriter.

Section 3.12 Termination. All of the Company's obligations to register Registrable Securities under this Article 3 shall terminate on the date on which the Stockholders cease to beneficially own any Registrable Securities.

## ARTICLE 4. TRANSFERS OF SHARES

Section 4.1 Restrictions on Transfers.

(a) Transferability. By acceptance of its respective Shares, each Stockholder agrees that it shall not Transfer any Shares, except in compliance with the Securities Act, any other applicable securities or "blue sky" laws, and the terms and conditions of this Agreement, including this Article 4 and, to the extent applicable, Article 5. Except as expressly permitted in this Agreement, no Stockholder shall in any way, directly or indirectly, Transfer all or any portion of its Shares. Any Transfer of Shares not expressly permitted herein shall be null and void and of no force or effect, and the Company shall not recognize any such attempted Transfer in its books and records and the purported Transferee or successor by operation of law shall not be deemed to be a Stockholder or a holder of Shares or Common Stock for any purpose, and

shall not be entitled to any of the rights of ownership with respect to such Shares, including, without limitation, the right to vote such Shares or to receive a certificate for such Shares or to receive any dividends or other distributions on or with respect to such Shares.

(b) Transfers to Affiliates. Any Stockholder may Transfer all or any portion of its Shares at any time to an Affiliate, Family Member, Family Trust or Personal Representative of such Stockholder; provided, that (i) the Transferee is not a Competitor, (ii) the Transfer complies with the Securities Act and all applicable state securities and "blue sky" laws, and (iii) the Transferor submits, pursuant to Section 4.1(d), a Transfer Request for such Transfer that is approved by the Company. Any Transfer that is made in accordance with this paragraph shall not be subject to any of the provisions of Article 5.

(c) Transfers to Persons other than Affiliates. Any Stockholder may Transfer all or any portion of its Shares at any time to one or more of the Stockholders or to any other Person; provided, that (i) the Transferee is not a Competitor, (ii) the Transfer complies with the Securities Act and all applicable state securities and "blue sky" laws, (iii) the Transferor submits, pursuant to Section 4.1(d), a Transfer Request for such Transfer that is approved by the Company, and (iv) except for Transfers pursuant to Section 4.1(b), if such Transfer would result in, or is to, any Person (taken together with its Affiliates and, in the case of an individual, his or her Family Members and Family Trusts) owning or controlling with the power to vote more than 50% of the outstanding shares of Common Stock (each, a "Control Transfer"), then such Shares shall be subject to the tag-along provisions set forth in Section 5.2.

(d) Requests for Transfer. In order to provide for the effective policing of this Section 4.1, a Stockholder who proposes to effect a Transfer pursuant to Section 4.1(c) must submit, prior to the date of the proposed Transfer, a written request in writing (a "Transfer Request") that the Company review the proposed Transfer and authorize or not authorize the proposed Transfer pursuant to this Section 4.1. A Transfer Request shall include: (i) the name, address, jurisdiction of organization or citizenship and telephone number of the proposed Transferee, (ii) the number of Shares proposed to be so Transferred, (iii) the date on which the proposed Transfer is expected to take place, (iv) the name of the Stockholder proposing such Transfer, and (v) such information as the Company in its discretion may reasonably request (and which may, in the Company's sole discretion, include an opinion of counsel to be provided at the Transferor's sole cost and expense to such effect) to establish that registration of the proposed Transfer is not required under the Securities Act or any applicable state securities or "blue sky" laws. The Company shall, within five (5) Business Days after its receipt of a Transfer Request that includes all of the information set forth in the foregoing clauses (i) through (v), determine whether to authorize (subject to compliance with all of the applicable provisions, if any, set forth in Article 5) the Transfer proposed in such Transfer Request and shall notify the proposed Transferor of such determination; provided, that the only bases on which a Transfer may be denied are failure to comply with the applicable obligations and restrictions set forth in this Article 4 or in Article 5 (including paragraph (f) below); provided, further, that if the Company does not notify the proposed Transferor of its determination within such time period, the Transfer proposed in such Transfer Request shall be deemed to be approved hereunder.

(e) Joinder. With respect to any Transfer of Shares (including, unless otherwise determined by the Board, the issuance, sale or other Transfer of Shares by the

Company), the Transferee of such Shares shall execute and deliver to the Company, as a condition precedent to such Transfer, an instrument in substantially the form attached hereto as Exhibit A (or such other documentation as is agreed by the Company and such Transferee) to confirm that the Transferee takes such Shares subject to all the terms and conditions of this Agreement and agrees to be bound by all of the terms and conditions of this Agreement.

(f) Exchange Act Reporting Obligations. Notwithstanding anything to the contrary in this Agreement, no Stockholder may Transfer any Shares if, as a result of such Transfer, any class of equity securities of the Company would be held of record by more than 500 Persons or otherwise in circumstances that the Company or the Board determines could require the Company to file reports under the Exchange Act, if it is not otherwise subject to such requirements. Nothing contained in this Article 4 shall limit the authority of the Board to take such other action to the extent permitted by law as it deems necessary or advisable to preserve the Company's status as a non-reporting company under the Exchange Act.

(g) Sorensen Matters.

(i) At all times prior to the fourth anniversary of the date hereof: (a) prior to making any Transfer of shares of Common Stock otherwise permitted under the terms of this Agreement, Sorensen agrees to cause the Transferee to enter into an agreement with the Company, in form and substance satisfactory to the Company, pursuant to which such Transferee agrees to deliver such shares to the Company for cancelation in the event such shares, had they been held by Sorensen, would have been subject to forfeiture under any agreement to which Sorensen and the Company are party; (b) in the event that Sorensen or any Transferee of Sorensen fails to comply with clause (a) (or any similar agreement between any such Transferee and the Company), the Company shall withhold all dividends and other amounts payable in respect of such shares until such time as Sorensen or such Transferee, as the case may be, shall have complied with clause (a); and (c) in the event that Sorensen or any Transferee of Sorensen is required to forfeit and deliver to the Company for cancelation any shares of Common Stock held by Sorensen or such Transferee, the Company shall cease to make any dividends or pay any other amounts in respect of such shares on and following the date of such forfeiture.

(ii) Sorensen agrees that prior to making any Transfer of Covered Shares otherwise permitted under the terms of this Agreement, Sorensen shall cause the Transferee to enter into an agreement with the Company, in form and substance satisfactory to the Company, pursuant to which such Transferee shall agree to be bound, on a joint and several basis with Sorensen, to the provisions of Section 6.7.

(h) Inapplicability of Section 4.1. Notwithstanding anything to the contrary in this Section 4.1, the restrictions on transfer set forth in this Article 4 and in Article 5 (other than the restrictions set forth in paragraph (g) above) shall be inapplicable to any sale pursuant to an effective Registration Statement in accordance with Article 3.

Section 4.2 Legend on Certificates.

(a) All certificates for Shares shall conspicuously bear the following legend:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR AN EXEMPTION THEREFROM UNDER SAID ACT OR SUCH LAWS AND THE RULES AND REGULATIONS THEREUNDER.

THE VOTING, SALE, TRANSFER, ENCUMBRANCE OR OTHER DISPOSITION OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO THE TERMS AND CONDITIONS OF A STOCKHOLDERS AGREEMENT, DATED AS OF [_____], AMONG [REORGANIZED PARENT] AND CERTAIN HOLDERS OF ITS OUTSTANDING CAPITAL STOCK (AS THE SAME MAY BE AMENDED, MODIFIED, SUPPLEMENTED OR RESTATED FROM TIME TO TIME), A COPY OF WHICH MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF [REORGANIZED PARENT].

(b) All certificates for DRV Shares and Restricted Stock Shares shall conspicuously bare the following legend (in addition to the legend described in paragraph (a) above):

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO FORFEITURE AS PROVIDED IN SECTION 4.1(g) AND 4.3 OF THE STOCKHOLDERS AGREEMENT, DATED AS OF [_____], AMONG [REORGANIZED PARENT] AND CERTAIN HOLDERS OF ITS OUTSTANDING CAPITAL STOCK (AS THE SAME MAY BE AMENDED, MODIFIED, SUPPLEMENTED OR RESTATED FROM TIME TO TIME), A COPY OF WHICH MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF [REORGANIZED PARENT].

(c) All certificates for Covered Shares shall conspicuously bear the following legend (in addition to the legend described in paragraph (a) and (b) above):

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO THE PROVISIONS OF SECTIONS 4.1(g) AND 4.3 OF THE STOCKHOLDERS AGREEMENT, DATED AS OF [_____], AMONG [REORGANIZED PARENT] AND CERTAIN HOLDERS OF ITS OUTSTANDING CAPITAL STOCK (AS THE SAME MAY BE AMENDED, MODIFIED, SUPPLEMENTED OR RESTATED FROM TIME TO TIME), A COPY OF WHICH MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF [REORGANIZED PARENT].

(d) In the event that any shares of Common Stock shall be registered under the Securities Act, the Company shall, upon the written request of the holder thereof, issue to such holder a new certificate evidencing such stock without the legend required by Section 4.2(a)

endorsed thereon. In the event that the Common Stock shall cease to be subject to the restrictions on transfer set forth in this Article 4, the Company shall, upon the written request of the holder thereof, issue to such holder a new certificate evidencing such stock without the legend required by Section 4.2 endorsed thereon.

Section 4.3 DRV Shares and Restricted Stock Shares.

(a) Each DRV / RS Share Recipient agrees to, and Sorensen agrees to cause each DRV / RS Share Recipient to, deliver DRV Shares and/or Restricted Stock Shares to the Company for cancelation as and when, and to the extent such DRV Shares or Restricted Stock Shares would be required to be delivered to the Company for cancellation (i) under the DRV Purchase Agreement had such DRV Shares continued to be held by a Seller (as defined in the DRV Purchase Agreement), (ii) under the Restricted Stock Agreement had such Restricted Stock Shares continued to be held by Sorensen or (iii) under any other agreement to which Sorensen and the Company are party had they been held by Sorensen or the original recipient.

(b) In the event that any DRV / RS Share Recipient fails to comply with paragraph (a) as and when so required, then, in addition to all other remedies available to the Company, whether at law or in equity, the Company shall, and the Stockholders authorize the Company to, withhold all dividends, distributions, other amounts payable and other Shares issuable in respect of such DRV Shares and Restricted Stock Shares on and following the date such DRV Shares Restricted Stock Shares were required to be forfeited.

(c) In connection with any Transfer of DRV Shares or Restricted Stock Shares by a DRV / RS Share Recipient, if the Company requests written confirmation of such DRV / RS Share Recipient's obligations under this Section 4.3, prior to making any such Transfer, the Transferor and such Transferee shall cause such written confirmation to be duly executed and delivered by such Transferee to the Company in form and substance reasonably satisfactory to the Company.

## ARTICLE 5. DRAG-ALONG; TAG-ALONG

Section 5.1 Drag-Along Sale.

(a) In the event that the Majority Stockholders ("Drag-Along Sellers") propose to effect a Drag-Along Sale, the Drag-Along Sellers shall have the right (a "Drag-Along Right") to require each of the other Stockholders to Transfer their Shares in such Drag-Along Sale in accordance with this Section 5.1. Such Drag-Along Sellers shall give written notice of such Drag-Along Sale (a "Drag-Along Notice") to each of the other Stockholders at least ten (10) Business Days prior to the closing of such Drag-Along Sale, which notice shall state that such Drag-Along Sellers desire the Dragged Stockholders to enter into such Drag-Along Sale and shall include the following information with respect to the proposed Drag-Along Sale: (i) the names of all of the parties thereto, (ii) a summary of the material terms and conditions thereof and (iii) the proposed amount of cash consideration to be received by the Drag-Along Sellers and Dragged Stockholders, whereupon all Drag-Along Sellers, Dragged Stockholders and the Company (as applicable) shall consent to, cooperate with, and not object to or otherwise impede consummation of the Drag-Along Sale. In the event that the Drag-Along Sale is

structured as a merger or consolidation, each Dragged Stockholder shall vote its Shares to approve such merger or consolidation, whether at a meeting of Stockholders or by written consent of Stockholders in lieu of a meeting. In the event that the Drag-Along Sale is structured as a sale of all of the outstanding Shares, then each Dragged Stockholder shall agree to sell, and shall sell, all of its Shares and any other rights to acquire Shares, on the terms and conditions set forth in the Drag-Along Notice. In the event that the Drag-Along Sale is structured as a sale, transfer or other disposition of all or substantially all of the assets or business of the Company, then each Dragged Stockholder shall vote its Shares to approve such sale and any subsequent dissolution or winding up of the Company or other distribution of the proceeds therefrom, whether at a meeting of Stockholders or by written consent of Stockholders in lieu of a meeting, with respect to the sale, transfer or other disposition of assets. In furtherance of the foregoing, each Dragged Stockholder shall (x) waive all dissenter's rights, appraisal rights and similar rights in connection with such Drag-Along Sale, and (y) take, with respect to its Shares, all Necessary Action reasonably requested by the Drag-Along Sellers in connection with the consummation of the Drag-Along Sale, including voting all such Shares to approve such transaction, not exercising any appraisal or similar rights with respect to such transaction, granting any consents required pursuant to the terms of this Agreement and executing the applicable purchase and sale agreement.

(b) No Dragged Stockholder shall be required to sell any Shares in a Drag-Along Sale pursuant to this Section 5.1 unless the total amount of such consideration per share payable to such Dragged Stockholder is the same as that paid to the Drag-Along Sellers. Notwithstanding the foregoing, no Dragged Stockholder shall be required to make any representation or warranty, or provide any indemnity to any Person, in connection with any Drag-Along Sale except that each Dragged Stockholder shall be obligated (A) to make representations and warranties with respect to the unencumbered title to its Shares, its power, authority and legal right to Transfer such Shares and, the enforceability of relevant agreements against such Dragged Stockholder, (B) to enter into reasonable and customary covenants to complete the Transfer of such Dragged Stockholder's Shares in connection with such Drag-Along Sale and (C) to enter into reasonable and customary indemnification obligations with respect to the foregoing; provided, that all representations, warranties, covenants and indemnities shall be made by the Drag-Along Sellers and Dragged Stockholder severally and not jointly; provided, further, that any indemnification obligation (including, if applicable, with respect to representations made by the Company) shall be pro rata based on the consideration received by the Drag-Along Sellers and Dragged Stockholder, in each case in an amount not to exceed the aggregate proceeds received by the Drag-Along Sellers and Dragged Stockholder in connection with the Drag-Along Sale; and provided, further, that in no event shall a Dragged Stockholder be required to (i) make any representation regarding the Company (including with respect to its business or results of operations) or (ii) except as provided in Section 5.3, agree to any "non-competition," "non-solicit" or other covenant or restriction with respect to competing with the Company or its business or soliciting or hiring its employees.

(c) At the closing of any Drag-Along Sale pursuant to this Section 5.1 (other than a transaction under clause (iii) of the definition of Drag-Along Sale), the Drag-Along Sellers and Dragged Stockholder shall deliver, against payment of the purchase price therefor, certificates (or evidence thereof) representing its Shares, duly endorsed for Transfer or accompanied by duly endorsed stock powers, evidence of good title to the Shares, the absence of

liens, encumbrances and adverse claims with respect thereto, and such other documents as are reasonably requested by the Drag-Along Sellers and the Company for the proper Transfer of such Shares on the books of the Company.

(d) The provisions of Section 5.2 shall be subordinate to any Transfer or exercise of rights contemplated by this Section 5.1.

Section 5.2 Tag-Along Sale.

(a) In the event that any Stockholder or group of Stockholders (a "Proposed Seller") proposes to Transfer Shares pursuant to one or more related transactions that would constitute a Control Transfer (if Drag-Along Rights are not exercised pursuant to Section 5.1) (any such Transfer, a "Proposed Sale"), each other Stockholder (collectively, the "Eligible Participating Stockholders") shall have the right to participate in the Proposed Sale by Transferring its pro rata portion of Shares to the Proposed Buyer in accordance with this Section 5.2. Such Proposed Seller shall give written notice of such Proposed Sale (a "Tag-Along Notice") to each of the Eligible Participating Stockholders, with a copy to the Company. The Tag-Along Notice shall offer to each Eligible Participating Stockholder the option to participate in such Proposed Sale on the terms and conditions set forth in the Tag-Along Notice (and, in any event, on the same terms and conditions as the Proposed Seller) and shall include the following information with respect to the Proposed Sale: (i) the name of each proposed Transferee(s) (the "Proposed Buyer"), (ii) a summary of the material terms and conditions thereof, (iii) the percentage of the Proposed Seller's Shares proposed to be Transferred therein (the "Tag-Along Sale Percentage"), (iv) the proposed amount and form of consideration to be received by the Proposed Seller and (v) other such information as shall be reasonably requested.

(b) Each Eligible Participating Stockholder may, by written notice given to the Proposed Seller within ten (10) Business Days after the date of the Tag-Along Notice, elect to sell up to the number of Shares in the Proposed Sale as equals the Tag-Along Portion of such Eligible Participating Stockholder, on the terms and conditions approved by the Proposed Seller, which terms and conditions shall be the same as those on which the Proposed Seller's Shares are to be sold and shall be consistent with the terms and conditions set forth in the Tag-Along Notice (each Eligible Participating Stockholder who timely makes such election, a "Tagging Stockholder"). The Proposed Seller shall cause the Proposed Buyer to purchase from each Tagging Stockholder the number of Shares equal to the Tag-Along Portion of such Tagging Stockholder. The decision by any Eligible Participating Stockholder as to whether to elect to participate in any Proposed Sale shall not adversely affect such Eligible Participating Stockholder's right to elect to participate as a Tagging Stockholder in any other Proposed Sale. The Proposed Seller shall have a period of ninety (90) days following the expiration of the ten (10) Business Day notice period mentioned above to consummate any Proposed Sale in accordance with this Section 5.2 without being required to provide an additional Tag-Along Notice to Eligible Participating Stockholders.

(c) At the closing of any Proposed Sale pursuant to this Section 5.2, each Proposed Seller and each Tagging Stockholder shall deliver at such closing, against payment of the purchase price therefor, certificates or other documentation governing the terms of any such Shares (or other evidence thereof acceptable to the transferee of such Shares) representing their

Shares to be sold, duly endorsed for Transfer or accompanied by duly endorsed stock powers, evidence of good title to the Shares to be sold, the absence of liens, encumbrances and adverse claims with respect thereto and such other documents as are deemed reasonably necessary by the Proposed Seller and the Company for the proper Transfer of such Shares on the books of the Company.

(d) In no event shall a Tagging Stockholder be required to (i) make any representation regarding the Company (including with respect to its business or results of operations) or (ii) subject to Section 5.3, agree to any "non-competition," "non-solicit" or other covenant or restriction with respect to competing with the Company or its business or soliciting or hiring its employees.

(e) The provisions of this Section 5.2 shall be subject to and subordinate to the provisions of Section 5.1.

Section 5.3 Non-Compete Upon Sale. If immediately prior to the closing of a Drag-Along Sale, Sorensen constitutes either a 5% Stockholder or an officer of the Company (without giving effect to any termination of employment by Sorensen within 30 days of the execution of a letter of intent or other definitive agreement of which Sorensen had knowledge in respect of such Drag-Along Sale), then, unless otherwise agreed to by the Majority Non-Sorensen Stockholders, Sorensen agrees to enter into a non-competition agreement in favor of the purchaser in such Drag-Along Sale with a term of no more than three years from the closing of such Drag-Along Sale (or such lesser period required by the purchaser in such Drag-Along Sale) and otherwise on the terms set forth in the Covenants in Connection with Sale of Business Agreement; provided, that if, at the time of such sale, either (a) one or more members of the Sorensen Group cease to collectively own at least 80% of the voting and economic interests of **[INSERT: Butler Holdco]** or (b) any of the Butler Subsidiaries (as defined in the Covenants in Connection with Sale of Business Agreement) cease to be owned 100% by Butler Holdco, then such non-competition agreement shall exclude exceptions to Sorensen's obligations for Allowed Businesses (as defined in the Covenants in Connection with Sale of Business Agreement)).

