

UNITED STATES BANKRUPTCY COURT FOR THE
EASTERN DISTRICT OF PENNSYLVANIA

IN RE: :
: CHAPTER 11
J.G. NASCON, INC., :
: BANKRUPTCY NO. 15-18704-MDC
Debtor. :
:

**ORDER APPROVING SALE OF CERTAIN ASSETS
FREE AND CLEAR OF LIENS, CLAIMS AND ENCUMBRANCES**

Upon consideration of the March 23, 2016 Motion of J.G. Nascon, Inc. for Order pursuant to 11 U.S.C. §§ 105(a) and 363 and Federal Rules of Bankruptcy Procedure 2002, 6004 and 9013 Authorizing the Sale of Assets Free and Clear of Liens, Claims and Encumbrances, and Granting Related Relief (the “Motion”)¹, and a hearing having been held on April 27, 2016 (the “Sale Hearing”), at which time all interested parties were offered an opportunity to be heard with respect to the Motion; and the Court having reviewed and considered (i) the Motion, (ii) the objections thereto, if any, and (iii) the arguments of counsel made, and the evidence proffered or adduced, at the Sale Hearing; and it appearing that the relief requested in the Motion is in the best interests of the Debtor, the Debtor’s bankruptcy estate, creditors and other parties in interest; and upon the record of the Sale Hearing and this case; and after due deliberation thereon; and good cause appearing therefore;

IT IS HEREBY FOUND AND DETERMINED THAT:²

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

² Findings of fact shall be construed as conclusions of law and *vice versa* where appropriate. See Fed. R. Bank. P. 7052; Fed. R. Civ. P. 52. The Court’s findings of fact and conclusions of law further announced on the record at the Hearing are otherwise are hereby incorporated herein by reference.

A. This Court has jurisdiction over the Motion pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding under 28 U.S.C. §157(b)(2)(A), (M), (N) and (O).

B. The statutory predicates for the relief sought in the Motion are sections 105(a), 363(b), (f), (m), and (n), and 365 of the United States Bankruptcy Code, 11 U.S.C. §§ 101, et seq., as amended (the “**Bankruptcy Code**”), and Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) 2002, 6004, 6006, and 9014.

C. As evidenced by the certifications of service previously filed with the Court, and based on the representation of counsel at the Sale Hearing, (i) proper, timely, adequate and sufficient notice of the Motion, the Bidding Procedures, and the Sale Hearing, has been provided in accordance with Bankruptcy Code §§ 102(1), 363 and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006 and 9014, (ii) such notice was good and sufficient and appropriate under the circumstances, and (iii) no other or further notice of the Motion, the Bidding Procedures, Sale Hearing, or the sale contemplated by the Motion is or shall be required.

D. As demonstrated by (i) the testimony and other evidence proffered or adduced at the Sale Hearing and (ii) the representations of counsel made on the record at the Hearing, the Debtor, through its professionals, has marketed the real property located at 1400 Industrial Highway, Eddystone, Pennsylvania (the “**Property**”) and conducted the sale process in compliance with Bidding Procedures set forth in the Motion.

F. The Debtor received Qualified Bids from Re-Steel Supply Co., Inc. (“**Re-Steel**”) and Prosthetic Innovations LLC (“**Prosthetics**”). In accordance with the Bidding Procedures set forth in the Sale Motion, the Debtor conducted an auction at the Sale Hearing on April 27, 2016 (the “**Auction**”).

G. At the conclusion of the Auction, Prosthetics was selected by the Debtor as the successful bidder at a purchase price of \$1,400,000 and Re-Steel was selected by the Debtor as the back-up bidder at a purchase price of \$1,150,000 payable in immediately available funds. The results of the Auction were filed with the Court on March 1, 2013 [Docket No. 157].

H. As demonstrated by (i) the testimony and other evidence proffered or adduced at the Sale Hearing and (ii) the representations of counsel made on the record at the Sale Hearing, Prosthetics submitted a bid at the Auction in the amount of \$1,400,000 in readily available funds, for the purchase of the Property, together with non-refundable payments, each in the amount of \$5,000.00 to be paid to M&T Bank on May 5, 2016 and June 5, 2016, and an agreement to lease the Property back to the Debtor without charge until December 31, 2016, with the closing of such sale to occur not later than June 30, 2016 (the “**Buyer’s Bid**”), together with such other terms, all as more particularly described in the Prosthetics Agreement of Sale dated May 19, 2016, a copy of which is attached hereto as **Exhibit A** (the “**Prosthetics AOS**”).

I. As demonstrated by (i) the testimony and other evidence proffered or adduced at the Sale Hearing and (ii) the representations of counsel made on the record at the Sale Hearing, Re-Steel’s final bid at the Auction was in the amount of \$1,150,000 in readily available funds, for the purchase of the Property, and an agreement to lease the Property back to the Debtor without charge until December 31, 2017, with the closing of such sale to occur within thirty (30) days after being notified that the sale to Prosthetics will not be consummated (the “**Back-Up Bid**”). The terms of the Back-Up Bid are identical to the terms set forth in the Agreement of Sale that was filed with this Court on April 8, 2016, as Docket entry 135-1 (the “**Original Re-Steel AOS**”), except as follows: (i) the outside closing date for the sale changed from June 30, 2016 to thirty (30) days after being notified that the sale to Prosthetics will not be consummated;

and (ii) the period during which the Property would be leased back to the Debtor without charge was extended by one year until December 31, 2017.

J. As demonstrated by (i) the testimony and other evidence proffered or adduced at the Sale Hearing and (ii) the representations of counsel made on the record at the Sale Hearing, Debtor accepted the Buyer's Bid as the highest and best offer received for the Property. The Buyer's Bid shall be consummated as set forth in the Prosthetics AOS and as authorized in this Order.

K. The Bidding Procedures, as set forth in the Sale Motion, afforded a full, fair and reasonable opportunity for any entity to make an offer to purchase the Property by submitting a bid which was higher and better than the Purchase Offer identified in the Motion.

L. The Debtor (i) has full power and authority to execute the Prosthetics AOS and all other documents contemplated thereby, (ii) has all of the power and authority necessary to consummate the transaction contemplated by the Prosthetics AOS, and (iii) no consents or approvals, other than the approval of this Court, are required for the Debtor to consummate such transactions.

M. Approval of the Prosthetics AOS and consummation of the sale of the Property at this time are in the best interests of the Debtor, its creditors, its estate, and other parties in interest.

N. The Debtor has demonstrated that it is an exercise of its sound business judgment to sell the Property to Prosthetics in connection with the consummation of the Prosthetics AOS.

O. The Debtor has demonstrated that the sale of the Property will enable the Debtor to propose a plan of reorganization, and as a result, good and sufficient business justification exists for the immediate sale of the Property to Prosthetics outside of a plan of reorganization.

P. A reasonable opportunity to object or be heard regarding the relief requested in the Sale Motion has been afforded to all interested persons and entities, including (i) the United States Trustee; (ii) those parties requesting notice under Bankruptcy Rule 2002; (iii) all creditors listed on the matrix filed by the Debtor with the Court; and (iv) all parties known by the Debtor to hold or assert liens against the Property, including, without limitation, the Internal Revenue Service, Commonwealth of Pennsylvania Department of Revenue c/o Carol Momjian, Esquire, City of Philadelphia c/o Megan Harper, Esquire, and Commonwealth of Pennsylvania, Department of Labor and Industry c/o Leslie Gaynus, Esquire.

Q. The Prosthetics AOS was negotiated, proposed and entered into by the Debtor and Prosthetics without collusion, in good faith, and as a result of arm's length bargaining. Prosthetics has not entered into the Prosthetics AOS, or otherwise made an offer to purchase the Property, for any improper purpose. Prosthetics is a good faith purchaser under section 363(m) of the Bankruptcy Code and, as such, is entitled to the protections afforded thereby. Neither the Debtor nor Prosthetics has engaged in any conduct that would cause or permit a sale pursuant to the Prosthetics AOS (including the sale of the Property) to be avoided under section 363(n) of the Bankruptcy Code.