Section 5.4 Notice of Sorensen Group Acquisitions. Prior to any member of the Sorensen Group acquiring any Shares following the date hereof, but in no event less than 10 days prior to such acquisition, Sorensen shall provide written notice of such acquisition to the Board and each 20% Stockholder, which notice shall set forth (a) the number of Shares expected to be purchased and (b) the estimated closing date for such acquisition. This Section 5.3 shall terminate upon the death of Sorensen.

## ARTICLE 6.ADDITIONAL AGREEMENTS

Section 6.1 Access to Information; Reports.

(a) The Company will provide to each Stockholder of the Company (by means of providing access to an electronic data room or otherwise) the following financial and business information relating to the Company and its Subsidiaries, and with respect to clauses (i) and (ii) below, accompanied by a reasonably detailed narrative discussion of the changes in the

Company's financial condition and results of operations compared with the prior periods presented, which will, with respect to the Company's audited consolidated annual financial statements, be in form and substance similar to the discussion contained in the "Management Discussion & Analysis" section of an Exchange Act report:

(i) as soon as available and in any event no later than one hundred (100) days after the end of each fiscal year, a true and complete copy of the audited consolidated balance sheet and the related consolidated statements of operations, stockholders' equity and cash flows of the Company and its Subsidiaries as of and for the fiscal year then ended, together with the notes relating thereto, all in reasonable detail and accompanied by a copy of the audit report of the Company's independent public accountants, which report shall be unqualified as to the scope of the audit and shall state that such consolidated financial statements present fairly the consolidated financial position, results of operations and cash flows of the Company and its Subsidiaries as of the dates thereof and for the fiscal year then ended in accordance with United States generally accepted accounting principles consistently applied; and

(ii) as soon as available and in any event no later than forty-five (45) days after the end of each of the first three (3) quarters of each fiscal year of the Company, a true and complete copy of the unaudited consolidated balance sheet and related consolidated statements of operations, stockholders' equity and cash flows of the Company and its Subsidiaries as of and for the period then ended, prepared in accordance with United States generally accepted accounting principles consistently applied, subject only to the absence of footnotes and normal year-end audit adjustments.

(b) Within fifteen (15) days after issuing the annual and quarterly reports described in Section 6.1(a), the Company shall hold a conference call to discuss with the Stockholders the information contained in such annual and quarterly reports, including the results of the Company's operations and the financial performance of the Company, and to answer questions thereto, and the Company shall provide the Stockholders with conference call access to each such conference call.

(c) All information provided pursuant to this Section 6.1, including the information disclosed in the conference calls pursuant to Section 6.1(b), shall be subject to the confidentiality restrictions set forth in Section 6.4.

(d) At the request of a 20% Stockholder (the date of such request, the "Stockholder List Request Date"), the Company shall deliver to the requesting Stockholder as promptly as practicable but in no event more than five Business Days following the Stockholder List Request Date a complete list of the Stockholders of record on such Stockholder List Request Date showing the address of each Stockholder and the number of shares registered in the name of each Stockholder.

Section 6.2 Certificate of Incorporation and Bylaws. If and to the extent that any provision of this Agreement conflicts with or is inconsistent with any provision of the Organizational Documents, then to the fullest extent permitted by law, such provision of this Agreement shall be controlling and, to the extent practicable, the conflicting or inconsistent

provision of the Organizational Documents shall be construed in a manner consistent with such provision of this Agreement.

Section 6.3 No Other Voting Agreements. Except as specifically contemplated hereby, no Stockholder shall (a) grant any proxy or enter into or agree to be bound by any voting trust with respect to any Shares or (b) enter into any stockholder agreement or arrangement of any kind with any Person with respect to Shares that is, in the case of either clause (a) or (b), in violation of the provisions of this Agreement (irrespective of whether such agreement or arrangement is with one or more other Stockholders), including, but not limited to, agreements or arrangements with respect to the acquisition, disposition, pledge or voting of Shares, nor shall any Stockholder act, for any reason, as a member of a group or in concert with any other Person (other than an Affiliate of such Stockholder) in connection with the acquisition, disposition or voting of Shares in any manner that is in violation of the provisions of this Agreement. Nothing in this Section 6.3 is intended to restrict any Stockholder from entering into any agreement or arrangement with respect to its Shares (with any other Stockholder or otherwise) that is not in violation of the provisions of this Agreement.

Section 6.4 Confidentiality. Each Stockholder hereby agrees that it will keep strictly confidential and will not disclose, divulge or use for any purpose, other than to hold, vote, dispose and monitor its existing investment in the Company, any confidential information obtained from the Company pursuant to the terms of this Agreement (including pursuant to Section 6.1 above), unless such confidential information is known or becomes known to the public in general (other than as a result of a breach of this Section 6.4 by such holder or its Affiliates) or is or becomes available from a source other than the Company or its Affiliates (provided the Stockholder is not aware that such source is under an obligation to keep such information confidential); provided, however, that a Stockholder may disclose (on a confidential basis) confidential information (a) to its attorneys, accountants, consultants, and other professionals to the extent necessary to obtain their services in connection with its holding, voting, disposition and monitoring of its existing investment in the Company, (b) to any Affiliate, or to any director, officer, employee, partner, member or regulator of such Stockholder or Affiliate in the ordinary course of business, to the extent necessary to hold, vote, dispose and monitor its existing investment in the Company, (c) to a potential Transferee of Shares, to the extent reasonably necessary to consummate a Transfer, provided that such Transferee has executed a confidentiality agreement with such Stockholder in such form as may be reasonably required by the Company or (d) as may otherwise be required by applicable law or judicial or administrative process; provided, that in the case of any such disclosure under this clause (d), such Stockholder shall take, at the Company's expense, all reasonable steps requested by the Company to minimize the extent of any such required disclosure, and to the extent practicable, awaits the final outcome of any motion for a protective order that the Company may file before disclosing any confidential information; and provided, further, however, that the acts and omissions of any Person to whom any Stockholder may disclose confidential information pursuant to the foregoing clauses (a), (b) and (c) shall be attributable to such Stockholder for purposes of determining such Stockholder's compliance with this Section 6.4, unless such Person and the Company have entered into a confidentiality agreement between them that imposes confidentiality restrictions on such Person that are no less restrictive than those contained in this Section 6.4, in which case the acts and omissions of such Person shall not be attributable to such Stockholder. Notwithstanding any earlier termination of this Agreement, the obligations of each

Stockholder under this Section 6.4 shall survive until the earlier of (i) the first anniversary of the termination of this Agreement pursuant to Section 7.1 and (ii) the first anniversary of the date on which such Stockholder ceased to own any Shares.

Notwithstanding the foregoing, in the case of a Stockholder owned, directly or indirectly, by one or more funds or other pooled investment vehicles, such Stockholder shall be entitled to disclose such confidential information to investors and limited partners of such fund or pooled investment vehicle, and to prospective investors or other Persons as part of fundraising or marketing activities undertaken by the manager of such fund or pooled investment vehicle or any of its affiliates, or prospective investors or other Persons as part of fundraising or marketing activities of such Stockholder or its affiliates, or lenders or prospective lenders of such Stockholder or its affiliates, provided such disclosures are made to Persons subject to an obligation of confidentiality with respect to such information.

Section 6.5 Preemptive Rights.

(a) In the event that the Company proposes to sell or otherwise issue (a "Proposed Offering") equity securities of the Company (including without limitation shares of common stock or preferred stock), any securities convertible into or exchangeable for equity securities of the Company or any options rights or warrants to purchase equity securities of the Company (any of the foregoing, "Dilutive Securities"), other than in a Permitted Offering, each Stockholder holding Shares as of the date of the Company Sale Notice that is an Accredited Investor (each, a "Preemptive Rights Stockholder") shall have the right to acquire that number or amount of such Dilutive Securities as is determined in accordance with Section 6.5(b) below, at the same price and upon the same terms and conditions as such Dilutive Securities are being offered by the Company in the Proposed Offering. No Dilutive Securities shall be issued by the Company to any Person unless the Company has first offered such securities to each Preemptive Rights Stockholder in the accordance with this Section 6.5. Notwithstanding anything contained in this Section 6.5, the rights of a holder of Employee Shares under this Section 6.5 shall only be granted to a holder of Employee Shares who has provided to the Company evidence (satisfactory to the Company its sole discretion) that such holder qualifies as an Accredited Investor.

(b) At least fifteen (15) Business Days prior to the consummation of any Proposed Offering to which this Section 6.5 applies, the Company shall give written notice thereof to each Preemptive Rights Stockholder (the "Company Sale Notice"), setting forth the price and the other terms and conditions on which the Dilutive Securities are being offered to the proposed transferee(s) (the "Proposed Offering Terms"), and offering to sell to each Preemptive Rights Stockholder its pro rata share of such Dilutive Securities on the same terms and conditions (the "Preemptive Rights Offer"); provided, that such pro rata share shall be based upon a ratio of the relative number of Shares beneficially owned by such Preemptive Rights Stockholder to the total number of Shares outstanding immediately prior to consummation of the Proposed Offering. Each Preemptive Rights Stockholder shall be entitled to accept any Preemptive Rights Offer by providing written notice to the Company not later than fifteen (15) Business Days after the date of the applicable Company Sale Notice (the "Preemptive Rights Period"), and any Preemptive Rights Stockholder who fails to timely accept any Preemptive Rights Offer shall have no further rights with respect to the Proposed Offering to which such Preemptive Rights Offer relates. Any Dilutive Securities that are offered in a

Preemptive Rights Offer but are not accepted by Preemptive Rights Stockholders during the Preemptive Rights Period may be sold by the Company at any time thereafter on the same terms and conditions as are set forth in the applicable Company Sale Notice.

(c) As used herein, "Permitted Offering" means any sale or issuance by the Company of Employee Shares or Dilutive Securities pursuant to (i) any stock split, subdivision of shares, stock dividend or similar transaction by the Company, (ii) any merger or business combination transaction involving the Company or any of its Subsidiaries or as consideration for the acquisition by the Company or any of its Subsidiaries of assets or another business or entity, (iii) any Public Offering or (iv) the exercise of any rights or agreements, options, warrants or convertible securities outstanding as of the date of this Agreement or issued or issuable pursuant to the exercise of any such rights or agreements granted after the date of this Agreement, or (v) shares issued pursuant to that certain Option Agreement, dated as of the date hereof, by and among (i) the Company, [NEW BUTLER HOLDCO] and Sorensen, (so long as the preemptive right provided by this Section 6.5 was complied with as to the initial sale or grant by the Company of such rights or agreements).

(d) Except as provided in this Section 6.5, the Company shall not grant to any Person any preemptive rights with respect to the issuance of equity securities of the Company. For the avoidance of doubt, this clause (d) shall not apply to the grant of the preemptive rights set forth in this Section 6.5 to any Person who becomes a party to this Agreement pursuant to Section 4.1(e) hereof.

(e) Notwithstanding the other provisions of this Section 6.5, if the Board determines that the Company should, in the best interests of the Company, issue new equity securities that would otherwise be required to be offered to the Preemptive Rights Stockholders pursuant to this Section 6.5 prior to their issuance, the Company may issue such new equity securities without first complying with the provisions of this Section 6.5; provided, however, that (i) within 45 days after such issuance the Company shall offer to each Preemptive Rights Stockholder the opportunity to purchase the number of new equity securities that such Preemptive Rights Stockholder would have otherwise been entitled to purchase pursuant to the terms of this Section 6.5 and (ii) (1) include in the subscription (or similar) agreement with the purchaser(s) of such new equity securities a provision permitting the Company to repurchase such equity securities in an amount necessary to satisfy the provisions of this Section 6.5 or (2) cause the issuance of additional equity securities in an amount necessary to permit each requesting Preemptive Rights Stockholder to purchase the portion of such issuance that it would be entitled to purchase pursuant to this Section 6.5, including the portion sold pursuant to this paragraph.

Section 6.6 Non-Solicitation. Except on behalf of the Company or any of its Subsidiaries and, in the case of Sorensen, except as would be permitted under the terms of the Covenants in Connection with Sale of Business Agreement (without giving effect to any termination thereof), from the date hereof until the seventh anniversary of the date hereof, each 5% Stockholder agrees that it will not, directly or indirectly, as a director, officer, employee, manager, consultant, independent contractor, advisor or otherwise, do any of the following, nor will such Stockholder permit any Affiliate of such Stockholder (other than a

portfolio company of a fund or other pooled investment vehicles, which portfolio company shall not be subject to the provisions of this Section 6.6) to do any of the following:

(a) Employ or engage or solicit for employment or engagement, or advise or recommend to any other Person that he, she or it employ or solicit for employment or engagement any individual who is an employee or independent contractor of the Company or any of its Subsidiaries;

(b) Retain or attempt to retain, or advise or recommend to any other Person that he, she or it retain, the services of any independent contractor or consultant providing services to the Company or any of its Subsidiaries, if doing so would diminish the services being provided to the Company or any of its Subsidiaries; or

(c) (i) Solicit or do business with any present franchisees, customers, clients, vendors, distributors, licensors or licensees of the Companies or any former franchisees, customers, clients, vendors, distributors, licensors or licensees of the Companies or other Persons that were, within the six (6) month period prior to the prohibited conduct, franchisees, customers, clients, vendors, distributors, licensors or licensees of the Company or any of its Subsidiaries from whom the Company or any of its Subsidiaries derived revenue, for the purpose of competing with the Company or any of its Subsidiaries, or (ii) otherwise interfere with the business relationship between the Company or any of its Subsidiaries and any franchisee, customer, client, vendor, distributor, licensor or licensee of the Company or any of its Subsidiaries or other Person (or any Person known to such Stockholder (or such Affiliate) to be a prospective franchisee, customer, client, vendor, distributor, licensor or licensee of the Company or any of its Subsidiaries).

(d) For purposes of this Section 6.6, the following terms shall have the following meanings:

(i) an "employee or independent contractor of any of the Company or any of its Subsidiaries" and an "independent contractor or consultant providing services to the Company or any of its Subsidiaries" means any of the following: (A) any Person who is (at the time of the prohibited conduct) or was (at any time within twenty-four (24) months prior to the prohibited conduct) (I) a senior executive officer of any of the Company or any of its Subsidiaries (including Senior Operating Committee members, regional managers, branch managers, and direct reports of Sorensen or Paul Sorensen), (II) each sales representative that (1) is in the top 25% of all sales representatives of the Company and its Subsidiaries, taken as a whole, as measured by (x) annual compensation received in the prior year, (y) annual compensation expected to be received in the current year, or (z) gross revenue generated for the Companies, or (2) has or is otherwise responsible for one or more clients that are in the top 25% of all clients of the Company and its Subsidiaries, taken as a whole, measured by gross revenue received from such clients, and (III) recruiters that are in the top 25% of all recruiters of the Company and its Subsidiaries, taken as a whole, as measured by (1) annual compensation received in the prior year, (2) annual compensation expected to be received in the current year, or (3) number of Associates recruited to the Company and its Subsidiaries, taken as a whole; (B) any Person who is (at the time of the prohibited conduct) or was (at any time within twelve (12) months prior to the prohibited conduct) a manager or supervisor of the Company or any of its Subsidiaries; and

(C) any Person who is (at the time of the prohibited conduct) or was (at any time within six (6) months prior to the prohibited conduct) an employee, independent contractor or consultant of or for the Company or any of its Subsidiaries, but specifically excluding each Associate;

(ii) a "franchisee, customer, client, vendor, distributor, licensor or licensee of the Company or any of its Subsidiaries" includes any Person known to such Stockholder (or such Affiliate) to be a prospective franchisee, customer, client, vendor, distributor, licensor or licensee of the Companies; and

(e) Notwithstanding the foregoing, none of such Stockholder nor any of its Affiliates shall be prohibited from advertising to the general public any employment opportunities or requests for consultancy services (which advertisements are not targeted at employees or independent contractors of the Company or any of its Subsidiaries), as long as such Stockholder or such Affiliate otherwise complies with the terms and conditions of this Section 6.6, which, for the avoidance of doubt, means that such Stockholder (or such Affiliate) may not employ or engage any "employee or independent contractor of the Company or any of its Subsidiaries" or any "independent contractor or consultant providing services to the Company or any of its Subsidiaries" who responds to such advertisements.

Section 6.7 Sorensen Payment Obligation. (a) Effective upon the consummation of a Cash Sale, Sorensen hereby agrees as follows:

(i) Immediately upon consummation of such Cash Sale, and effective as of the closing of such Cash Sale, Sorensen shall cause Sorensen, SB Group Holdings, Inc. and/or Esperer (collectively, the "Sorensen Payors") to pay to the Company an amount equal to the lesser of (i) $7,500,000 and (ii) the sum of the After-Tax Proceeds from (A) the sale of Covered Shares actually sold in such Cash Sale and (B) the aggregate amount of cash dividends or other cash distributions received by the Sorensen Payors in respect of all of the Covered Shares prior to such Cash Sale.

(ii) If the applicable Cash Sale results in the sale of all of the Covered Shares and the payment made pursuant to subparagraph (i) above is less than $7,500,000, then the obligations of the Sorensen Payors under this Section 6.7 shall be deemed fully satisfied.

(iii) If the applicable Cash Sale results in the sale of less than all of the Covered Shares and the payment made pursuant to subparagraph (i) above equals $7,500,000, then the obligations of the Sorensen Payors under this Section 6.7 shall be deemed fully satisfied.

(iv) If the applicable Cash Sale results in the sale of less than all of the Covered Shares and the payment made pursuant to subparagraph (i) above is less than $7,500,000, then the Sorensen Payors shall, at their election, either pay to the Company in cash or by returning Covered Shares (valued at the per share price paid in the Cash Sale) to the Company for cancellation, an amount equal to the lesser of (A) the aggregate After-Tax Proceeds that would have been paid in respect of all Covered Shares had cash consideration been paid in respect of all Covered Shares at the per share price implied by

the Cash Sale and (B) (I) $7,500,000 minus (II) all amounts paid to the Company by the Sorensen Payors pursuant to subparagraph (i) above.

(b) Effective upon the consummation of an initial Public Offering, Sorensen hereby agrees as follows: on and following the occurrence of such initial Public Offering, promptly (and in no event later than five (5) Business Days) following each Transfer of Covered Shares (including in connection with such initial Public Offering), Sorensen shall cause the Sorensen Payors to pay to the Company an amount equal to the lesser of (i) the sum of the After-Tax Proceeds from (A) such Transfer and (B) the aggregate amount of cash dividends or other cash distributions made in respect of the Covered Shares prior to such time and (ii) (A) $7,500,000 minus (B) all amounts paid to the Company prior to such time by the Sorensen Payors pursuant to Section 6.7(a)(i) or this Section 6.7(b).

(c) "After-Tax Proceeds" from a Cash Sale or other Transfer of Covered Shares or from cash dividends or other cash distributions means (i) the aggregate amount of cash or cash equivalents paid in such Cash Sale or Transfer plus the aggregate amount of cash dividends or other cash distributions made in respect of the Covered Shares prior to such time minus (ii) the tax of the seller or sellers in such Cash Sale or Transfer and on such cash dividends or other cash distributions assuming (A) such seller is taxed on such taxable income at the highest effective combined United States federal and state income tax rate applicable to such capital gain and ordinary income that would be recognized by a natural person residing in Santa Barbara, California, taxable at the highest marginal United States Federal income tax rate and the highest marginal California State income tax rates, taking into account (I) the nature of such net income or capital gain and the holding period of such Covered Shares assuming such Covered Shares were held by such seller since the date hereof and (II) the Federal income tax deduction for state income taxes and (B) the tax basis in such Covered Shares is an amount equal to the price paid for Common Stock in the rights offering conducted under the Plan.

(d) All cash payments required to be made by the Sorensen Payors under this Section 6.7 shall be made to the Company in cash in immediately available funds by wire transfer to the bank account designated by the Company.

(e) The obligations of the Sorensen Payors under this Section 6.7 shall be secured by all of the Covered Shares pursuant to a Security Agreement in the form attached hereto as Exhibit B (the "Sorensen Security Agreement").

(f) This Section 6.7 shall survive termination of this Agreement until the earlier of (i) the aggregate amount paid by the Sorensen Payors to the Company under this Section 6.7 equals $7,500,000 or (ii) the earlier termination of this Section 6.7 pursuant to Section 6.7(a)(ii) hereof. Following the initial Public Offering of the Company, Sorensen and the Company shall cause the obligations set forth in this Section 6.7 to be embodied in a stand-alone agreement between the Company and Sorensen.

(g) The parties agree to treat all payments made to the Company under this Section 6.7 as a capital contribution for income tax purposes and shall take no tax position inconsistent therewith unless required by applicable law.

(h) Sorensen hereby guarantees the payment of all amounts owing by the Sorensen Payors under this Section 6.7.

## ARTICLE 7.MISCELLANEOUS

Section 7.1 Survival of Agreement; Term. This Agreement, and the Company's and the Stockholders' respective rights and obligations hereunder, may be terminated at any time by the written agreement of the Company and all of the Stockholders who beneficially own Shares at the time of such termination. The provisions of this Agreement and the respective rights and obligations of the Company and the Stockholders hereunder, shall automatically terminate (i) upon all of the Shares being owned by a single Person or (ii) immediately prior to the consummation of a Qualified Public Offering; provided, that (a) each of Articles 3 and 7, and Sections 4.1(g), 4.2(b), 4.2(c), 4.3, 6.4, 6.6 (but only with respect to members of the Sorensen Group that constitute 5% Stockholders) and 6.7 shall survive any such termination and shall terminate as set forth therein. This Agreement shall terminate automatically with respect to any Stockholder when such Stockholder ceases to beneficially own any Shares; provided, that Section 6.4 and Article 7 shall survive any such termination and shall terminate as set forth therein.

Section 7.2 Notices. All notices, requests, waivers and other communications made pursuant to this Agreement shall be in writing and shall be deemed to have been effectively given (a) when delivered by hand, facsimile or electronic transmission to the party to be notified, (b) one (1) Business Day after deposit with a national overnight delivery service with next-business-day delivery guaranteed or (c) three (3) Business Days after deposit in the United States mail postage prepaid by certified or registered mail return receipt requested, in each case addressed to the party to be notified at the addresses set forth below such party's respective signature to this Agreement. Any party to this Agreement may change its address for purposes of notice hereunder by giving ten (10) days' written notice of such change to all other parties to this Agreement, in the manner provided in this Section 7.2.

Section 7.3 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto.

Section 7.4 Entire Agreement. This Agreement (together with the documents attached as exhibits hereto and any documents or agreements specifically contemplated hereby) supersedes all prior discussions and agreements among any of the parties hereto (and their Affiliates) with respect to the subject matter hereof and contains the entire understanding of the parties with respect to the subject matter hereof.

Section 7.5 Amendment. This Agreement shall not be amended, supplemented or modified except pursuant to a written instrument duly executed by or on behalf of (a) Stockholders, other than members of the Sorensen Group, who beneficially own at least 66.67% of the outstanding shares of Common Stock held by all Stockholders other than members of the Sorensen Group, (b) the Majority Stockholders, (c) if such amendment, supplement or modification would reasonably be expected to disproportionately affect any Stockholder in any material respect, each such Stockholder that is so affected, and (d) if, prior to the Sorensen Trigger Date, any amendment, supplement or modification to Section 2.1 that

adversely affects the rights of Sorensen in respect of the Sorensen Director, Sorensen. Notwithstanding the foregoing, (i) the drag-along rights of the Stockholders set forth in Section 5.1, (ii) the tag-along rights of the Stockholders set forth in Section 5.2, (iii) the preemptive rights of the Stockholders set forth in Section 6.5 and (iv) the registration rights of the Stockholders set forth in Article 3, in each case shall not be amended, supplemented or modified except pursuant to a written instrument duly executed by or on behalf of each Stockholder whose rights under clauses (i) through (iv) above would reasonably be expected to be adversely affected in any material respect by such amendment, supplement or modification.

Section 7.6 Third-Party Beneficiary. This Agreement is intended solely for the benefit of each of the parties hereto and their respective successors and permitted assigns, and this Agreement shall not confer any rights upon any other Person, except that each of the Persons entitled to indemnification under Section 3.7 is an intended third-party beneficiary of such provision.

Section 7.7 Counterparts. This Agreement may be signed in any number of counterparts, any of which may be delivered via facsimile, portable document format (PDF), or other forms of electronic delivery, each of which shall be deemed an original, and all of which are deemed to be one and the same agreement binding upon the Company and each of the Stockholders.

Section 7.8 Headings. The headings of the various sections of this Agreement have been inserted for convenience of reference only and shall not be deemed to be a part of this Agreement.

Section 7.9 Governing Law; Consent to Jurisdiction and Service of Process. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to its conflicts of law doctrine. Each party hereby submits to the exclusive jurisdiction of the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (unless the Delaware Court of Chancery shall decline to accept jurisdiction over a particular matter, in which case, in any Delaware state or federal court within the State of Delaware, and any appellate court thereof), and any judicial proceeding brought against any of the parties on any dispute arising out of this Agreement or any matter related hereto shall be brought in such courts. Each party hereby irrevocably waives, to the fullest extent permitted by law, any objection it may have or hereafter have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum. Each party hereby consents to process being served in any such proceeding by the mailing of a copy thereof by registered or certified mail, postage prepaid, to the address below such party's respective signature to this Agreement, or in any other manner permitted by law. EACH PARTY HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHTS IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUCH ACTION OR PROCEEDING.

Section 7.10 Injunctive Relief. The parties to this Agreement hereby agree and acknowledge that it will be impossible to measure the monetary damages that would be suffered if any party to this Agreement fails to comply with any of the obligations imposed on it by this Agreement, and that in the event of any such failure, an aggrieved Person will be irreparably

damaged and will not have an adequate remedy at law. Accordingly, each of the parties to this Agreement shall be entitled to injunctive relief, including specific performance, to enforce such obligations, and if any action should be brought in equity to enforce any of the provisions of this Agreement, none of the parties hereto shall raise the defense that there is an adequate remedy at law. Each of the parties to this Agreement hereby waives, and causes its respective representatives to waive, any requirement for the securing or posting of any bond in connection with any action brought for injunctive relief hereunder.

Section 7.11 Severability. The invalidity or unenforceability of any provisions of this Agreement in any jurisdiction shall not affect the validity, legality or enforceability of the remainder of this Agreement in such jurisdiction or the validity, legality or enforceability of any provision of this Agreement in any other jurisdiction, it being intended that all rights and obligations of the parties hereunder shall be enforceable to the fullest extent permitted by law.

Section 7.12 Recapitalization and Similar Events. In the event that any shares of capital stock or other securities are issued in respect of, in exchange for, or in substitution of, Shares by reason of any reorganization, recapitalization, reclassification, merger, consolidation, spin-off, partial or complete liquidation, stock dividend, split-up, sale of assets, distribution to Stockholders or combination of shares of Common Stock or any other change in the Company's capital structure, appropriate adjustments shall be made to the provisions of this Agreement, as determined in good faith by the Board, so as to fairly and equitably preserve, as far as practicable, the original rights and obligations of the parties hereto under this Agreement.

[SIGNATURE PAGE FOLLOWS]

**IN WITNESS WHEREOF**, the undersigned, thereunto duly authorized, have hereunto set their respective hands as of the date and year first written above.

**[REORGANIZED PARENT]**

By: _____
Name:
Title:

**Address for Notices:**

**3820 State Street**

**Santa Barbara, CA 93105**

**Attn: Board of Directors**

**[___]**

**[___]**

**[___]**

**STOCKHOLDER**
**[_____]**

By: _____
Name:
Title:

**Address for Notices**:

_____
Address – Line 1

_____
Address – Line 2

_____
Address – Line 3

_____
Attention

_____
Facsimile

_____
Telephone

_____
Email

**EXHIBIT A**

**FORM OF JOINDER AGREEMENT**

This Joinder Agreement (this "***Agreement***"), dated as of _____, 201_, is made by and among [REORGANIZED PARENT], a Delaware corporation (the "***Company***"), and _____ (the "***Joining Party***"). Capitalized terms that are used but are not otherwise defined herein shall have the meanings given to them in the Stockholders Agreement (as defined below).

WHEREAS, the Company and the Stockholders are parties to that certain Stockholders Agreement, dated as of [_____] (as may be amended, supplemented or otherwise modified from time to time pursuant to the terms thereof, the "***Stockholders Agreement***").

WHEREAS, _____, a Stockholder, desires to Transfer Shares to the Joining Party (such Shares, the "***Transferred Shares***"), and pursuant to Section 4.1(e) of the Stockholders Agreement, as a condition to such Transfer, the Joining Party is required to execute and deliver to the Company an instrument in form and substance satisfactory to the Company confirming that the Joining Party is taking the Transferred Shares subject to the terms and conditions of the Stockholders Agreement and agreeing to be bound thereby.[2]

NOW, THEREFORE, in consideration of the premises and of the mutual agreements and covenants hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Company and the Joining Party hereby agree as follows:

1. Agreement to be Bound. The Joining Party hereby agrees that upon execution of this Agreement, it shall become a party to the Stockholders Agreement and shall be fully bound by, and subject to, all of the covenants, terms and conditions of the Stockholders Agreement as though an original party thereto and shall be deemed included in the definition of Stockholder for all purposes thereof. In addition, the Joining Party hereby agrees that all of the Transferred Shares shall be subject to all of the covenants, terms and conditions applicable to Shares under the Stockholders Agreement. The Joining Party acknowledges that it has been furnished with and has carefully read a copy of the Stockholders Agreement prior to its execution of this Agreement.

2. Counterparts. This Agreement may be signed in counterparts, any of which may be delivered via facsimile, PDF, or other forms of electronic delivery, each of

[2] NTD: if the Joining Party is receiving Employee Shares pursuant to the Management Incentive Plan, then use the following Whereas clause and change any additional "Transferred Shares" references to "Employee Shares."

WHEREAS, the Joining Party is a recipient of Employee Shares under the Management Incentive Plan, and pursuant to the Management Incentive Plan, as a condition to the receipt of such Employee Shares, the Joining Party is required to execute and deliver to the Company an instrument in form and substance satisfactory to the Company confirming that the Joining Party is taking the Employee Shares subject to the terms and conditions of the Stockholders Agreement and agreeing to be bound thereby

which shall be deemed an original, and all of which are deemed to be one and the same agreement binding upon the Company and the Joining Party.

3. Headings. The headings of the various sections of this Agreement have been inserted for convenience of reference only and shall not be deemed to be a part of this Agreement.

4. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to its conflicts of law doctrine. Each party hereby submits to the exclusive jurisdiction of the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (unless the Delaware Court of Chancery shall decline to accept jurisdiction over a particular matter, in which case, in any Delaware state or federal court within the State of Delaware, and any appellate court thereof), and any judicial proceeding brought against any of the Parties on any dispute arising out of this Agreement or any matter related hereto shall be brought in such courts. Each party hereby irrevocably waives, to the fullest extent permitted by law, any objection it may have or hereafter have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum. The Joining Party hereby consents to process being served in any such proceeding by the mailing of a copy thereof by registered or certified mail, postage prepaid, to the address set forth under its signature below, or in any other manner permitted by law. EACH PARTY HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHTS IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUCH ACTION OR PROCEEDING.

5. Severability. The invalidity or unenforceability of any provisions of this Agreement in any jurisdiction shall not affect the validity, legality or enforceability of the remainder of this Agreement in such jurisdiction or the validity, legality or enforceability of any provision of this Agreement in any other jurisdiction, it being intended that all rights and obligations of the parties hereunder shall be enforceable to the fullest extent permitted by law.

6. Entire Agreement. This Agreement and the Stockholders Agreement (together with the documents attached as exhibits thereto and any documents or agreements specifically contemplated thereby) constitute the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior agreements and understandings, both oral and written, between the parties with respect to the subject matter of this Agreement.

IN WITNESS WHEREOF, the undersigned, thereunto duly authorized, have hereunto set their respective hands as of the date and year first written above.

**JOINING PARTY**:

[_____]

By: _____
Name:
Title:

**Address for Notices**:

_____
ddress – Line 1

_____
Address – Line 2

_____
Address – Line 3

_____
Attention

_____
Facsimile

_____
Telephone

_____
Email

ACCEPTED:

[REORGANIZED PARENT]

By: _____
Name:
Title:

**EXHIBIT B**

**FORM OF SECURITY AGREEMENT**

# EXHIBIT G

## COVENANTS IN CONNECTION WITH SALE OF BUSINESS AGREEMENT

**COVENANTS IN CONNECTION WITH SALE OF BUSINESS AGREEMENT**

This COVENANTS IN CONNECTION WITH SALE OF BUSINESS AGREEMENT (this "Agreement") is made and entered into as of [_____], 201[__], by and between [Reorganized Parent], a Delaware corporation ("Purchaser"), and D. Stephen Sorensen ("Sorensen").

**RECITALS:**

A. Immediately prior to the date hereof, Sorensen and his Family Members own, directly or indirectly a majority of the capital stock, common membership interests, or common equity interests of [Butler Holdco] and its direct and indirect subsidiaries (collectively, the "Butler Entities").

B. Sorensen has agreed to enter into this Agreement (i) as a material inducement to Purchaser, to acquire the Butler Entities, as contemplated by the Purchase Agreement (as defined below) (the "Acquisition"), (ii) as a condition to closing under the Purchase Agreement, and (iii) to preserve for the benefit of Purchaser (as defined below) the value and goodwill of the Business (as defined below) of the Companies.

C. Sorensen acknowledges and agrees that he will receive actual, material benefits from the Acquisition under the Purchase Agreement.

**NOW, THEREFORE**, in consideration of the premises and covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby agree as follows:

1. Definitions. All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Purchase Agreement. For the purposes of this Agreement, the following additional terms shall have the meanings indicated:

(a) "Acquisition" has the meaning given to it in the recitals hereto.

(b) "Associates" means each person 100% of whose time is spent on assignments with a Company's customers, but specifically excluding all Colleagues, part-time employees, full-time employees, officers, and directors of any of the Companies.

(c) "Business" means (i) the business of providing temporary staffing and employment services throughout the United States [and [OTHER COUNTRIES WHERE BUTLER ENTITIES ARE DOING BUSINESS]], directly or indirectly, including the provision of such services to third parties, such as, but not limited to, personnel, payroll, and risk management services and (ii) the franchising, as franchisor or franchisee, of businesses for the provision of temporary staffing and employment services throughout the United States [and [OTHER COUNTRIES WHERE BUTLER ENTITIES ARE DOING BUSINESS]], directly or indirectly, including businesses that provide such services to third parties such as, but not limited to, personnel, payroll, and risk management services.


Sorensen's Initials _____

(d) "Butler Holdco" means _____.

(e) "Colleagues" means corporate and branch personnel providing services only for and/or at the Companies.

(f) "Companies" means, for the purposes of this Agreement, each of the Butler Entities, and their direct and indirect subsidiaries, and "Company" means any of the foregoing separately.

(g) "Company Covered Persons" means each Company and each director, manager, general partner, officer, and employee of a Company.

(h) "Competitor" means any person or entity that directly or indirectly competes with the Companies in the Business. The terms "Competition," "Competitive" and "Compete" have meanings correlative to the foregoing.

(i) "Confidential Information" means all nonpublic and/or proprietary information of the Companies, including, without limitation, information relating to their products, programs, projects, promotions, marketing plans and strategies, business plans or practices, business operations, employees, research and development, intellectual property, software, databases, trademarks, pricing information and accounting and financing data, and methods of design, distribution, marketing, service or procurement, regardless of whether such information has been reduced to documentary form. Confidential Information also includes information concerning the Companies' franchisees, customers, clients, vendors, distributors, licensors and licensees, such as their identity, address and other similar information kept by the Companies. Notwithstanding the foregoing, Confidential Information does not include information that is, or becomes, available to the public, unless such availability occurs as a result of a breach of this Agreement by Sorensen.

(j) "Family Members" means, with respect to any natural person, such person's spouse or divorced spouse, children, parents and lineal descendants of such Person's parents (in each case, natural or adopted).

(k) "Family Trust" of any natural person means a trust benefiting solely such person and/or the Family Members of such person.

(l) "Purchase Agreement" means that certain Purchase Agreement, entered into by and between Purchaser and Butler Holdco.

(m) "Restricted Period" means the forty-eight (48) month period after the Closing Date; provided, however, that if Sorensen enters into a Sale Non-Compete, the Restricted Period shall automatically terminate upon the termination of such Sale Non-Compete.

(n) "Sale Non-Compete" means a noncompetition agreement entered into by Sorensen in connection with a Drag-Along Sale (as defined in the Stockholders Agreement, dated as of the date hereof, among the Purchaser and its equityholders).

(o) "Sorensen" has the meaning given to it in the preamble hereto.

(p) "Sorensen Covered Persons" means (i) Sorensen, (ii) Shannon Sorensen, (iii) the Family Members of Sorensen, (iv) SB Group Holdings, Inc., (v) Sorensen Trust and each other trust, limited liability company and limited partnership benefitting one or more of the persons identified in clauses (i) through (iii), (vi) each entity other than a Company directly or indirectly controlling, controlled by or under common control with any of the persons or entities identified in clauses (i) through (v), where "control" means the possession, directly or indirectly, of the power to direct the management or policies of an entity, whether through ownership or voting of securities, by contract or otherwise, and (vii) each director, manager, general partner, officer, and employee of the entities identified in clauses (iv) through (vi).

(q) "Sorensen Group" means (i) those individuals listed in clauses (i) through (iii) of the definition of Sorensen Covered Persons, (ii) any Family Trust of Sorensen, and (iii) any entity 95% of whose voting interests and 95% of whose economic interests are owned, directly or indirectly, by one or more persons identified in the forgoing clauses (i) and (ii).

(r) "Sorensen Trust" means the Sorensen Family Trust U/D/T July 26, 1991, as amended.

(s) "Third Party Beneficiaries" means the Companies**.**

2. Consideration for Covenants. In consideration for Sorensen's agreement to abide by the restrictions contained herein, Purchaser agrees to consummate the Acquisition in the manner contemplated by, and subject to the terms and conditions of, the Purchase Agreement. Sorensen acknowledges and agrees that the consideration is an adequate exchange for the restrictions set forth in this Agreement.

3. Confidential Information. Sorensen covenants, agrees and acknowledges as follows:

(a) The Confidential Information has commercial value to the Companies.

(b) Sorensen will keep confidential all Confidential Information and will not, without the prior written consent of the Companies, use for his own benefit (except on behalf of the Companies) or disclose any Confidential Information, except as otherwise expressly permitted by this Agreement. This restriction applies to unauthorized disclosures of any kind containing Confidential Information, in any form or medium, including books, articles and internet transmissions.

(c) In the event Sorensen is required (by oral question or request for information or documents or otherwise) in any legal proceeding or by subpoena, civil investigative demand or similar process to disclose any Confidential Information, Sorensen shall not be prohibited from complying with any legal requirement to disclose such Confidential Information, provided that Sorensen (to the extent legally permitted)

shall first provide the Companies with written notice of any such required disclosure within a reasonable time of learning thereof and afford the Companies the right to participate at their own expense in objecting to or limiting the nature and scope of such disclosure.