R. Prosthetics will be acting in good faith within the meaning of section 363(m) of the Bankruptcy Code in closing the transactions contemplated by the Prosthetics AOS.

S. The consideration provided by Prosthetics for the Property pursuant to the Prosthetics AOS constitutes the highest and best offer for the Property and reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession thereof, and the District of Columbia.

T. The Sale of the Property to Prosthetics will be a legal, valid, and effective transfer of the Property free and clear of all (i) mortgages, security interests, conditional sale or other title retention agreements, pledges, liens, judgments, demands, encumbrances and claims (as that term is defined in the Bankruptcy Code), (ii) rights or options to effect any forfeiture, modification, repurchase, or termination of the Trustee's, the Debtor's or Buyer's interest in the Property, regardless whether such are "claims" as that term is defined in the Bankruptcy Code, (iii) claims in respect of taxes, and (iv) easements, restrictions, rights of first refusal or charges of any kind or nature, if any, including, but not limited to, any restriction on the use, voting, transfer, receipt of income or other exercise of any attributes of ownership, regardless whether such are "claims" as that term is defined in the Bankruptcy Code, (collectively, items (i) to (iv) above are referred to as "**Interests**").

U. Prosthetics would not have entered into the Prosthetics AOS and would not consummate the transactions contemplated thereby, thus adversely affecting Debtor, its estate, and its creditors, if the sale of the Property to Prosthetics would, or in the future could, be liable for any of the Interests.

V. The Debtor may sell the Property free and clear of all Interests of any kind or nature whatsoever because, in each case, one or more of the standards set forth in section 363(f)(1)-(5) of the Bankruptcy Code has been satisfied. M&T Bank is the only party in interest who filed an Objection to the Motion. Subject to the terms of this Order, as set forth on the record at the Sale Hearing, M&T Bank has withdrawn its objection to the Motion and the sale of the Property. Those holders of Interests who did not object to the Motion or sale of the Property are deemed to have consented pursuant to section 363(f)(2) of the Bankruptcy Code.

NOW, THEREFORE, IT IS HEREBY ADJUDGED, ORDERED AND DECREED

THAT:

1. The Motion is **GRANTED** and the Prosthetics AOS, and all of the terms and conditions thereof, is hereby approved. Re-Steel Supply Co. is approved as a backup bidder as set forth in Paragraph 4 below.

2. The purchase price and other terms set forth in the Prosthetics AOS is the highest and best offer that the Debtor has received to date and constitutes a purchase in good faith and for fair value within the meaning of §363(m) of the Bankruptcy Code and In re Abbotts Dairies of Pennsylvania, Inc., 788 F2d 142 (3d Cir. 1986).

3. The Prosthetics AOS includes, among others, the following terms:

A. The purchase price shall be \$1,400,000;

B. All due diligence other than a Phase 1 environmental study is waived and the Prosthetics confirms that the purchase is "AS IS- WHERE-IS";

C. Closing shall occur on or before June 30, 2016, or as otherwise provided in Section 3 of the Prosthetic AOS;

D. Prosthetics shall complete its Phase 1 environmental study by not later than May 30, 2016 but shall have the right to request one, two week extension of time to complete such study;

E. In addition to the purchase price, Prosthetics shall pay to M&T Bank the sum of \$5,000.00 on May 5, 2016 and the sum of \$5,000.00 on June 5, 2016 to M&T Bank; and

F. Prosthetics shall execute a 6 month lease for the office, shop and yard at the Property to the Debtor for \$0 rent at the closing of the sale of the Property.

4. Re-Steel shall be considered a backup bidder, with the terms of the Back-Up Bid being the same terms as those set forth in the Original Re-Steel AOS, subject to the following modifications:

A. Closing shall occur within thirty (30) days of receiving notice that the sale to Prosthetics will not close; and

B. The lease of the office, shop and yard at the Property to the Debtor shall be for a term of eighteen (18) months at \$0 rent (the Original Re-Steel AOS, as modified by these terms, is hereinafter referred to as, the “**Modified Re-Steel AOS**”).