(d) Sorensen agrees that promptly upon being so requested by the Companies, he shall provide to the Companies or destroy all Confidential Information in tangible form and all documents and other property belonging to the Companies in his possession, custody or control. If requested by the Companies, Sorensen will also provide a signed representation to the Companies to the effect that all property belonging to the Companies and all Confidential Information has been returned to the Companies or destroyed, and that all electronic data containing Confidential Information has been permanently deleted from any electronic storage device in Sorensen's possession, custody or control. Notwithstanding the foregoing, Sorensen shall not destroy hard copies of Confidential Information or delete Confidential Information where no back up is available to the Companies.

4. Non-Interference with Business Relationships. During the Restricted Period, except on behalf of the Companies, the Purchaser or any of their respective subsidiaries, Sorensen will not, directly or indirectly, as a director, officer, employee, manager, consultant, independent contractor, advisor or otherwise (including, without limitation, through any member of the Sorensen Group), do any of the following:

(a) make any statements or do any acts intended to cause, or reasonably likely to cause, or having the effect of causing, any franchisee, customer, client, vendor, distributor, licensor or licensee of the Companies to make use of the services or purchase the products of any business in which Sorensen (i) has or expects to acquire any interest (other than the Companies), (ii) is or expects to become a director, officer, employee, manager, consultant, independent contractor, advisor or otherwise (including, without limitation, through any member of the Sorensen Group), or (iii) has received or expects to receive any remuneration, if such services or products Compete with the Business; or

(b) engage in the Business or otherwise own any interest in, perform any services for or participate in or be connected with the Business of any Competitor or any other Business or organization which engages in Competition with the Companies in any jurisdiction;

provided, however, that the provisions of this Section 4 shall not be deemed to prohibit Sorensen's passive ownership of not more than five percent (5%) of the total shares of all classes of stock outstanding of any publicly traded company.

5. Non-Solicitation. During the Restricted Period, except on behalf of the Companies, the Purchaser or any of their respective subsidiaries, Sorensen will not, directly or indirectly, as a director, officer, employee, manager, consultant, independent contractor, advisor or otherwise (including, without limitation, through any member of the Sorensen Group), do any of the following:

(a) Employ or engage or solicit for employment or engagement, or advise or recommend to any other Person that he, she or it employ or solicit for employment or engagement any individual who is an employee or independent contractor of any of the Companies;

(b) Retain or attempt to retain, or advise or recommend to any other Person that he, she or it retain, the services of any independent contractor or consultant providing services to the Companies, if doing so would diminish the services being provided to the Companies; or

(c) (i) Solicit or do business with any present franchisees, customers, clients, vendors, distributors, licensors or licensees of the Companies or any former franchisees, customers, clients, vendors, distributors, licensors or licensees of the Companies or other Persons that were, within the six (6) month period prior to the prohibited conduct, franchisees, customers, clients, vendors, distributors, licensors or licensees of the Companies from whom the Companies derived revenue, for the purpose of Competing with the Companies' Business, or (ii) otherwise interfere with the business relationship between the Companies and any franchisee, customer, client, vendor, distributor, licensor or licensee of the Companies or other Person (or any Person known to Sorensen to be a prospective franchisee, customer, client, vendor, distributor, licensor or licensee of the Companies).

With respect to Section 5(a) though Section 5(c) above, and without limiting any obligations Sorensen may have as a fiduciary of any of the Companies:

(i) an "employee or independent contractor of any of the Companies" and an "independent contractor or consultant providing services to any of the Companies" means any of the following:

A. any Person who is (at the time of the prohibited conduct) or was (at any time within twenty-four (24) months prior to the prohibited conduct) (I) a senior executive officer of any of the Companies (including Senior Operating Committee members, regional managers, branch managers, and direct reports of the Company's Chief Executive Officer or President), (II) each sales representative that (1) is in the top 25% of all sales representatives of the Companies as measured by (x) annual compensation received in the prior year, (y) annual compensation expected to be received in the current year, or (z) gross revenue generated for the Companies, or (2) has or is otherwise responsible for one or more clients that are in the top 25% of all clients of the Companies measured by gross revenue received from such clients, and (III) recruiters that are in the top 25% of all recruiters of the Companies as measured by (1) annual compensation received in the prior year, (2) annual compensation expected to be received in the current year, or (3) number of Associates recruited to the Companies;


Sorensen's Initials _____

B. any Person who is (at the time of the prohibited conduct) or was (at any time within twelve (12) months prior to the prohibited conduct) a manager or supervisor of any of the Companies (excluding anyone in clause A above or clause C below); and

C. any Person who is (at the time of the prohibited conduct) or was (at any time within six (6) months prior to the prohibited conduct) an employee, independent contractor or consultant of or for any of the Companies and who is not otherwise identified in clauses A and B above, but specifically excluding each Associate.

(ii) a "franchisee, customer, client, vendor, distributor, licensor or licensee of the Companies" includes any Person known to Sorensen to be a prospective franchisee, customer, client, vendor, distributor, licensor or licensee of the Companies; and

(iii) Sorensen shall not be prohibited from advertising to the general public any employment opportunities or requests for consultancy services (which advertisements are not targeted at employees or independent contractors of any of the Companies), as long as Sorensen otherwise complies with the terms and conditions of this Section 5, which, for the avoidance of doubt, means that Sorensen may not employ or engage any "employee or independent contractor of any of the Companies" or any "independent contractor or consultant providing services to any of the Companies" who responds to such advertisements.

6. Non-Disparagement. Sorensen agrees that he will not, directly or indirectly, engage in any conduct or make any statement that disparages (a) the reputation of the Companies or any Third Party Beneficiaries, or their goodwill, products or business opportunities, or (b) any person known by Sorensen to be an officer, director or employee of any of the Companies or any Third Party Beneficiary. Nothing in this Section 6 shall prohibit Sorensen from making any truthful statement in any legal proceeding or before a governmental body.

7. Affiliate Transactions.

(a) Sorensen represents and warrants to the Companies that, except as disclosed in Schedule A to this Agreement, (i) there are no indebtedness, obligations or other liabilities between any Company Covered Person, on the one hand, and any Sorensen Covered Person, on the other, (ii) no Sorensen Covered Person provides or causes to be provided any assets, services or facilities to any Company Covered Person, (iii) no Company Covered Person provides or causes to be provided any assets, services or facilities to any Sorensen Covered Person, (iv) no Company Covered Person beneficially owns, directly or indirectly, any debt or equity securities, loans or the like issued by any Sorensen Covered Person, and (v) there are no other contracts or other arrangements between any Sorensen Covered Person, on the one hand, and any Company Covered Persons, on the other hand; except that the foregoing representation and warranty specifically is not intended to and does not include any agreements, transactions and other arrangements between and among Sorensen, on the one hand, and one or more Family Members of Sorensen, on the other, to the extent such agreements, transactions and other arrangements are unrelated to the Business of the Companies and their subsidiaries.

(b) Sorensen covenants, agrees, and acknowledges that during the Restricted Period, Sorensen shall provide prompt written notice to the Board of Directors of Purchaser of each liability, indebtedness, obligation, contract, arrangement or other matter that would have been required to be disclosed on Schedule A had such liability, indebtedness, obligation, contract, arrangement or other matter been incurred or entered into prior to the date of this Agreement.

8. Pre-Existing Agreements. Sorensen represents and warrants that he is not subject to any understanding, undertaking or agreement which would preclude his entering into this Agreement; provided, however, that nothing in this Agreement is intended to reduce or limit any of the restrictions set forth in the Covenants in Connection with Sale of Business Agreement made and entered into as of [_____], 2014, by and between Purchaser and Sorensen.

9. Reasonableness of Restrictions.

(a) This Agreement is an integral part of the transactions contemplated by the Purchase Agreement, and Sorensen acknowledges that Purchaser deems it to be a material inducement to consummate the transactions contemplated by the Purchase Agreement. It is the intention of the parties that the restrictions contained in this Agreement shall be enforceable to the fullest extent permitted by applicable law.

(b) Sorensen acknowledges and agrees that the limitations set forth in this Agreement are reasonable in duration, geographic area and scope and are properly required for the adequate protection of the Companies' Business. Sorensen acknowledges and recognizes that the Companies' Business is and has been conducted throughout the United States, [OTHER COUNTRIES WHERE BUTLER ENTITIES ARE DOING BUSINESS], and that the Companies and their equity holders are investing or will invest substantial sums of money to acquire, maintain and develop the

Companies' Business, that Companies and their equity holders would not be doing so but for the covenants contained in this Agreement, and that such covenants are necessary in order to protect and maintain the proprietary interests, goodwill and other legitimate business interests of the Companies and are reasonable in all respects.

(c) Sorensen represents that his experience, capabilities and circumstances are such that the provisions of this Agreement will not prevent him from earning a livelihood during the Restricted Period.

10. Injunctive Relief and Other Remedies. Sorensen acknowledges and agrees that any remedy at law for any breach or threatened breach of the provisions of this Agreement would be inadequate and, therefore, agrees that Companies shall be entitled to injunctive relief in addition to any other available rights and remedies in case of any such breach or threatened breach; provided, however, that nothing contained herein shall be construed as prohibiting the Companies from pursuing any other rights and remedies available for any such breach or threatened breach.

11. Notices. Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given (a) when delivered in person, (b) upon receipt when mailed by first class certified or registered mail, postage prepaid, (c) one (1) business day after being sent by overnight courier, or (d) upon confirmation of receipt by facsimile, addressed to the parties at their respective addresses specified below:

if to Companies, to:

c/o New Koosharem Corporation

[ADDRESS]

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

Milbank, Tweed, Hadley & McCloy LLP
601 South Figueroa Street, Thirtieth Floor
Los Angeles, California 90017
Attention: Mark Shinderman
Attention: Brett Goldblatt
Facsimile: (213) 629-5063

if to Sorensen, to:

[_____
3820 State Street
Santa Barbara, California 93105]

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

Cole Schotz
301 Commerce Street, Suite 1700
Fort Worth, TX 76102
Telephone: (817) 810-5250
Facsimile: (817) 810-5255
Attention: Michael Warner (mwarner@coleschotz.com)

-and-

Cole Schotz
Court Plaza North
25 Main Street
Hackensack, NJ 07601
Telephone: (201) 525-6234
Facsimile: (201) 678-6234
Attention: Adam J. Sklar (asklar@coleschotz.com)

Any party to this Agreement may change his or its address for notices by notice given pursuant to this Section 11.

12. Severability.

(a) Whenever possible, each provision of this Agreement will be interpreted in such manner as to be valid and enforceable under applicable law, but if the final judgment of a court of competent jurisdiction declares that any term or provision of this Agreement is invalid or unenforceable, the parties hereto agree that the court making the determination of invalidity or unenforceability will have the power to reduce the scope, duration, or geographic area of the term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement will be enforceable as so modified.

(b) The parties further agree that if any part of this Agreement is held by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced in whole or in part by reason of any rule of law or public policy, and cannot be modified in accordance with Section 12(a), above, such part shall be deemed to be severed from the remainder of this Agreement for the purpose only of the particular legal proceedings in question, and all other covenants and provisions of this Agreement shall in every other respect continue in full force and effect, and no covenant or provision shall be deemed dependent upon any other covenant or provision.

13. Miscellaneous.

(a) Third Party Beneficiaries. This Agreement is not intended and shall not be deemed to confer upon or give any person or entity, except the parties hereto, the Third Party Beneficiaries, and their respective successors and permitted assigns, any remedy, claim, liability, reimbursement, cause of action or other right under or by reason of this Agreement.

(b) Prohibited Indirect Activity. Sorensen agrees that he will not take any action intended for the specific purpose of avoiding any of the restrictions in this Agreement, including without limitation making any statements or taking any action intended to cause, any other Sorensen Covered Person to take any action that Sorensen would not be permitted to take under the terms of this Agreement.

(c) Waiver. Failure to insist upon strict compliance with any of the terms, covenants or conditions hereof shall not be deemed a waiver of such term, covenant or condition, nor shall any waiver or relinquishment of any right or power hereunder at any one or more times be deemed a waiver or relinquishment of such right or power at any other time or times.

(d) Entire Agreement; Modifications. This Agreement, together with the Purchase Agreement and the other agreements expressly referred to herein, constitutes the entire and final expression of the agreement of the parties with respect to the subject matter hereof and supersedes all prior agreements, oral and written, between the parties hereto with respect to the subject matter hereof. This Agreement may be modified or amended only by an instrument in writing signed by both parties hereto.

(e) Governing Law; Choice of Forum. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware (without reference to its choice of law principles). The parties expressly submit themselves to the exclusive jurisdictions of the state or federal courts located in Wilmington, Delaware in any action or proceeding relating to this Agreement. Each party hereby irrevocably waives, to the fullest extent permitted by law, any objection that he or it may now or hereafter have to the laying of the venue of any such action, suit or proceeding brought in such a court and any claim that any such action, suit or proceeding brought in such a court has been brought in an inconvenient forum. Nothing herein shall affect the right of any party to serve process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against the other parties in any other jurisdiction in any matter unrelated to this Agreement. TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH PARTY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHTS IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUCH ACTION OR PROCEEDING.

(f) Counterparts. This Agreement may be executed in counterparts, and delivered by facsimile or electronic mail, each of which shall be deemed an original, but both of which together shall constitute one and the same instrument.


Sorensen's Initials _____

14. ACKNOWLEDGEMENT. Sorensen represents and acknowledges the following:

(a) He has carefully read this Agreement in its entirety and understands the terms and conditions contained herein;

(b) He has had the opportunity to review, and has reviewed, this Agreement with legal counsel of his own choosing and has not relied on any statements made by Companies or their legal counsel as to the meaning of any term or condition contained herein or in deciding whether to enter into this Agreement; and

(c) He is entering into this Agreement knowingly and voluntarily, and his execution of this Agreement is not the result of any fraud, duress, mistake, or undue influence whatsoever.

[Remainder of page intentionally left blank.]


Sorensen's Initials _____

**IN WITNESS WHEREOF**, Purchaser and Sorensen have duly executed and delivered this Agreement as of the day and year first above written.

[REORGANIZED PARENT]

By:_____
Name: _____
Title: _____

D. STEPHEN SORENSEN

_____


Sorensen's Initials _____

EXHIBIT H

EMPLOYMENT AGREEMENT WITH MR. SORENSEN

# EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("Agreement") is entered into as of [●][1], by and between D. Stephen Sorensen ("Executive") and [Reorganized Parent], a Delaware corporation (the "Company").

## RECITALS

**WHEREAS**, the Company desires to employ Executive, and Executive desires to be employed by the Company, on the terms set forth in this Agreement.

## AGREEMENTS

**NOW**, **THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Employment Term. Subject to the terms and conditions set forth herein, the Company hereby agrees to employ Executive, and Executive hereby agrees to accept employment with the Company, to be effective on the date hereof (the "Effective Date"). Executive's employment with the Company shall continue, subject to earlier termination of such employment pursuant to the terms hereof, until the third anniversary of the Effective Date (the "Initial Term"). Unless a Non-Renewal Notice (as herein defined) is given as herein provided or Executive's employment is earlier terminated in accordance with the terms hereof, upon the expiration of the Initial Term, the period of Executive's employment shall thereafter be automatically extended for an additional twelve (12) month period on each anniversary of the Effective Date (each such twelve (12) month period, a "Renewal Term"). The period of Executive's employment with the Company as set forth in this Section 1 is referred to herein as the "Employment Term." The Company or Executive may elect to terminate the automatic extension of the Employment Term by giving written notice of such election not less than ninety (90) days prior to the end of the then current Employment Term (the "Non-Renewal Notice").

2. Employment Duties.

(a) Executive shall be the Chief Executive Officer of the Company and shall perform such duties and responsibilities for the Company as are customarily associated with such position or as may be assigned to Executive by the Board of Directors of the Company (the "Board") from time to time. Executive shall report to the Board. In addition to serving as Chief Executive Officer of the Company, Executive agrees to serve without additional compensation, if elected or appointed thereto, in one or more offices or as a member of the board of directors or board of managers of the Company or any of the Company's Subsidiaries and/or affiliates.

(b) Executive will devote substantially all of Executive's business time, and Executive will devote his best efforts, to the performance of Executive's duties hereunder and will not engage in any other business, profession or occupation for compensation or otherwise which would conflict or interfere with the rendition of such services either

[1] This will be the same day as the closing of the restructuring.

directly or indirectly, without the prior written consent of the Board; provided, that, subject the next succeeding proviso, nothing herein shall preclude Executive from continuing to serve on the board of directors or trustees of the entities set forth on Schedule A hereto or, for so long as Executive holds a controlling interest in [**INSERT:** Butler Holdco] or Esperer Holdings, Inc., from devoting time to such business and the business of their subsidiaries so long as Sorensen does not devote to such businesses and the business of their subsidiaries more than sixteen (16) hours per month in the aggregate; provided, further, that no outside business activities may, either directly or indirectly, materially conflict with or materially interfere with the performance of Executive's duties hereunder; and provided, further, that Executive shall, within fifteen (15) days of the close of each calendar quarter, provide the Board with written confirmation, certifying the number of hours per month Executive has devoted to [Butler Holdco] and Esperer Holdings, Inc. and the failure to provide such written confirmation shall constitute a failure by Executive to follow the lawful directives of the Board.

(c) Executive shall perform Executive's duties from the Company's office in Santa Barbara, California.

3. Base Salary. During Executive's employment hereunder, the Company shall pay Executive a base salary ("Base Salary") at the annual rate of $650,000, payable in regular installments in accordance with the Company's payment practices as in effect from time to time, but in no event less frequently than twice a month. Executive shall be entitled to such increases, but not decreases, in Base Salary, if any, as may be determined from time to time in the sole discretion of the Board or the compensation committee thereof.

4. Annual Bonus. With respect to each full calendar year of employment hereunder, Executive shall be eligible to earn an annual bonus award (an "Annual Bonus") with a target Annual Bonus of one hundred percent (100%) of Executive's Base Salary (the "Target Annual Bonus"), based upon the achievement of annual performance metrics established by the Board or a committee thereof, in consultation with Executive, within the first three (3) months of each calendar year, with any Company-specific annual performance metrics to be the same as those approved by the Board for other senior executives of the Company in addition to any annual performance metrics established for Executive by the Board or a committee thereof; provided, that the maximum Annual Bonus payable to Executive shall be two hundred percent (200%) of Executive's Base Salary. The Annual Bonus, if any is earned, shall be paid to Executive as soon as practicable following the review and approval of the Company's audited financial statements and any applicable adjustments thereto (but in no event later than thirty (30) days following such review and approval). Executive shall not earn any Annual Bonus with respect to a calendar year, and the right to an Annual Bonus shall not vest or become payable, unless Executive is employed with the Company on the day such Annual Bonus is paid, except as otherwise set forth in Section 10 hereof.

5. Retention Bonus. During the Initial Term, Executive shall be entitled to receive an annual retention bonus of $500,000 (each a "Retention Bonus"), payable in cash within thirty (30) days following each of the first three (3) anniversaries of the Effective Date, provided that the right to any Retention Bonus shall not vest and become payable unless Executive is still employed on each applicable anniversary of the Effective Date. For the avoidance of doubt, if Executive's employment is terminated for any reason (either by the Company or by Executive)

prior to an anniversary of the Effective Date, Executive shall not have earned any right to the Retention Bonus in respect of such anniversary and any future anniversaries of the Effective Date, and such amount(s) shall not be paid.

6. Benefits and Other Perquisites. During the Employment Term, the Company shall provide the following fringe benefits to Executive:

(a) Executive shall be entitled during the Employment Term to participate in such employee benefit plans and programs that are maintained from time to time for senior executives of the Company, to the extent that Executive's position, tenure, compensation, age, health and other qualifications make Executive (and Executive's spouse and dependents) (as the case may be) eligible to participate. The Company does not promise the adoption or continuance of any particular plan or program during the Employment Term, and Executive's (and Executive's spouse's and dependents') participation in any such plan or program shall be subject to the provisions, rules, regulations and laws applicable thereto; and

(b) Executive shall be entitled to take off such holidays as are observed by the Company from time to time and to four (4) weeks of paid vacation per year, to be taken at times mutually acceptable to Executive and the Company in accordance with the Company's vacation policy as it may exist from time to time; provided, that, if the Board or a committee thereof approves the provision to other senior executives of comparable tenure as Executive of more than four (4) weeks of paid vacation per year, Executive shall be entitled to the same number of weeks of paid vacation. Executive's annual vacation shall accrue ratably on a monthly basis and the total maximum amount of accrued vacation at any time shall be limited to the maximum amount of vacation to which Executive is entitled per year in accordance with this Section 6(b); provided that subject to the cap set forth herein, any amounts of accrued vacation not used in a given year shall not be forfeited and shall continue to be available for use in subsequent years.

(c) Executive shall be entitled to have the Company pay for or be reimbursed for the perquisites and other items set forth on Schedule B hereto and such perquisites and other items listed on Schedule B may not be modified or discontinued by the Company until the earlier of (i) a Change in Control or Qualified Initial Public Offering or (ii) the third anniversary of the Effective Date. To the extent any amounts paid to or paid on behalf of Executive do not qualify as deductible business expenses for the Company or Executive, such amounts shall be treated as imputed income to Executive and shall be subject to withholding as provided in Section 19(l), either from the reimbursement paid to Executive or from other amounts payable to Executive under this Agreement.

7. Expense Reimbursement.

(a) Executive shall be entitled to reimbursement for ordinary and reasonable out of pocket documented business expenses which Executive incurs in connection with performing Executive's duties under this Agreement, including travel, lodging and meal expenses in accordance with the Company's travel and expense reimbursement policies applicable to other senior executives of the Company as in effect from time to time and

approved by the Board, provided, however, Executive must comply fully with such travel and expense reimbursement policies.

8. Termination of Employment. Executive's employment with the Company:

(a) shall terminate upon Executive's death, Executive becoming Permanently Disabled (as determined pursuant to Section 9(d) hereof) or expiration of the Employment Term if a Non-Renewal Notice is delivered in accordance with the terms hereof, and may be terminated at any time by Executive for any reason (or no reason), including, without limitation, for Good Reason, or by the Company, for any reason (or no reason), including, without limitation, without Cause. Any termination of Executive's employment pursuant to the preceding sentence is referred to herein as an "Executive Termination";

(b) shall terminate on the following date: (i) if terminated as a result of Executive's resignation, with or without Good Reason, on the date specified in a written notice delivered by Executive to the Company, the effective date of such resignation to be no less than ninety (90) days from the date such notice is delivered to the Company, which notice period may be waived by the Company in its sole discretion; (ii) if terminated as a result of death, on the date of death; (iii) if terminated as a result of Executive becoming Permanently Disabled, on the date as of which Executive is determined to be Permanently Disabled as defined in Section 9(d); (iv) if terminated by the Company, on the date specified in a written notice delivered by the Company to Executive, the effective date of such notice to be no less than ninety (90) days from the date such notice is delivered to Executive; provided, that notwithstanding the foregoing, if the Company terminates Executive's employment for Cause, such termination shall be effective on the day following the meeting of the Board at which Executive is permitted to be present as described more fully in Section 9(a); and (v) on the last day of the Employment Term if a Non-Renewal Notice is delivered in accordance with the terms hereof; and

(c) shall terminate upon any breach by Executive of the Covenants in Connection with Sale of Business Agreement between the Company and Executive, dated as of the date hereof (the "Sale of Business Covenants Agreement"), which termination shall have the same effect as a termination for Cause under Section 10.

9. Definitions. As used in this Agreement:

(a) "Cause" shall mean:

(i) the failure or refusal of Executive to, in any material respect, follow the lawful and proper directives of the Board and such failure or refusal continues uncured for a period of ten (10) days after written notice provided by the Company to Executive detailing the nature of the alleged failure or refusal by Executive to follow directives of the Board;

(ii) any act constituting gross negligence or willful misconduct by Executive with respect to the Company;

(iii) any intentional breach by Executive of any statutory or common law duty of loyalty;

(iv) only with respect to events, circumstances, or acts or omissions of Executive which have occurred prior to the date of the Company's last audited financial statements prior to the Effective Date: the indictment, conviction, or plea of guilty or *nolo contendere* to (A) any crime constituting a felony or (B) any other crime or any other act or omission involving dishonesty, disloyalty, or fraud that, in the case of (A) or (B), causes material harm with respect to the Company or any of its customers, suppliers or other material business relations; or

(v) only with respect to events, circumstances, or acts or omissions of Executive which occurred or occur on or after the date of the Company's last audited financial statements prior to the Effective Date: the indictment, conviction, or plea of guilty or *nolo contendere* to (A) any crime constituting a felony or (B) any other crime or any other act or omission involving material dishonesty, disloyalty, or fraud, in the case of (A) or (B) with respect to the Company or any of its customers, suppliers or other material business relations;

provided, however, that in the event that the Company intends to terminate Executive's employment for Cause, Executive shall have the right to be heard by the Board with counsel present at a meeting of the Board convened to determine whether Cause exists to terminate Executive's employment with the Company. At such meeting, the Board shall make a determination by majority vote, excluding Executive, as to whether Cause exists and Executive's employment with the Company shall not be terminated until such determination is made by the Board.

(b) "Good Reason" shall mean, without Executive's consent,

(i) a material diminution in Executive's duties or position, provided that Executive no longer serving on the Board of the Company as a result of the Company becoming a Subsidiary or division of an acquirer of the Company shall not constitute a material diminution in Executive's duties or position;

(ii) any change in the reporting structure of the Company such that (A) Executive does not report directly to the Board (except due solely to the Company becoming a Subsidiary or division of an acquirer of the Company) or (B) any executive officer of the Company (with the exception of the general counsel, who shall report to both Executive and Board, and one senior accounting officer, who shall report only to the Board) does not report to Executive or a direct report of Executive;

(iii) a relocation of the Company's headquarters, or Executive's principal office, to a location more than twenty-five (25) miles from Santa Barbara, California, provided that such relocation is adverse to Executive; or

(iv) a material breach of this Agreement by the Company;

provided, however, that no termination by Executive for Good Reason for any of the foregoing reasons shall be effective unless and until (A) Executive has given the Company written notice of the reasons for the termination for Good Reason no more than ninety (90) calendar days following the initial existence of the condition(s) that constitute(s) Good Reason, and has given the Company at least thirty (30) calendar days in which to remedy such condition(s), (B) the Company has failed to remedy the same, and (C) Executive actually terminates his employment within sixty (60) calendar days after the expiration of the remedy period without remedy of the Good Reason by the Company.

(c) "Confidential Information" shall mean all nonpublic and/or proprietary information of the Company, its equityholders, and any of its Subsidiaries, including, without limitation, information relating to their products, programs, projects, promotions, marketing plans and strategies, business plans or practices, business operations, employees, research and development, intellectual property, software, databases, trademarks, pricing information and accounting and financing data, and methods of design, distribution, marketing, service or procurement, regardless of whether such information has been reduced to documentary form. Confidential Information also includes information concerning the Company's franchisees, customers, clients, vendors, distributors, licensors and licensees, such as their identity, address and other similar information kept by the Company. Notwithstanding the foregoing, Confidential Information does not include information that is, or becomes, available to the public, unless such availability occurs as a result of a breach of this Agreement by Executive.

(d) "Change in Control" shall mean (i) any individual, entity or group (within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934 (as amended, the "Exchange Act")) (a "Person") acquires beneficial ownership, directly or indirectly (within the meaning of Rule 13d−3 promulgated under the Exchange Act) (a "Beneficial Owner"), of more than 50% of the combined voting power of the then issued and outstanding shares of the voting common stock of the Company (the "Voting Stock"), (ii) the occurrence of a merger, consolidation, reorganization, share exchange or similar corporate transaction, whether or not the Company is the surviving corporation, other than a transaction which would result in the Voting Stock outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) at least 50% of the voting stock of the Company or such surviving entity immediately after such transaction, or (iii) the sale, transfer or disposition of at least forty percent (40%) of the assets of the Company to any Person in a twelve-month period, measured from the date of the most recent acquisition of the Company's assets by such Person.

(e) "Permanently Disabled" shall mean (i) Executive becomes eligible to receive benefits under the disability plan paid for the Company on behalf of Executive which is described more fully on Schedule B or (ii) if by reason of injury or illness (including mental illness) Executive shall be unable to perform the essential functions of his position for ninety (90) consecutive days or one hundred twenty (120) days, whether or not consecutive, in a 12 month period. If at any time there is a dispute between the Company and Executive as to whether Executive is Permanently Disabled, such dispute

shall be resolved by a qualified, independent physician, selected by the Company (subject to reasonable approval by Executive or Executive's personal representative, which shall be deemed given if such physician is not rejected by Executive or such representative within ten (10) days of notice thereof); provided, however, that in the event Executive or Executive's personal representative rejects the Company's selection of a physician, each of the Company and Executive or Executive's personal representative shall, within ten (10) days, select a physician (and if any of the Company or the Executive or such personal representative fails to select a physician within such 10-day period, the physician selected shall be the physician selected by the other party), and together those physicians shall, within ten (10) days, select a third physician who shall examine Executive, and Executive or Executive's personal representative shall cooperate fully with such physician, and the determination by such physician as to whether Executive is Permanently Disabled for the purposes of this Agreement shall be final. The Company shall bear the costs and expenses of such physician or physicians;

(f) "Person" shall mean an individual, an entity, a partnership, a corporation, a limited liability company or limited partnership, an association, a trust, a joint stock company, a trust, a joint venture, an unincorporated organization, or the United States of America or any other nation, any state or other political subdivision thereof, any entity exercising executive, legislative, judicial, regulatory or administrative functions of government;

(g) "Qualified Initial Public Offering" shall mean the first underwritten public offering of the common stock of the Company covering the offer and sale of common stock for the account of the Company underwritten by a reputable nationally recognized underwriter pursuant to which the common stock of the Company will be quoted on the NASDAQ or NYSE; and

(h) "Subsidiary" shall mean with respect to any Person, any corporation, partnership, limited liability company, association or other business entity of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (ii) if a partnership, limited liability company, association or other business entity, a majority of the partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by any Person or one or more Subsidiaries of that Person or a combination thereof. For the purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a partnership, limited liability company, association or other business entity if such Person or Persons shall be allocated a majority of partnership, limited liability company, association or other business entity gains or losses or shall be or control or have the right to appoint, as the case may be, the managing director, manager, board of advisors, of a company or other governing body of such partnership, limited liability company, association or other business entity by means of ownership interest, agreement or otherwise.

10. Payments by Virtue of Termination of Employment. Upon the occurrence of an Executive Termination:

(a) if an Executive Termination shall result from Executive's employment being terminated by the Company without Cause, from Executive's resignation for Good Reason, or from the delivery by the Company of a Non-Renewal Notice, Executive shall be entitled to:

(i) Executive's unpaid and accrued Base Salary accrued to the effective date of such termination, payable in accordance with the Company's regular payroll practices as in effect from time to time ("Accrued Salary"); plus

(ii) payment for accrued and unused vacation days accrued to the effective date of such termination (not to exceed the maximum annual amount of vacation to which Executive is entitled under Section 6(b)) in a lump sum payment on the next regularly scheduled payroll date of the Company following the effective date of such termination ("Vacation Pay"); plus

(iii) any unpaid expense reimbursement Executive is entitled to pursuant to Section 7 of this Agreement in a lump sum cash payment on the next regularly scheduled payroll date of the Company following the effective date of such termination ("Expense Reimbursement") (the amounts provided for under Subsections 10(a)(i), (ii), and (iii), together the "Accrued Amounts"); plus, subject to Section 11(a):

(iv) any Annual Bonus for which the annual performance targets with respect to a calendar year ending prior to the date of such termination are satisfied, but for which the right to payment thereof has not vested in accordance with Section 4 on the date of an Executive Termination, shall be deemed vested and payable at the same time such payment would be made if Executive continued to be employed by the Company ("Accrued Bonus"); plus

(v) any Annual Bonus for which the annual performance targets with respect to the calendar year in which the Executive's termination of employment occurs are satisfied (prorated based on a formula, the denominator of which shall be 365 and the numerator of which shall be the number of days that the Executive is employed by the Company during such calendar year), but for which the right to payment thereof has not vested in accordance with Section 4 on the date of an Executive Termination, shall be deemed vested and payable at the same time such payment would be made if Executive continued to be employed by the Company (the "Pro-Rata Bonus"); plus

(vi) as severance pay ("Severance Pay"), Executive will continue to receive his then Base Salary for a period of fifteen (15) months and 1.25 times Executive's Target Annual Bonus, payable in equal installments in accordance with the Company's regular payroll practices as in effect from time to time; provided, that the first installment of the Severance Pay shall be made on the next regularly scheduled payroll date of the Company following the sixtieth (60th) day

after the effective date of Executive's termination and shall include payment of any amounts that would otherwise be due prior thereto; plus

(vii) the Company will provide continued coverage under its health insurance plans ("Health Benefits Continuation") to Executive for a period of twelve (12) months, subject to Executive continuing to make premium payments at the current applicable employee rate for such coverage; provided, however, that if the Health Benefits Continuation is not permitted to be provided under the terms of the Company's health insurance plans (as in effect from time to time following the date of Executive Termination), and applicable law, the Company may provide the Health Benefits Continuation pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985 by paying an amount equal to the employer's portion of premium contributions for active employees, with Executive paying the premium payments at the current applicable employee rate for such coverage.

(b) if an Executive Termination shall result from (i) Executive's death, or (ii) Executive becoming Permanently Disabled, Executive or Executive's beneficiary, estate or personal representative (as the case may be) shall be entitled to the Accrued Amounts plus, subject to Section 11(a) of this Agreement, Executive's Accrued Bonus; and

(c) if an Executive Termination shall result from Executive's resignation (other than for Good Reason), by the delivery by Executive of a Non-Renewal Notice, or Executive's discharge for Cause, Executive shall be entitled only to the Accrued Amounts.

11. Release of Claims.

(a) All payments and benefits due to Executive under Sections 10(a) or 10(b), above, except for the Accrued Amounts, shall be expressly conditioned on, and shall be payable or continued only if, Executive (or, to the extent applicable, Executive's personal representative) delivers to the Company and does not revoke within the Revocation Period (as defined therein) a general release of all claims substantially in the form attached hereto as Exhibit A; provided, that if necessary, such general release may be updated and revised by the Company to comply with applicable law to achieve its intent. Such general release shall be executed and delivered to the Company in accordance with Section 19(a) within twenty-one (21) days following the effective date of an Executive Termination. Failure to timely execute and return such release or the revocation thereof shall be a waiver of Executive's right, if any, to the Severance Pay, the Accrued Bonus, the Pro-Rata Bonus, and the Health Benefits Continuation. In addition, the Company's obligation in respect of the Severance Pay, the Accrued Bonus, the Pro-Rata Bonus and the Health Benefits Continuation shall be expressly conditioned upon Executive's continuing compliance with the obligations under the Sale of Business Covenants Agreement and Sections 13, 14, 15, and 16 of this Agreement.

(b) Executive hereby acknowledges and agrees that, other than the payments described in Section 10, upon the effective date of any Executive Termination, Executive

shall not be entitled to any other severance or payments of any kind under any Company benefit plan, severance policy generally available to the Company's employees or otherwise and further, that the treatment of any equity awards granted by the Company to Executive shall be governed by the terms thereof.

(c) In the event that the Company gives Executive notice of a termination, or Executive gives the Company notice of his resignation with or without Good Reason, in any case to be effective at a date that is later than the date of the notice, the Company will have the option of dividing any notice period between working and non-working notice in any proportion it deems appropriate, without limiting any cure right Executive may have under Section 9 (a)(i), as long as it continues to pay Executive's Base Salary and permits Executive's participation in its benefit plans (subject to Executive's continued eligibility) during the notice period.

12. Resignation as an Officer and Director. Upon the effective date of any Executive Termination, Executive shall be deemed to have resigned, to the extent applicable, as an officer of the Company, as a member of the board of directors or similar body of any Subsidiary of the Company and as a fiduciary of any Company benefit plan. On or immediately following the effective date of any such Executive Termination, Executive shall confirm the foregoing by submitting to the Company written confirmation of Executive's resignation(s). Executive's right to continue to serve as a member of the Board of the Company or to designate a member of the Board of the Company shall be governed by that certain Stockholders Agreement, dated as of the date hereof, by and among the Company and its stockholders party thereto (the "Stockholders Agreement"); provided, however, that upon any violation by Executive of the Sale of Business Covenants Agreement, Executive, or his designee, shall be deemed to have resigned from the Board.

13. Return of Company Property. Within (a) ten (10) days following the effective date of an Executive Termination for any reason other than death or Permanent Disability, or (b) a reasonable period of time following an Executive Termination due to death or Permanent Disability, Executive or Executive's personal representative shall return all property of the Company in Executive's possession, custody or control, including but not limited to all Company-owned computer equipment (hardware and software), telephones, facsimile machines, Blackberry, tablet computer and other communication devices, credit cards, office keys, security access cards, badges, identification cards and all copies (including drafts) of any documentation or information (however stored) relating to the business of the Company and its Subsidiaries and affiliates, the Company's customers and clients or any prospective customers and clients. Anything to the contrary notwithstanding, Executive shall be entitled to retain (i) personal papers and other materials of a personal nature; provided, that such papers or materials do not include Confidential Information, (ii) information showing Executive's compensation or relating to reimbursement of expenses, and (iii) copies of plans, programs and agreements relating to Executive's employment, or termination thereof, with the Company which Executive received in his capacity as a participant.

14. Non-Disparagement. From and after an Executive Termination, Executive shall not make any negative, disparaging, detrimental or derogatory remarks or statements (written, oral, telephonic, electronic, or by any other method) about the Company or its Subsidiaries or any of their respective owners, partners, managers, directors, officers, employees or agents,

including, without limitation, any remarks or statements that could be reasonably expected to adversely affect in any manner (a) the conduct of the Company's or its Subsidiaries' businesses or (b) the business reputation or relationships of the Company or its Subsidiaries and/or any of their past or present officers, directors, agents, employees, attorneys, successors and assigns. Similarly, from and after an Executive Termination, the Board and senior management of the Company shall not make any such statements about Executive. Each of the Company, its Subsidiaries, and Executive understand and agree that their respective covenants under this Section 14 are special and unique and that the other party or parties may suffer irreparable harm if the other party hereto breaches this Section 14 because monetary damages would be inadequate to compensate the other party or parties for the breach of any of its covenants under this Section 14. Accordingly, each of the Company, its Subsidiaries, and Executive acknowledge and agree that the other party or parties shall, in addition to any other remedies available to the Company, its Subsidiaries or Executive at law or in equity, be entitled to obtain specific performance and injunctive or other equitable relief by a federal or state court in California to enforce the provisions of this Section 14 without the necessity of posting a bond or proving actual damages and to obtain attorney's fees in respect of the foregoing if the party bringing such action prevails in any such action or proceeding. This covenant survives the expiration or termination of this Agreement indefinitely.

15. Cooperation. From and after an Executive Termination, Executive shall provide Executive's reasonable cooperation in connection with any legal action or proceeding (or any appeal from any action or proceeding) which relates to events occurring during Executive's employment hereunder, provided, that the Company shall reimburse Executive for Executive's reasonable costs and expenses incurred in connection therewith, and such cooperation shall not unreasonably burden Executive or unreasonably interfere with any subsequent employment that Executive may undertake.