5. Prosthetics or Re-Steel, in the event the sale of the Property under the Prosthetics AOS does not close (the “**Buyer**”), is a good faith purchaser of the Property as defined in section 363(m) of the Bankruptcy Code.

6. There exists good and sufficient business justification for the Debtor to sell its interest in the Property to the Buyer, and good cause for this Court to approve the Motion, as such sale is in the best interest of the estate and the Debtor’s creditors.

7. Any objections timely filed with respect to the sale of the Property, which have not been withdrawn, are overruled.

8. The provisions of Section 363(n) of the Bankruptcy Code have not been violated.

9. Pursuant to sections 105(a) and 363(f) of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 6004(c) and the terms of the Prosthetics AOS, the Property shall be transferred to Prosthetics or, in the event that the sale of the Property to Prosthetics does not close, to Re-Steel, in accordance with the terms of the Modified Re-Steel AOS.

10. All real estate transfer taxes and charges for utilities, which constitute or could constitute a lien on the real estate with priority over M&T Bank’s liens, and customary costs of

closing (collectively “**Closing Expenses**”) shall be paid at closing, or in the case of commissions to the broker, escrowed by the title company, which amounts may be held until an order is entered approving the broker’s compensation. Notwithstanding anything to the contrary in the Motion, the Prosthetics AOS, the Modified Re-Steel AOS or this Order, the Property shall remain subject to any and all liens and encumbrances held by M&T Bank unless: (i) at the closing of the sale of the Property to Prosthetics, M&T Bank is paid the net proceeds from the sale of the Property (after payment of the Closing Expenses), less the sum of \$110,000 (the “**Debtor Reserve**”); or (ii) at the closing of the sale of the Property to Re-Steel, M&T Bank is paid 100% of the net proceeds from the sale of the Property (after payment of the Closing Expenses). Provided, that, M&T Bank receives the payments described in this Order (including, as applicable, the payments due by Prosthetics to M&T Bank on May 5, 2016 and June 5, 2016), M&T shall be deemed to have consented to the sale pursuant to section 363(f)(2) of the Bankruptcy Code and the Property shall be sold to Buyer free and clear of any Interests held by M&T Bank, with M&T Bank’s Interests, of any kind or nature whatsoever, attaching to the net cash proceeds of the sale including, without limitation, the Debtor Reserve, in the order of their priority, with the same validity, force and effect they now have as against the Property

11. Nothing herein shall impact M&T Bank’s liens on any assets other than the Property.

12. Except as expressly permitted or otherwise specifically provided by the Prosthetics AOS or this Order, all persons and entities, including, but not limited to, all debt security holders, equity security holders, governmental, tax, and regulatory authorities, lenders, trade and other creditors, holding Interests of any kind or nature whatsoever against the Debtor or the Property (whether legal or equitable, secured or unsecured, matured or unmatured,

contingent or non-contingent, senior or subordinated), arising out of, or in connection with, or in any way relating to, Debtor or the Property, are hereby forever barred, estopped and permanently enjoined from asserting against Buyer, its successors or assigns, its property, or the Property, such persons' or entities' Interests.

13. The obligations of the Debtor to close under a definitive agreement of sale shall be binding upon the Debtor and any successor in interest to the Debtor. Moreover, if the Debtor is reorganized in Chapter 11, or if the Debtor's bankruptcy case is converted to a case under chapter 7 of the Bankruptcy Code and/or if a trustee is subsequently appointed in the bankruptcy proceeding under chapter 11, the reorganized debtor and such trustee will be obligated to close under and bound by the surviving terms of the definitive agreement with the Buyer.

14. The stay provisions set forth in Federal Rule of Bankruptcy Procedure 6004(h) are waived and closing may occur immediately.