16. Confidentiality. Executive acknowledges that during the course of Executive's employment with the Company, Executive has or will have access to and knowledge of Confidential Information and the release of such Confidential Information to unauthorized persons would be extremely detrimental to the Company. As a consequence, Executive hereby agrees and acknowledges that Executive owes a duty to the Company not to disclose, and agrees that without the prior written consent of the Company, at any time, either during or after the Employment Term, Executive will not communicate, publish or disclose, to any person anywhere or use, any Confidential Information, except as may be necessary or appropriate to conduct Executive's duties hereunder, provided Executive is acting in good faith and in the best interest of the Company, or as may be required by law or judicial process. Executive will use Executive's best efforts at all times to hold in confidence and to safeguard any Confidential Information from falling into the hands of any unauthorized person and, in particular, will not permit any Confidential Information to be read, duplicated or copied except as reasonably necessary to the conduct of the Company's business.

17. Injunctive Relief and Specific Performance. Executive understands and agrees that Executive's covenants under Sections 13, 15, and 16 are special and unique and that the Company may suffer irreparable harm if Executive breaches any of Sections 13, 15, and 16 because monetary damages would be inadequate to compensate the Company for the breach of any of these sections. Accordingly, Executive acknowledges and agrees that the Company shall,

in addition to any other remedies available to the Company at law or in equity, be entitled to obtain specific performance and injunctive or other equitable relief by a federal or state court in California to enforce the provisions of Sections 13, 15, and 16 without the necessity of posting a bond or proving actual damages and to obtain attorney's fees in respect of the foregoing if the Company prevails in any such action or proceeding. These covenants survive the expiration or termination of this Agreement indefinitely.

18. Dispute Resolution.

(a) Other than the Company's and Executive's right to seek injunctive relief or specific performance as provided in this Agreement, any dispute, controversy or claim between Executive, on the one hand, and the Company, on the other hand, arising out of, under, pursuant to, or in any way relating to this Agreement shall be submitted to and resolved by confidential and binding arbitration ("Arbitration"), before a nationally recognized alternative dispute resolution service to be mutually agreed to by the parties, unless the parties are unable to agree, in which case arbitration shall be conducted before the American Arbitration Association ("AAA") (the AAA or any such other service referred to herein as the "ADR Service").

(b) The Arbitration shall be conducted in Los Angeles, California pursuant to the rules of the ADR Service then in effect governing commercial disputes before a single neutral arbitrator (the "Arbitrator") licensed to practice law and with experience with employment disputes. To submit a matter to Arbitration, the party seeking redress shall, in addition to complying with the applicable rules of the ADR Service, notify in writing, in accordance with Section 19(a) of this Agreement, the party against whom such redress is sought, describe the nature of such claim, the provision of this Agreement that has been allegedly violated and the material facts surrounding such claim.

(c) The Arbitrator shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of this agreement to arbitrate, including any claim that all or part of this Agreement is void or voidable and any claim that an issue is not subject to arbitration. All proceedings conducted pursuant to this agreement to arbitrate, including any order, decision or award of the arbitrator, shall be kept confidential by all parties, except to the extent such disclosure is required by law or in a proceeding to enforce any rights under this Agreement.

(d) The administration fees and expenses of the Arbitration shall be borne equally by the parties to the Arbitration; provided that each party shall pay for and bear the cost of his/its own experts, evidence, and attorneys' fees, except that in the discretion of the Arbitrator, any award may include the costs of a party's counsel and/or his/its share of the expense of Arbitration if the Arbitrator expressly determines that an award of such costs is appropriate to the party who substantially prevails in such Arbitration.

(e) The Arbitrator shall render a written, reasoned decision. The decision of the Arbitrator shall be binding upon the parties to the Arbitration, and after the completion of such Arbitration, the parties to the Arbitration may only institute litigation regarding this Agreement for the sole purpose of enforcing the Arbitration award or to seek injunctive or equitable relief pursuant to Sections 14 and 17 of this Agreement.

(f) Any award rendered in any Arbitration shall be final and conclusive upon the parties to the Arbitration and not subject to judicial review, and the judgment thereon may be entered in a court of competent jurisdiction (state or federal) having jurisdiction over the issues addressed in the Arbitration, but entry of such judgment will not be required to make such award effective. The Arbitrator may enter a default decision against any party who fails to participate in the Arbitration.

(g) THE PARTIES ACKNOWLEDGE THAT, BY SIGNING THIS AGREEMENT, THEY ARE WAIVING ANY RIGHT THAT THEY MAY HAVE TO A JURY TRIAL OR A COURT TRIAL RELATED TO THIS AGREEMENT.

19. Miscellaneous.

(a) Notices. Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given (a) when delivered in person, (b) upon receipt when mailed by first class certified or registered mail, postage prepaid, (c) one (1) business day after being sent by overnight courier, or (d) upon confirmation of receipt by facsimile, addressed to the parties at their respective addresses specified below:

if to Company, to:

[Reorganized Parent]
3820 State Street
Santa Barbara, California 93105
Attn: Board of Directors

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

Milbank, Tweed, Hadley & McCloy LLP
601 South Figueroa Street, Thirtieth Floor
Los Angeles, California 90017
Attention: Mark Shinderman
Attention: Brett Goldblatt
Facsimile: (213) 629-5063

if to Sorensen, to:

c/o New Koosharem Corporation
3820 State Street
Santa Barbara, California 93105

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

Cole Schotz
301 Commerce Street, Suite 1700
Fort Worth, TX 76102
Telephone: (817) 810-5250
Facsimile: (817) 810-5255
Attention: Michael Warner (mwarner@coleschotz.com)

-and-

Cole Schotz
Court Plaza North
25 Main Street
Hackensack, NJ 07601
Telephone: (201) 525-6234
Facsimile: (201) 678-6234
Attention: Adam J. Sklar (asklar@coleschotz.com)

Any party to this Agreement may change his or its address for notices by notice given pursuant to this Section 19(a).

(b) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, representatives, executors, administrators, distributees, devisees, legatees, successors and, solely with respect to the Company, its assigns, including without limitation any successor in interest to the Company who acquires all or substantially all of the Company's assets.

(c) In the event of any Executive Termination, Executive shall be under no obligation to seek other employment or otherwise mitigate the obligations of the Company under this Agreement and no such substitute employment or mitigation shall affect Executive's right to receive severance and other benefits hereunder.

(d) The Company's obligation to pay Executive the amounts, and to make the arrangements, provided hereunder shall be subject to set off or recoupment of any amounts loaned or advanced to Executive by the Company or any Subsidiary of the Company that are supported by reasonable documentation; provided, that any such set off or recoupment shall, in each case, be applied to the next dollars due to Executive from the Company during the applicable period.

(e) Except as expressly set forth herein, this Agreement, together with the Stockholders Agreement and any other agreement entered into between the Company and Executive on the date hereof, contains the entire agreement between the parties with respect to the subject matter hereof, and this Agreement supersedes all other agreements and drafts hereof, oral or written, between the parties hereto with respect to the subject matter hereof. No promises, statements, understandings, representations or warranties of any kind, whether oral or in writing, express or implied, have been made to Executive by any Person to induce Executive to enter into this Agreement other than the express terms

set forth herein, and Executive is not relying upon any promises, statements, understandings, representations, or warranties other than those expressly set forth in this Agreement.

(f) No change or modification of this Agreement shall be valid unless the same shall be in writing and signed by all of the parties hereto. No waiver of any provisions of this Agreement shall be valid unless in writing and signed by the party charged with such waiver. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver, unless so provided in the waiver.

(g) If any provision of this Agreement (or portion thereof) shall, for any reason, be held invalid or unenforceable, such provision (or portion thereof) shall be ineffective only to the extent of such invalidity or unenforceability, and the remaining provisions of this Agreement (or portions thereof) shall nevertheless be valid, enforceable and of full force and effect. If any court of competent jurisdiction or arbitrator finds that any provision contained in this Agreement is invalid or unenforceable, then the parties hereto agree that such invalid or unenforceable provision shall be deemed modified so that it shall be valid and enforceable to the greatest extent permissible under law, and if such provision cannot be modified so as to make it enforceable or valid, such finding shall not affect the enforceability or validity of any of the other provisions contained herein.

(h) This Agreement may be executed in identical counterparts, both of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party. In the event that any signature is delivered by facsimile transmission or by an e-mail which contains a portable document format (.pdf) file of an executed signature page, such signature page shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such signature page were an original thereof.

(i) The section or paragraph headings or titles herein are for convenience of reference only and shall not be deemed a part of this Agreement. The parties have jointly participated in the drafting of this Agreement, and the rule of construction that a contract shall be construed against the drafter shall not be applied. The terms "including," "includes," "include" and words of like import shall be construed broadly as if followed by the words "without limitation." The terms "herein," "hereunder," "hereof" and words of like import refer to this entire Agreement instead of just the provision in which they are found.

(j) Notwithstanding anything to the contrary in this Agreement:

(i) The parties agree that this Agreement shall be interpreted to comply with or be exempt from Section 409A of the Internal Revenue Code of 1986, as amended or replaced, and the regulations and authoritative guidance promulgated thereunder to the extent applicable (collectively "Code Section 409A"), and all provisions of this Agreement shall be construed in a manner

consistent with the requirements for avoiding taxes or penalties under Code Section 409A. In no event whatsoever will the Company be liable for any additional tax, interest or penalties that may be imposed on Executive under Code Section 409A or any damages for failing to comply with Code Section 409A.

(ii) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits considered "nonqualified deferred compensation" under Code Section 409A upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service." If Executive is deemed on the date of termination to be a "specified employee" within the meaning of that term under Code Section 409A(a)(2)(B), then with regard to any payment or the provision of any benefit that is considered nonqualified deferred compensation under Code Section 409A payable on account of a "separation from service," such payment or benefit shall be made or provided at the date which is the earlier of (A) the expiration of the six (6)-month period measured from the date of such "separation from service" of Executive, and (B) the date of Executive's death (either such period, the "Delay Period"). Upon the expiration of the Delay Period, all payments and benefits delayed pursuant to this Section 19(j)(ii) (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed on the first business day following the expiration of the Delay Period to Executive in a lump sum, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.

(iii) With regard to any provision herein that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Code Section 409A, (A) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, (B) the amount of expenses eligible for reimbursement, or in-kind benefits, provided during any taxable year shall not affect the expenses eligible for reimbursement, or in-kind benefits, to be provided in any other taxable year, provided, that this clause (B) shall not be violated with regard to expenses reimbursed under any arrangement covered by Internal Revenue Code Section 105(b) solely because such expenses are subject to a limit related to the period the arrangement is in effect and (C) such payments shall be made on or before the last day of Executive's taxable year following the taxable year in which the expense occurred.

(iv) For purposes of Code Section 409A, Executive's right to receive any installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment period with reference to a number of days (e.g., "payment shall be made within thirty (30) days following the date of

termination"), the actual date of payment within the specified period shall be within the sole discretion of the Company.

(k) This Agreement and any and all claims arising out of, under, pursuant to, or in any way related to this Agreement, including but not limited to any and all claims (whether sounding in contract or tort) as to this Agreement's scope, validity, enforcement, interpretation, construction, and effect shall be governed by the laws of the State of California (without regard to any conflict of laws rule which might result in the application of the laws of any other jurisdiction).

(l) The Company may withhold from any amounts payable under this Agreement such federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation.

(m) Notwithstanding anything that may be expressed or implied in this Agreement, Executive covenants, agrees and acknowledges that this Agreement may only be enforced against the Company. All claims or causes of action (whether in contract, tort or otherwise) arising out of or relating to this Agreement (including without limitation the negotiation, execution or performance of this Agreement and any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement) may be made only against the Company, and no one other than the Company (including without limitation any person negotiating or executing this Agreement on behalf of the Company) shall have any liability or obligation with respect to same.

(n) The covenants and obligations of the Company under Sections 6, 7, 10, 14, 18, and 19 hereof, the covenants and obligations of Executive under Sections 12, 13, 14, 15, 16, 17, 18, and 19 hereof, shall continue and survive any expiration of the Employment Term or an Executive Termination or Executive's ceasing to be an officer or employee of the Company or any termination of this Agreement.

[*signature page follows*]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

[REORGANIZED PARENT]

By:_____
By:
Title:

_____
D. Stephen Sorensen
Executive

# EXHIBIT I

## RESTRICTED STOCK AWARD AGREEMENT

# RESTRICTED STOCK AWARD AGREEMENT

## [Reorganized Parent]

## [2014] Stock Incentive Plan

This Award Agreement (this "Agreement") is made as of the [●] day of [●], 20[●][1] between **[**Reorganized Parent**]**, a [Delaware] corporation (the "Company"), and D. Stephen Sorensen ("Participant"), and is made pursuant to the terms of the [Reorganized Parent] 2014 Stock Incentive Plan (the "Plan"). Capitalized terms used herein but not defined shall have the meanings set forth in the Plan.[2]

## RECITALS:

**WHEREAS,** immediately prior to the effective date under the [Plan of Reorganization], Participant owns directly or indirectly, (i) 100% of the capital stock of New Koosharem Corporation and its direct and indirect subsidiaries, (ii) _____, a Delaware corporation ("Purchaser") and (iii) Decca Consulting, Inc. ("Decca Inc."), Decca Consulting, Ltd. ("Decca Ltd."), Resdin Industries Ltd. ("Resdin"), and Vaughan Business Solutions Inc. ("Vaughan", and together with Decca Inc., Decca Ltd., and Resdin, "DRV") (collectively, the "Companies");

**WHEREAS,** as a material inducement to the Purchaser, the Backstop Parties, and the other Lenders (each as defined in the Sale of Business Covenants Agreement made and entered into as of [_____], 2014, by and between Purchaser and Participant), to acquire, indirectly through the Purchaser, the Companies), as contemplated by the Plan and that certain Purchase Agreement dated as of _____, ____ by and among [Reorganized Parent], Participant, SB Group Holdings, Inc. and Esperer Holdings, Inc., with respect to all outstanding capital stock of Decca Inc., Decca Ltd., Resdin, and Vaughan (the "Purchase Agreement"), including without limitation the acquisition by Purchaser of DRV pursuant to the Purchase Agreement (the "Acquisition"), and as a condition to the effective date under the Plan and closing under the Purchase Agreement, as well as to preserve for the benefit of the Purchaser and the Companies and the Backstop Parties the value and goodwill of the Business (as defined in the Sale of Business Covenants Agreement) of the Companies, Participant has agreed to enter into the Sale of Business Covenants Agreement; and

**WHEREAS,** as partial consideration to Participant to enter into the Plan and the Sale of Business Covenants Agreement and to consummate the Acquisition, the Company is granting to Participant the award of Restricted Stock (as defined below) pursuant to the terms of this Agreement.

**NOW, THEREFORE**, in consideration of the premises and covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby agree as follows:

---

[1] Will be the effective date of the plan.
[2] Definitions of QLE, Change in Control and IPO will be in the Plan and based on/track term sheet definitions.

**Section 1. Grant of Restricted Stock.** The Company hereby grants to Participant, on the terms and conditions hereinafter set forth, an award of **[**5.5%**]**[3] shares of Common Stock of the Company (the "Restricted Stock"). For purposes of this Agreement, the "Grant Date" shall be [●], 20[●].

**Section 2. Vesting of the Shares.**

a) Time-Based Vesting. Except as otherwise provided herein, **[●]** shares [50% of RS] of the Restricted Stock (the "Time-Based Shares") shall be eligible to vest upon the occurrence of an IPO or Change in Control as set forth below.

i. *Change in Control*. Upon the occurrence of a Change in Control, 100% of the Time-Based Shares will vest, provided, except as set forth in Section 3 below, that Participant remains employed by the Company through the date that such Change in Control occurs.

ii. *IPO*. Upon the occurrence of an IPO, the Time-Based Shares will vest, provided, except as set forth in Section 3 below, that Participant remains employed by the Company on each of the relevant anniversaries of the Grant Date, as follows:

A. If the IPO occurs prior to the first anniversary of the Grant Date, the Time-Based Shares will vest ratably on each of the first four anniversaries of the Grant Date;

B. If the IPO occurs between the first and second anniversary of the Grant Date, 25% of the Time-Based Shares will vest on the date of the IPO, and the remaining Time-Based Shares will vest ratably on each of the second, third and fourth anniversaries of the Grant Date;

C. If the IPO occurs between the second and third anniversary of the Grant Date, 50% of the Time-Based Shares will vest on the date of the IPO, and the remaining Time-Based Shares will vest ratably on each of the third and fourth anniversaries of the Grant Date;

D. If the IPO occurs between the third and fourth anniversary of the Grant Date, 75% of the Time-Based Shares will vest on the date of the IPO, and the remaining Time-Based Shares will vest on the fourth anniversary of the Grant Date; and

E. If the IPO occurs following the fourth anniversary of the Grant Date, 100% of the Time-Based Shares will vest on the date of the IPO.

[3] Number of shares to be inserted once cap table finalized.

iii. *Termination of Employment Following an IPO*. Except as set forth in Section 3 below, upon the Participant's termination of employment or service relationship with the Company after there has been an IPO, the Time-Based Shares that have not become vested as of such event shall be immediately forfeited.

b) Performance-Based Vesting. Except as otherwise provided herein, [●] shares [50% of RS] of the Restricted Stock (the "Performance-Based Shares") shall be eligible to vest upon the occurrence of a Change in Control or IPO as set forth below.

i. *Change in Control*. Upon the occurrence of a Change in Control, the Performance-Based Shares shall vest to the extent the per share equity value of the Company implied by such Change in Control (as determined in good faith by the Board) meets the thresholds set forth below in this Section 2(b)(i) (the "Value Thresholds") and Participant will receive cash or securities on the same basis as other equity holders in the Change in Control transaction with respect to such vested Performance-Based Shares provided, except as set forth in Section 3 below, that Participant remains employed by the Company on the date such Change in Control occurs:

A. 25% of the Performance-Based Shares to vest on a Change in Control of 1.5 multiplied by the Target Share Price;

B. 50% of the Performance-Based Shares to vest on a Change in Control of 2.0 multiplied by the Target Share Price;

C. 75% of the Performance-Based Shares to vest on a Change in Control of 2.5 multiplied by the Target Share Price; and

D. 100% of the Performance-Based Shares to vest on a Change in Control of 3.0 multiplied by the Target Share Price.

"Target Share Price" means **[INSERT: Per share price in Rights Offering]**; provided, however, that the Target Share Price shall be proportionately adjusted if the Company (1) pays a dividend or makes a distribution on its Common Stock payable in shares of its Common Stock, (2) subdivides its outstanding shares of Common Stock into a greater number of shares, or (3) combines its outstanding shares of Common Stock into a smaller number of shares. The Company shall provide written notice to Participant of each adjustment of the Target Share Price pursuant to this paragraph.

Following the occurrence of a Change in Control, the portion of the Performance-Based Shares not vested under this Section 2(b) shall be immediately forfeited.

ii. *IPO*. Upon the occurrence of an IPO, the Performance-Based Shares will become eligible for vesting as and to the extent the equity value of the Company implied by the IPO achieves the Value Thresholds (the "IPO PB Shares") (and

any portion of the Performance-Based Shares not treated as IPO PB Shares shall be immediately forfeited); and the IPO PB Shares will vest, provided, except as set forth in Section 3 below, that Participant remains employed by the Company on each of the relevant anniversaries of the Grant Date, as follows:

A. If the IPO occurs prior to the first anniversary of the Grant Date, the IPO PB Shares will vest ratably on each of the first four anniversaries of the Grant Date;

B. If the IPO occurs between the first and second anniversary of the Grant Date, 25% of the IPO PB Shares will vest on the date of the IPO, and the remaining IPO PB Shares will vest ratably on each of the second, third and fourth anniversaries of the Grant Date;

C. If the IPO occurs between the second and third anniversary of the Grant Date, 50% of the IPO PB Shares will vest on the date of the IPO, and the remaining IPO PB Shares will vest ratably on each of the third and fourth anniversaries of the Grant Date;

D. If the IPO occurs between the third and fourth anniversary of the Grant Date, 75% of the IPO PB Shares will vest on the date of the IPO, and the remaining IPO PB Shares will vest on the fourth anniversary of the Grant Date; and

E. If the IPO occurs following the fourth anniversary of the Grant Date, 100% of the IPO PB Shares will vest on the date of the IPO.

Except as set forth in Section 3 below, upon the Participant's termination of employment or service relationship with the company following the occurrence of an IPO, any of the Performance-Based Shares not vested pursuant to the provisions of this Section 2(b)(ii) shall be forfeited immediately upon such termination of employment or service.

c) Vesting Limitation. Notwithstanding any other provisions of this Agreement, in the event that neither a Change in Control nor an IPO has occurred by the twentieth ($20^{th}$) anniversary of the Grant Date, all of, or the remaining unvested portion of, the Restricted Stock shall be automatically forfeited without any consideration owed to Participant.

**Section 3. Termination of Service.** For purposes of Section 3 and Section 4, any capitalized terms not defined in this Agreement or the Plan shall have the meanings set forth in the Employment Agreement between the Company and Participant dated as of [●] (the "Employment Agreement"). Upon the occurrence of an Executive Termination, except as provided in this Section 3, all of the Restricted Stock shall be automatically forfeited without any consideration owed to Participant.

a) Termination For Cause. Upon the occurrence of an Executive Termination for Cause or as a result of a breach of the Sale of Business Covenants Agreement,

100% of the Restricted Stock, whether vested or "unvested" (i.e., any Common Stock held by Participant which was formerly Restricted Stock) shall be forfeited and Participant shall not be entitled to any compensation or other amount with respect thereto; provided, however, that if the Executive Termination is for Cause as defined in Section 9(a)(iv) of the Employment Agreement, a portion of the Restricted Stock (in equal portions of Time-Based Shares and Performance-Based Shares) equal to (i) the total number of shares underlying the Restricted Stock times (ii) (X) the number of full months that have elapsed since the Grant Date, divided by, (Y) forty eight (48), will not be forfeited and will remain eligible for vesting. The portion of the Time-Based and Performance-Based Shares not eligible for vesting pursuant to the preceding sentence shall be immediately forfeited upon such an Executive Termination. The portion of such Time-Based and of Performance-Based Shares that remains eligible for vesting, shall vest upon a QLE consistent with the provisions of Section 2(b), above, without regard for the requirement that Participant remain employed through any future anniversaries of the Grant Date. If there is no QLE, the Time-Based and Performance-Based Shares shall be subject to forfeiture under Section 2(c), above.

b) Termination Without Good Reason; Death; Permanently Disability. Upon the occurrence of an Executive Termination by Participant without Good Reason (which includes Participant providing the Company with a Non-Renewal Notice) or upon Participant's death or the date Participant becomes Permanently Disabled, a portion of both of the Time-Based and Performance-Based Shares, based on the schedule set forth above in Section 2(a) for Time-Based Shares, will not be forfeited and will remain eligible for vesting. The portion of the Time-Based and Performance-Based Shares not eligible for vesting pursuant to the preceding sentence shall be immediately forfeited upon such an Executive Termination. The portion of such Time-Based and of Performance-Based Shares that remains eligible for vesting, shall vest upon a QLE consistent with the provisions of Section 2(b), above, without regard for the requirement that Participant remain employed through any future anniversaries of the Grant Date. If there is no QLE, the Time-Based and Performance-Based Shares shall be subject to forfeiture under Section 2(c), above.

c) Termination Without Cause; for Good Reason; Non-Renewal Notice. Upon the occurrence of an Executive Termination by the Company without Cause, by Participant for Good Reason, or as a result of the Company providing Participant with a Non-Renewal Notice, 100% of the Time-Based and Performance-Based Shares will not be forfeited and will remain eligible for vesting, provided that the Time-Based Shares shall vest only upon the occurrence of a QLE and the Performance-Based Shares shall only vest in accordance with the provisions of Section 2(b), above, without regard for the requirement that Participant remain employed through any future anniversaries of the Grant Date. If there is no QLE, the Time-Based and Performance-Based Shares shall be subject to forfeiture under Section 2(c), above.

**Section 4. Breach of Sale of Business Covenants Agreement**. Notwithstanding any other provision of this Agreement or the Plan, in the event that Participant is adjudicated by a court of law to have breached the terms of the Sale of Business Covenants Agreement whether while employed by the Company or following an Executive Termination, all of the Restricted Stock that is unvested shall not vest and such shares will be cancelled, and all of the Restricted Stock that has vested (i.e., any Common Stock held by Participant which was formerly Restricted Stock) shall be surrendered by Participant, or, in the event Participant has transferred any of the Restricted Stock to any person or entity (whether in accordance with Section 5 of this Agreement or otherwise), such person or entity shall surrender any Restricted Stock held by such person or entity to the Company, and Participant, or any person or entity to which such Restricted Stock was transferred, shall have no further claim thereto and shall not be entitled to any compensation or other amount with respect thereto; provided, however, that while the issue of Participant's breach of the Sale of Business Covenants Agreement is being adjudicated, Participant may not transfer, sell, assign, or otherwise dispose of the Restricted Stock and any cash or other consideration payable to Participant as a result of a Change in Control, IPO, QLE or Special Dividend (as defined below) shall be held in escrow pending the issuance of a final non-appealable judgment. In addition, from the date that the Company notifies Participant in writing that the Company believes Participant has breached the terms of the Sale of Business Covenants Agreement and continuing through the date that the adjudication of any dispute with respect to such alleged breach has concluded, the Participant, and any person or entity to which he transfers any of the Restricted Stock, hereby appoints the Company as proxy and attorney-in-fact with full power of substitution with respect to the Restricted Stock and the Company shall be entitled to vote (and exercise all rights and powers in respect of voting) all shares of the Restricted Stock and otherwise act with respect thereto as though it were the outright owner thereof.

**Section 5. Restrictions on Transfer.** No shares of Restricted Stock may be transferred, pledged, assigned, hypothecated or otherwise disposed of in any way by Participant, except by will or by the laws of descent and distribution and, in any event, in accordance with any resale restrictions under applicable securities laws. In the event that a Participant becomes legally incapacitated, Participant's rights with respect to the Restricted Stock shall be exercisable by Participant's legal guardian, committee or legal representative. The Restricted Stock shall not be subject to execution, attachment or similar process. Any attempted assignment, transfer, pledge, hypothecation or other disposition of the Restricted Stock contrary to the provisions hereof, and the levy of any execution, attachment or similar process upon an Restricted Stock, shall be null and void and without effect. All shares of Common Stock underlying the Restricted Stock shall be subject to the transfer restrictions and rights of the Company set forth in Section 11.1 of the Plan (with respect to securities laws limitations on transfers), and shall continue to be subject to such transfer restrictions and rights following the vesting of the Restricted Stock. Subject to Section 7, below, the restrictions set forth in this Section 5 shall not be applicable to any shares of Restricted Stock that vest under the terms of this Agreement and the Plan after the occurrence of an IPO.

**Section 6. Investment Representation.** Upon the acquisition of the Restricted Stock at a time when there is not in effect a registration statement under the Securities Act relating to the shares of Common Stock, Participant hereby represents and warrants, and by virtue of such acquisition shall be deemed to represent and warrant, to the Company that the Restricted Stock shall

be acquired for investment and not with a view to the distribution thereof, and not with any present intention of distributing the same, and Participant shall provide the Company with such further representations and warranties as the Company may require in order to ensure compliance with applicable federal and state securities, blue sky and other laws. No Restricted Stock shall be acquired unless and until the Company and/or Participant shall have complied with all applicable federal or state registration, listing and/or qualification requirements and all other requirements of law or of any regulatory agencies having jurisdiction, unless the Board has received evidence satisfactory to it that Participant may acquire the Restricted Stock pursuant to an exemption from registration under the applicable securities laws. Any determination in this connection by the Board shall be final, binding and conclusive. The Company reserves the right to legend any certificate or book entry representation of the shares of Common Stock, conditioning sales of such shares upon compliance with applicable federal and state securities laws and regulations.

**Section 7. Lock-Up Period.** Notwithstanding anything contained in this Agreement to the contrary, Participant shall not, without the consent of the Company, sell or otherwise transfer any shares of Common Stock (or successor interests thereto received in connection with an IPO for a period of time determined by the Board as requested by the underwriters in connection with the IPO). The Company may impose stop-transfer instructions and may stamp each stock certificate with a legend as the Company may consider appropriate under the circumstances to effectuate the foregoing restriction.

**Section 8. Tax Withholding.** The Company shall have the power and the right to deduct or withhold (including, in its sole discretion, without limitation, by reduction of the number of shares of the Restricted Stock), or Participant may elect to remit to the Company, the minimum statutory amount to satisfy federal, state, and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of this Agreement. Further, the restrictions applicable to the Award shall not lapse at the time such Award vests unless all withholding tax obligations have been satisfied pursuant to Section 7.5 and Section 11.4 of the Plan.

**Section 9. Adjustments**. The Restricted Stock granted hereunder shall be subject to the provisions of Section 4.2 of the Plan relating to adjustments for recapitalizations, reclassifications and other changes in the Company's corporate structure and for material corporate transactions.

**Section 10. No Right of Continued Service**. Nothing in the Plan or this Agreement shall confer upon Participant any right to continued Service with the Company or an Affiliate.

**Section 11. Stockholder Rights.** Participant shall have the privileges of a stockholder of the Company with respect to the Restricted Stock awarded hereunder, including without limitation the right to vote shares underlying the Restricted Stock or to receive regular dividends or other distributions in respect thereof, provided that such amounts shall be held in a segregated account and released to Participant only upon vesting of the Restricted Stock. Any Common Stock or other securities received as a stock dividend or distribution will be subject to the same restrictions as the underlying Restricted Stock Award, but will not be distributed to Participant unless and until the shares of Restricted Stock with respect to which such dividends were paid vest in accordance with Section 2 or Section 3.

**Section 12. Special Dividends.** Notwithstanding Section 11, above, in the event that the Company declares and pays any dividends to its equity holders which, in the aggregate equal or exceed $25,000,000 (any amount once such threshold is reached including a portion of a particular dividend, a "Special Dividend"), Participant shall have the right to receive cash payments in respect of the Restricted Stock (on the same basis as other equity holders as if such Restricted Stock were shares of Common Stock of the Company) as set forth below.

a) Time-Based Shares. Each time a Special Dividend is declared by the Company, Participant shall be entitled to a cash payment at such time with respect to all Time-Based Shares for which the service conditions, as set forth in Section 2(a) above, have been satisfied, with the remaining amounts payable at the time the subsequent service conditions lapse on each applicable anniversary of the Grant Date with respect to each remaining portion of the Time-Based Shares.

b) Performance-Based Shares. Each time a Special Dividend is declared by the Company, the Company will obtain a valuation opinion by the firm of its choosing, or to the extent a valuation is obtained contemporaneously with any financing or other transaction which precipitated such Special Dividend, such valuation will be used, and Participant will receive a cash payment at such time to the extent the Value Thresholds with respect to the Performance-Based Shares are satisfied. To the extent that the Value Thresholds are not satisfied with respect to a particular Special Dividend, the portion of any amount that would have been payable with respect to the Performance-Based Shares which have not met the Value Thresholds shall not accrue, and Participant shall not be eligible to receive such amounts.

**Section 13. Construction.** The Restricted Stock granted hereunder is granted pursuant to the Plan and is in all respects subject to the terms and conditions of the Plan. Participant hereby acknowledges that a copy of the Plan has been delivered to Participant and accepts the Restricted Stock hereunder subject to all terms and provisions of the Plan, which are incorporated herein by reference. In the event of a conflict or ambiguity between any term or provision contained herein and a term or provision of the Plan, the Plan will govern and prevail. The construction of and decisions under the Plan and this Agreement are vested in the Board, whose determinations shall be final, conclusive and binding upon Participant.

**Section 14. Governing Law.** This Agreement shall be construed and enforced in accordance with, the laws of the State of Delaware, without giving effect to the choice of law principles thereof.

**Section 15. Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

**Section 16. Binding Effect**. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns.

**Section 17. Entire Agreement.** Participant acknowledges and agrees that this Agreement and the Plan constitute the entire agreement between the parties with respect to the subject matter hereof and thereof, superseding any and all prior agreements whether verbal or otherwise, between the parties with respect to such subject matter.

(SIGNATURES ON FOLLOWING PAGE)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date first above written.

[**REORGANIZED PARENT]**

By: _____
Name:_____
Title:_____

**PARTICIPANT**

_____
Name: D. Stephen Sorensen
Date:

EXHIBIT J

LEASE AMENDMENTS

**For Employment Term Sheet situation "(A)"**

**AMENDMENT TO LEASE**
[property address]

THIS AMENDMENT TO LEASE (this "**Amendment**") is dated as of _____, __ 2014 (the "**Amendment Date**"), and is entered into by and between [LANDLORD ENTITY], a [STATE] [ENTITY TYPE] ("**Landlord**"), and [TENANT ENTITY], a [STATE] [ENTITY TYPE] ("**Tenant**").

RECITALS:

WHEREAS, Landlord, or Landlord's predecessor-in-interest, and Tenant, or Tenant's predecessor-in-interest, entered into that certain lease described on Exhibit A attached hereto and made a part hereof (the "**Lease**");[1]

WHEREAS, pursuant to the Lease, Landlord leased to Tenant, and Tenant leased from Landlord, certain premises more particularly described in the Lease (the "**Leased Premises**") for use by New Koosharem Corporation and its subsidiaries (collectively "**Company**") as permitted by the Lease; and

WHEREAS, Tenant and Landlord now desire to amend the Lease on the terms and conditions contained in this Amendment.

AGREEMENT:

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Capitalized Terms. All capitalized terms used but not defined herein shall have the same meaning as is given such terms in the Lease.

2. Early Termination.

A. *Opt-Out*. Tenant may terminate the Lease, without liability to Landlord, at any time after the earlier to occur of (i) three (3) years from the Amendment Date or (ii) a Qualified Liquidity Event (defined below), in either event by giving Landlord not less than thirty (30) days' advance written notice thereof, which notice shall include the effective date of such termination. "**Qualified Liquidity Event**" means (1) (A) the acquisition by a Person or group of Persons (other than one or more Permitted Holders) of capital stock of Company that constitutes at least 50% of the total fair market value or the total voting power of the capital stock of Company then outstanding, (B) a merger, amalgamation, consolidation or similar transaction that

[1] NTD: This form of Amendment will be used for the following 5 leases: (1) 4545 Via Esperanza; (2) 4328 Via Esperanza; (3) 21 White Pine Canyon; (4) 170 Via Lee; and (5) 40 North State.

results in the stockholders of Company, as of immediately prior to such transaction, together with the Permitted Holders, ceasing to collectively and beneficially own at least 50% of the outstanding equity securities of the surviving or resulting corporation as of immediately following such transaction, or (C) a sale of at least 40% of the assets of Company (or any Affiliate or subsidiary of Company holding substantially all of the assets of Company on a consolidated basis) to a Person or a group of Persons in a twelve (12) month period, measured from the date of the most recent acquisition of Company's (or such Affiliate's or subsidiary's) assets by such Person or group of Persons, or (2) the first underwritten public offering of the equity securities of Company or one of its Affiliates or subsidiaries on a firm commitment basis covering the offer and sale of equity securities of Company or such Affiliate or subsidiary for the account of Company or such Affiliate or subsidiary and/or its stockholders underwritten by a reputable nationally recognized underwriter pursuant to which such equity securities will be quoted on the NASDAQ or NYSE. "**Permitted Holder**" means (a) Anchorage Capital Master OffShore, Ltd., (b) GRF Master Fund II, L.P., (c) Blue Mountain Credit Alternatives Master Fund L.P., (d) BlueMountain Distressed Master Fund L.P., (e) BlueMountain Guadalupe Peak Fund L.P., (f) BlueMountain Kicking Horse Fund L.P., (g) BlueMountain Long/Short Credit Master Fund L.P., (h) BlueMountain Montenvers Master Fund SCA SICAV-SIF, (i) BlueMountain Long/Short Credit and Distressed Reflection Fund, a sub-fund of AAI BlueMountain Fund PLC, (j) BlueMountain Timberline Ltd., (k) BlueMountain Strategic Credit Master Fund L.P., (l) BlueMountain Credit Opportunities Master Fund I L.P., (m) Pine River Fixed Income Master Fund Ltd., (n) LMA SPC for and on behalf of the MAP 89 Segregated Portfolio, (o) Pine River Opportunistic Credit Master Fund Ltd., (p) Pine River Master Fund Ltd., (q) Pine River Credit Relative Value Master Fund Ltd., (r) Marblegate Special Opportunities Master Fund, L.P., (s) Redwood Master Fund, Ltd., (t) each Affiliate of the foregoing, (u) in the case of any of the foregoing that is, or is managed by, an investment manager, such investment manager, any of such investment manager's Affiliates, and each fund or pooled investment fund managed by such investment manager or any of such investment manager's Affiliates.

B. *Effective Date*. If Tenant delivers notice of termination to Landlord as provided in Paragraph 2.A, above, the Lease shall terminate as of 11:59 p.m. on the effective date specified for termination in Tenant's notice, and Landlord and Tenant shall have no further obligations under, related to, or arising out of the Lease after such date (other than with respect to obligations relating to periods prior to the termination date and terms that, by their nature or pursuant to the terms of the Lease, survive termination).

3. Rent. The current rent payable by Tenant pursuant to the Lease is set forth on Exhibit B attached hereto and made a part hereof[, and is subject to adjustment and/or escalation in accordance with the terms of the Lease].[2]

4. Option to Extend. Tenant shall have and is hereby granted the option ("**Tenant's Renewal Option**") to extend the term of the Lease for a single twelve (12) month term (the "**Renewal Term**") by providing written notice to Landlord of Tenant's exercise of Tenant's Renewal Option no later than sixty (60) days before the end of the term of the Lease. If Tenant

[2] This language not to be included for the two properties located at 4545 and 4328 Via Esperanza.

exercises Tenant's Renewal Option, all terms and conditions of the Lease shall remain in full force and effect during the Renewal Term.

5. Leasehold Mortgage.

A. *Landlord Consent To Leasehold Mortgage*. Landlord hereby consents to Tenant's mortgaging of the Lease and the leasehold estate created thereby (collectively, "**Tenant's Leasehold Interest**"), including, but not limited to, any improvements made thereto, and acknowledges and agrees that such mortgaging of Tenant's Leasehold Interest shall not impose any obligation on any mortgagee under any mortgage ("**Leasehold Mortgagee**") unless and until such Leasehold Mortgagee shall succeed to Tenant's Leasehold Interest through foreclosure or otherwise. From and after the date hereof, Tenant may mortgage Tenant's Leasehold Interest without any further consent of Landlord.

B. *Leasehold Mortgagee Protection*. If Landlord shall become entitled to terminate the Lease by virtue of a default by Tenant, Landlord shall, before terminating the Lease, give to Leasehold Mortgagee a notice specifying the default by Tenant and Leasehold Mortgagee shall have the right to remedy such default, (i) in the case of a monetary default, within thirty (30) days after Leasehold Mortgagee's receipt of such notice, or, (ii) in the case of a non-monetary default, sixty (60) days after Leasehold Mortgagee's receipt of such notice or such longer time as is reasonably necessary for remedy of such default. Landlord may not exercise any other right of termination provided to Landlord under the Lease without Leasehold Mortgagee's prior written consent. No modification, supplement, or mutual agreement of termination of the Lease will be binding upon Leasehold Mortgagee without Leasehold Mortgagee's prior written consent to such modification, supplement, or mutual agreement of termination.