15. The Debtor is authorized and directed to execute, deliver, perform under, consummate and implement the Prosthetics AOS, or in the event that the sale to Prosthetics does not close, the Original Re-Steel AOS, as modified in accordance with the terms of this Order, together with all additional instruments and documents that may be reasonably necessary or desirable to implement this Order.

16. The Buyer is not a successor to Debtor or otherwise liable for any liability or claim against the Debtor, except as expressly provided in the Prosthetics AOS or, in the event that the sale to Prosthetics does not close, the Original Re-Steel AOS, as modified in accordance with the terms of this Order. Each and every holder of any such claim, or liability, if any, is

enjoined from commencing, continuing or otherwise pursuing or enforcing any remedy, claim, cause of action or encumbrance against the Buyer.

BY THE COURT

Date: May 24, 2016

A handwritten signature in blue ink that reads "Magdelene D. Coleman". The signature is written in a cursive style and extends across the width of the page.

Hon. Magdelene D. Coleman
United States Bankruptcy Judge

Exhibit “A”

AGREEMENT OF SALE

THIS AGREEMENT OF SALE (this "Agreement") is made and entered into this _____ day of May, 2016, by and between **J.G. NASCON, INC.**, with offices located at 1400 Industrial Highway, Eddystone, Pennsylvania, 19022 ("Seller"), and **PROSTHETIC INNOVATIONS, LLC**, a Pennsylvania limited liability company with offices located at 10 Baldwin Creek, Eddystone, Pennsylvania, 19022, ("Purchaser").

BACKGROUND

Seller is the owner of certain real property and improvements located at 1400 Industrial Highway, Eddystone Borough, Delaware County, Pennsylvania, 19022, Tax Folio No. 18-00-00299-01, Map No. 18-04-302:000. Seller now desires to sell and Purchaser desires to purchase the Premises (hereinafter defined), and certain intangible personal property related to the Premises, upon the terms and conditions set forth in this Agreement.

On December 4, 2015, Seller filed a voluntary petition for reorganization pursuant to chapter 11 of title 11 of the United States Code, as amended, in the United States Bankruptcy Court for the Eastern District of Pennsylvania (the "Bankruptcy Court"), Bankruptcy No. 15-18704-MDC.

NOW, THEREFORE, in consideration of the covenants and agreements contained in this Agreement and other good and valuable consideration, Seller and Purchaser, intending to be legally bound, agree as follows:

1. Agreement to Sell and Purchase.

Subject to the terms and conditions of this Agreement, Seller agrees to sell to Purchaser and Purchaser agrees to purchase from Seller, the following:

1.1. Land. All that certain tract or parcel of land located at 1400 Industrial Highway, Eddystone Borough, Delaware County, Pennsylvania, 19022, Tax Folio No. 18-00-00299-01, Map No. 18-04-302:000, more particularly described by metes and bounds in that certain deed dated October 15, 1996 which is recorded in the Office of the Recorder of Deeds of Delaware County, Pennsylvania in Record Book 1522, page 1839 (the "Land"). A true and correct copy of the said deed is attached hereto as Exhibit "A".

1.2. Improvements. The improvements on the Land consist of two (2) buildings, a two story building containing 4,500 sq. ft. of office space (the "Office Building"), and a 3,600 sf. warehouse building (the "Warehouse"), hereinafter collectively, the "Buildings", including all electrical, heating, ventilating, air conditioning, plumbing, security, fire suppression and other mechanical systems contained therein, and all currently effective warranties and guaranties (to the extent assignable) given by any contractor, supplier or manufacturer relating thereto, and all other improvements located on the Land (collectively, the "Improvements").

1.3. Appurtenances. All easements, rights of way, licenses, privileges, hereditaments and appurtenances, if any, belonging to or inuring to the benefit of the Land, and all right, title and interest of Seller in and to any land lying in the bed of any highway, street, road or avenue, opened or proposed, in front of or abutting or adjoining the Land (collectively, the "Appurtenances").

1.4. Personal Property. Included in this sale are all garage door openers and transmitters; remaining fuels stored on the Premises (hereinafter defined) at the time of Closing (hereinafter defined); smoke and carbon monoxide detectors; wall to wall carpeting; window screens; window covering hardware, shades, blinds and curtains; built-in appliances; and if owned, phone system, satellite dishes and security systems.