6. Recordation. Upon request from Tenant, and within ten (10) days of receiving such request, Landlord shall execute a memorandum of lease in a form reasonably acceptable to Tenant. Tenant may record such memorandum of lease in the land records of the jurisdiction in which the Leased Premises are located and Landlord hereby consents to such recordation. Notwithstanding the foregoing, Landlord shall not be required to take or omit to take any action hereunder that would result in a breach of, default under, or otherwise conflict with, the terms of any existing mortgage, lien or other encumbrance on the Premises.

7. Assignment. Notwithstanding anything to the contrary contained in the Lease, Tenant may assign Tenant's Leasehold Interest without Landlord's consent in the event of a Change in Control.

8. Status. The parties hereby confirm that the Lease is in full force and effect and has not been modified, amended, or supplemented except as set forth herein and on Exhibit A attached hereto and made a part hereof. No default by Landlord or Tenant has occurred and is continuing and no event has occurred and is continuing which, with the giving of notice or the lapse of time, or both, would constitute such a default. No outstanding delinquent amounts are due or payable by Tenant to Landlord under the Lease.

9. Title. As of the date hereof, Landlord hereby represents and warrants to Tenant that, except as set forth on Exhibit C attached hereto and made a part hereof, Landlord has good and marketable title to the Leased Premises, free and clear of any liens or encumbrances thereon which are senior to the Lease and which, individually or in the aggregate with other such liens or encumbrances, materially impair Tenant's use of the Leased Premises; provided, however, that, notwithstanding the foregoing or anything to the contrary contained in the Lease, Tenant hereby affirms, acknowledges and agrees that the Lease and Tenant's interest therein are each subject and subordinate to any security instrument that is currently (to the extent identified on Exhibit C), or hereafter may be, secured by the Leased Premises (each holder of any such security instrument, a "**Fee Mortgagee**"). From and after the Amendment Date, Landlord and Tenant shall cooperate in good faith and use commercially reasonable efforts to seek and obtain a commercially reasonable subordination, non-disturbance and attornment agreement ("**SNDA**") from the Fee Mortgagee (if any), which SNDA shall be entered into (if at all) by and among such Fee Mortgagee, Landlord and Tenant; provided, however, that, except for any costs or expenses incurred in connection with the negotiation and/or preparation of such SNDA, neither Landlord nor Tenant shall be required to pay any fee or other amount, or, except as may be set forth in such SNDA, agree to any material change in the terms of any security instrument or any arrangement related thereto, in connection with, or as consideration for, obtaining any such SNDA.

10. Brokers. As part of the consideration for the granting of this Amendment, Tenant and Landlord each represent and warrant to the other that, to such party's knowledge, no real estate broker, agent, or finder negotiated, or was instrumental in negotiating or consummating, this Amendment, and that they know of no real estate broker, agent, or finder who is, or might be, entitled to a commission or compensation in connection with this Amendment. Any real estate broker, agent, or finder of Tenant whom Tenant has failed to disclose herein shall be paid solely by Tenant, and any real estate broker, agent, or finder of Landlord whom Landlord has failed to disclose herein shall be paid solely by Landlord. Each party shall hold the other party harmless from all damages and indemnify the other party for all said damages paid or incurred by such indemnified party resulting from a breach of the foregoing representation and warranty by the indemnifying party.[3]

11. No Further Modification. Except as modified in this Amendment, all of the terms and provisions of the Lease shall apply and shall remain unmodified and in full force and effect.

12. Counterparts. This Amendment may be executed in counterparts, all of which, when taken together, shall constitute a single and enforceable agreement. Signatures to this Amendment transmitted by facsimile, electronic mail, or telecopy shall be binding on the party so executing and such party shall not use as a defense against the enforceability of this Amendment the fact that such signature so transmitted is not "original." Notwithstanding the foregoing, each party hereby agrees to promptly deliver original counterpart signatures of this Amendment to the other party, which, when delivered, shall replace and supersede any facsimile, electronic mail, or telecopy version thereof.

[3] NTD: NTD: Parties to confirm.

13. Entire Agreement. This Amendment, together with the Lease, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes any prior oral or written agreements or understandings between the parties related thereto.

14. Construction and Interpretation. This Amendment will in all events be construed as a whole, according to its fair meaning, and not strictly for or against a party merely because such party (or such party's legal representative) drafted the Amendment. The headings, titles, and captions contained in this Amendment are merely for reference and do not define, limit, extend, or describe the scope of this Amendment or any provision herein.

15. Severability. If any provision of this Amendment is held to be illegal, invalid, or unenforceable under any present or future law, then such provision will be fully severable. In such event, this Amendment will be construed and enforced as if the illegal, invalid, or unenforceable provision had never been a part of this Amendment and the remaining provisions of this Amendment will remain in full force and effect and will not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Amendment. Furthermore, in lieu of each such illegal, invalid, or unenforceable provision, there will be added automatically, as a part of this Amendment, a provision as similar in terms to such illegal, invalid, or unenforceable provision as is possible and which is legal, valid, and enforceable.

16. Successors. This Amendment is binding on, and shall inure to the benefit of, Landlord and Tenant and their respective successors or assigns.

17. Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws governing the Lease, and any disputes shall be resolved in accordance therewith.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the day and year first above written.

[signatures on following pages]

**LANDLORD**

[LANDLORD ENTITY],
a [STATE] [ENTITY TYPE]

By: _____
Name:
Title:

[signatures continue on next page]

**TENANT**

[LANDLORD ENTITY],
a [STATE] [ENTITY TYPE]

By: _____
Name:
Title:

**For Employment Term Sheet situation "(B)" and "(C)"**

**AMENDMENT TO LEASE**
[property address]

THIS AMENDMENT TO LEASE (this "**Amendment**") is dated as of _____, __ 2014 (the "**Amendment Date**"), and is entered into by and between [LANDLORD ENTITY], a [STATE] [ENTITY TYPE] ("**Landlord**"), [TENANT ENTITY], a [STATE] [ENTITY TYPE] ("**Tenant**"), and D. Stephen Sorensen ("**Mr. Sorensen**").

RECITALS:

WHEREAS, Landlord, or Landlord's predecessor-in-interest, and Tenant, or Tenant's predecessor-in-interest, entered into that certain lease described on Exhibit A attached hereto and made a part hereof (the "**Lease**");[1]

WHEREAS, pursuant to the Lease, Landlord leased to Tenant, and Tenant leased from Landlord, certain premises more particularly described in the Lease (the "**Leased Premises**") for use by New Koosharem Corporation and its subsidiaries (collectively "**Company**") as permitted by the Lease; and

WHEREAS, Tenant and Landlord now desire to amend the Lease on the terms and conditions contained in this Amendment.

AGREEMENT:

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Capitalized Terms. All capitalized terms used but not defined herein shall have the same meaning as is given such terms in the Lease.

2. Rent. The current rent payable by Tenant pursuant to the Lease is set forth on Exhibit B attached hereto and made a part hereof[, and is subject to adjustment and/or escalation in accordance with the terms of the Lease][2].

3. Option to Extend. Tenant shall have and is hereby granted the option ("**Tenant's Renewal Option**") to extend the term of the Lease for a single twelve (12) month term (the "**Renewal Term**") by providing written notice to Landlord of Tenant's exercise of Tenant's

[1] NTD: This form of Amendment will be used for the following 9 leases: (1) 3820 State Street; (2) 28053 Smyth Drive; (3) 9501 Gateway Boulevard West; (4) 9501 Gateway Boulevard West; (5) 8647 & 8655 Haven Avenue; (6) 7025 North Maple; (7) 543 Queensland Circle; (8) 5127 Laurel Canyon Boulevard; (9) 25191 Hoover Road.

[2] This language not to be included for the two properties located at 4545 and 4328 Via Esperanza.

Renewal Option no later than sixty (60) days before the end of the term of the Lease. If Tenant exercises Tenant's Renewal Option, all terms and conditions of the Lease shall remain in full force and effect during the Renewal Term.

4. Leasehold Mortgage.

A. *Landlord Consent To Leasehold Mortgage*. Landlord hereby consents to Tenant's mortgaging of the Lease and the leasehold estate created thereby (collectively, "**Tenant's Leasehold Interest**"), including, but not limited to, any improvements made thereto, and acknowledges and agrees that such mortgaging of Tenant's Leasehold Interest shall not impose any obligation on any mortgagee under any mortgage ("**Leasehold Mortgagee**") unless and until such Leasehold Mortgagee shall succeed to Tenant's Leasehold Interest through foreclosure or otherwise. From and after the date hereof, Tenant may mortgage Tenant's Leasehold Interest without any further consent of Landlord.

B. *Leasehold Mortgagee Protection*. If Landlord shall become entitled to terminate the Lease by virtue of a default by Tenant, Landlord shall, before terminating the Lease, give to Leasehold Mortgagee a notice specifying the default by Tenant and Leasehold Mortgagee shall have the right to remedy such default, (i) in the case of a monetary default, within thirty (30) days after Leasehold Mortgagee's receipt of such notice, or, (ii) in the case of a non-monetary default, sixty (60) days after Leasehold Mortgagee's receipt of such notice or such longer time as is reasonably necessary for remedy of such default. Landlord may not exercise any other right of termination provided to Landlord under the Lease without Leasehold Mortgagee's prior written consent. No modification, supplement, or mutual agreement of termination of the Lease will be binding upon Leasehold Mortgagee without Leasehold Mortgagee's prior written consent to such modification, supplement, or mutual agreement of termination.

5. Recordation. Upon request from Tenant, and within ten (10) days of receiving such request, Landlord shall execute a memorandum of lease in a form reasonably acceptable to Tenant. Tenant may record such memorandum of lease in the land records of the jurisdiction in which the Leased Premises are located and Landlord hereby consents to such recordation. Notwithstanding the foregoing, Landlord shall not be required to take or omit to take any action hereunder that would result in a breach of, default under, or otherwise conflict with, the terms of any existing mortgage, lien or other encumbrance on the Premises.

6. Assignment. Notwithstanding anything to the contrary contained in the Lease, Tenant may assign Tenant's Leasehold Interest without Landlord's consent in the event of a Change in Control.

7. Status. The parties hereby confirm that the Lease is in full force and effect and has not been modified, amended, or supplemented except as set forth herein and on Exhibit A attached hereto and made a part hereof. No default by Landlord or Tenant has occurred and is continuing and no event has occurred and is continuing which, with the giving of notice or the lapse of time, or both, would constitute such a default. No outstanding delinquent amounts are due or payable by Tenant to Landlord under the Lease.

8. Title. As of the date hereof, Landlord hereby represents and warrants to Tenant that, except as set forth on Exhibit C attached hereto and made a part hereof, Landlord has good and marketable title to the Leased Premises, free and clear of any liens or encumbrances thereon which are senior to the Lease and which, individually or in the aggregate with other such liens or encumbrances, materially impair Tenant's use of the Leased Premises; provided, however, that, notwithstanding the foregoing or anything to the contrary contained in the Lease, Tenant hereby affirms, acknowledges and agrees that the Lease and Tenant's interest therein are each subject and subordinate to any security instrument that is currently (to the extent identified on Exhibit C), or hereafter may be, secured by the Leased Premises (each holder of any such security instrument, a "**Fee Mortgagee**"). From and after the Amendment Date, Landlord and Tenant shall cooperate in good faith and use commercially reasonable efforts to seek and obtain a commercially reasonable subordination, non-disturbance and attornment agreement ("**SNDA**") from the Fee Mortgagee (if any), which SNDA shall be entered into (if at all) by and among such Fee Mortgagee, Landlord and Tenant; provided, however, that, except for any costs or expenses incurred in connection with the negotiation and/or preparation of such SNDA, neither Landlord nor Tenant shall be required to pay any fee or other amount, or, except as may be set forth in such SNDA, agree to any material change in the terms of any security instrument or any arrangement related thereto, in connection with, or as consideration for, obtaining any such SNDA. If, at any time prior to the end of the term of the Lease, the Tenant does not have the benefit of an SNDA with all Fee Mortgagees (a) any Fee Mortgagee forecloses on its security instrument, (b) such Fee Mortgagee terminates the Lease or otherwise takes any action that materially and adversely impacts Tenant's use of the Leased Premises or the terms of the Lease in a manner not consistent with the terms of the Lease, and (c) Tenant is not in material default under the Lease, Landlord and Mr. Sorensen, an individual, shall be jointly and severally obligated to pay Tenant for all reasonable, actual, out-of-pocket costs incurred by Tenant arising solely out of Tenant's relocation from the Leased Premises into alternate space reasonably comparable to the Leased Premises (collectively, the "**Relocation Costs**"). Subject to the foregoing, the Relocation Costs shall include, but not be limited to, cleaning costs, costs related to movers or packers, broker fees related to procuring alternate space, and any increase in rent for such reasonably comparable space above the rent being paid by Tenant under the Lease for the period from the date of the replacement lease to the stated expiration of the term of the Lease assuming the Tenant's Renewal Option was exercised; provided, however, that Relocation Costs shall not include any other rent for the alternate space above what is provided for in this sentence or any security deposit to be paid by Tenant (as reduced by any portion of the security deposit under the Lease actually returned to Tenant).[3]

9. Tenant's Right to Sublease.[4] Notwithstanding anything to the contrary set forth in the Lease, Tenant may sublease all or any portion of the Leased Premises, provided that (a) no default, event of default, or any event which, with the giving of notice or lapse of time, or both, would constitute an event of default, under the Lease shall have occurred, and (b) as a condition to any such sublease, each of Landlord, Tenant and the proposed subtenant shall enter into a Consent to Sublease Agreement in the form attached hereto as Exhibit D.

[3] NTD: Right to Relocation Costs applies to State Street property only.
[4] NTD: Right to sublease applies to State Street property only.

10. Brokers. As part of the consideration for the granting of this Amendment, Tenant and Landlord each represent and warrant to the other that, to such party's knowledge, no real estate broker, agent, or finder negotiated, or was instrumental in negotiating or consummating, this Amendment, and that they know of no real estate broker, agent, or finder who is, or might be, entitled to a commission or compensation in connection with this Amendment. Any real estate broker, agent, or finder of Tenant whom Tenant has failed to disclose herein shall be paid solely by Tenant, and any real estate broker, agent, or finder of Landlord whom Landlord has failed to disclose herein shall be paid solely by Landlord. Each party shall hold the other party harmless from all damages and indemnify the other party for all said damages paid or incurred by such indemnified party resulting from a breach of the foregoing representation and warranty by the indemnifying party.[5]

11. No Further Modification. Except as modified in this Amendment, all of the terms and provisions of the Lease shall apply and shall remain unmodified and in full force and effect.

12. Counterparts. This Amendment may be executed in counterparts, all of which, when taken together, shall constitute a single and enforceable agreement. Signatures to this Amendment transmitted by facsimile, electronic mail, or telecopy shall be binding on the party so executing and such party shall not use as a defense against the enforceability of this Amendment the fact that such signature so transmitted is not "original." Notwithstanding the foregoing, each party hereby agrees to promptly deliver original counterpart signatures of this Amendment to the other party, which, when delivered, shall replace and supersede any facsimile, electronic mail, or telecopy version thereof.

13. Entire Agreement. This Amendment, together with the Lease, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes any prior oral or written agreements or understandings between the parties related thereto.

14. Construction and Interpretation. This Amendment will in all events be construed as a whole, according to its fair meaning, and not strictly for or against a party merely because such party (or such party's legal representative) drafted the Amendment. The headings, titles, and captions contained in this Amendment are merely for reference and do not define, limit, extend, or describe the scope of this Amendment or any provision herein.

15. Severability. If any provision of this Amendment is held to be illegal, invalid, or unenforceable under any present or future law, then such provision will be fully severable. In such event, this Amendment will be construed and enforced as if the illegal, invalid, or unenforceable provision had never been a part of this Amendment and the remaining provisions of this Amendment will remain in full force and effect and will not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Amendment. Furthermore, in lieu of each such illegal, invalid, or unenforceable provision, there will be added automatically, as a part of this Amendment, a provision as similar in terms to such illegal, invalid, or unenforceable provision as is possible and which is legal, valid, and enforceable.

[5] NTD: Parties to confirm.

16. Successors. This Amendment is binding on, and shall inure to the benefit of, Landlord and Tenant and their respective successors or assigns.

17. Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws governing the Lease, and any disputes shall be resolved in accordance therewith.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the day and year first above written.

[signatures on following pages]

**LANDLORD**

[LANDLORD ENTITY],
a [STATE] [ENTITY TYPE]

By: _____
Name:
Title:

[signatures continue on next page]

**TENANT**

[LANDLORD ENTITY],
a [STATE] [ENTITY TYPE]

By: _____
Name:
Title:

**D. STEPHEN SORENSEN**

By: _____

# EXHIBIT K

## TERM SHEET FOR NEW WARRANTS

**Summary of Terms of**
**[Reorganized Parent]**
**Warrant to Purchase Common Stock,**
**par value $0.0001 per share**

*This term sheet (this "Term Sheet") describes the principal terms of the warrants (the "Warrants") to purchase shares of Common Stock, par value $0.0001, of [Reorganized Parent] to be issued in connection with the Prepackaged Joint Plan of Reorganization for Ablest Inc., et al., dated March 11, 2014 (the "Plan"), to which this Term Sheet is attached as an exhibit. This Term Sheet is a summary of the material terms of the Warrants and does not purport to be complete. Capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to such terms in the Plan.*

| Term | Description |
|---|---|
| 1. Issuer | [Reorganized Parent] (the "Issuer") |
| 2. Number of Shares Issuable upon Exercise ("Warrant Shares") | • Warrants to purchase an aggregate number of Warrant Shares equal to 10% of the sum of (i) the total number of shares of Common Stock issued by the Issuer in the Rights Offering and to the Backstop Parties pursuant to the Backstop Agreement, *plus* (ii) the total number of shares of Common Stock issued by the Issuer as consideration for the acquisition of Decca, Resdin and Vaughn and certain transferred agreements, *plus* (3) the total number of shares of Common Stock issued by the Issuer to D. Stephen Sorensen in respect of up to $4 million of capital which Mr. Sorensen has the right to contribute to the Issuer at the closing of the Rights Offering, *plus* (4) the total number of shares of Common Stock issued by the Issuer in consideration for the cancellation of certain promissory notes with an agreed upon value of $2.8 million. The Warrants will be subject to dilution from both the Restricted Stock issued to Mr. Sorensen upon consummation of the Plan and any grants made under the new Management Incentive Plan.<br><br>• Each Warrant may be exercised for all or any part of the unexercised Warrant Shares subject to the Warrant.<br><br>• No fractional shares will be issued. Cash will be paid in lieu of fractional shares. |
| 3. Exercise Price | The exercise price will be 35% in excess of the emergence share price at which shares of the Issuer's common stock will be issued in the Rights Offering. |

| Term | Description |
|---|---|
| | |
| 4. Exercise Period | Five (5) years from original issue date. |
| 5. Conditions to Exercise | • Delivery of an exercise notice.<br>• Payment of the exercise price.<br>• Execution of the Issuer's Stockholders Agreement. |
| 6. Payment Method | By delivery of a certified or official bank check payable to the order of the Issuer or by wire transfer of immediately available funds. |
| 7. Anti-dilution Protection | In order to prevent dilution of the purchase rights granted under the Warrant, the number of Warrant Shares issuable upon exercise of the Warrant will be subject to adjustment from time to time in respect of stock dividends, stock splits, subdivisions, combinations, reclassifications, consolidations and mergers involving the Issuer's Common Stock. |
| 8. Transfers | The Warrants will be subject to the same restrictions on transfer that apply to the transfer of shares of the Issuer's Common Stock pursuant to the Stockholders Agreement of the Issuer. Any attempt to transfer the Warrant without complying with such restrictions will be void *ab initio*. |
| 9. Stockholders Agreement | As a condition to issuance of shares of Common Stock upon exercise of any of the Warrants, the holder thereof will be obligated to enter into the Stockholders Agreement of the Issuer. |
| 10. Administration | The Warrants will be administered by a third party Warrant Agent on behalf of the Issuer. |