1.5. The Land, Improvements and Appurtenances are referred to collectively in this Agreement as the "Premises".

2. Purchase Price.

The purchase price for the Premises (the "Purchase Price") is One Million Four Hundred Thousand Dollars (\$1,400,000.00) which, subject to the terms and conditions of this Agreement, shall be paid as follows:

2.1. Initial Deposit. An amount equal to five percent (5%) of the Purchase Price (\$70,000.00) shall be paid by Purchaser to Timothy F. Sullivan, Esquire (the "Escrow Agent"), agent for Commonwealth Land Title Company (the "Title Company"), at 216 S. Orange Street, Media, PA, 19063, on the Effective Date. The term "Effective Date" means the last date on which both parties have executed and received a fully executed duplicate original of this Agreement as approved by the Bankruptcy Court. Albert A. Ciardi, III, Esquire on behalf of Seller and Robert H. Holber, Esquire, on behalf of Purchaser shall exchange emails confirming the "Effective Date". That confirmation shall bind both parties as applied to the Effective Date. Seller acknowledges that the Purchaser has, prior to the date hereof, deposited the sum of \$65,000.00 in escrow with Seller's broker, SJL Jackson Realty, on account of the required initial deposit. On the Effective Date the Purchaser will pay the Escrow Agent \$5,000.00 and Seller's broker, SJL Jackson Realty, will pay the Escrow agent \$65,000.00.

2.2. Second Deposit. An amount equal to five percent (5%) of the Purchase Price (\$70,000.00) shall be paid by Purchaser to Escrow Agent upon the Bankruptcy Court's approval of this Agreement. The amounts paid by Purchaser pursuant to Sections 2.1 and 2.2 of this Agreement are referred to collectively as the "Deposit".

2.3. Balance of Purchase Price. One Million Two Hundred Sixty Thousand (\$1,260,000.00) Dollars, subject to the adjustments and credits provided in Section 12 of this Agreement, shall be paid by Purchaser at Closing by wire transfer or by bank or Title Company check.

2.4. Financing Contingency. Wells Fargo Bank, National Association (the "Bank") has issued to Purchaser a written loan commitment (the "Loan Commitment") for mortgage financing (the "Mortgage Loan") on terms satisfactory to Purchaser, to finance the acquisition of the Premises. The Loan Commitment is conditioned upon, among other things, the Bank's

satisfaction with the results of the environmental inspections(s) and/or studies of the Premises undertaken by Purchaser pursuant to Section 5.3 of this Agreement. Anything in this Agreement to the contrary notwithstanding, obligations of Purchaser under this Agreement are conditioned and contingent upon the Bank's indicating in writing (including via electronic mail) its satisfaction with the results of the aforesaid environmental inspections(s) and/or studies on or before 5:00 p.m. Eastern Standard Time on the day prior to the last day of the Due Diligence Period (hereinafter defined). If the Bank is not satisfied in any respect with the results of the environmental inspection(s) and/or studies of the Premises by such date then Purchaser shall have the right to terminate this Agreement by giving written notice to Seller at any time prior to 5:00 p.m. Eastern Standard Time on the last day of the Due Diligence Period, and declare this Agreement null and void and of no further force or effect, in which event the Escrow Fund (hereinafter defined) shall be paid to Purchaser, and neither Purchaser nor Seller shall have any further liability or obligation to the other under this Agreement.

2.5. **Separate Escrow Agreement.** The Deposit shall be held in escrow pursuant to the terms of a separate escrow agreement among Purchaser, Seller and Escrow Agent. The form of escrow agreement is attached to this Agreement as Exhibit "B" (the "Escrow Agreement"). The Deposit and all interest accrued thereon is referred to in this Agreement as the "Escrow Fund."

3. **Closing.**

Closing under this Agreement (the "Closing") shall take place at 10:00 AM on or before the fifteenth day following the expiration of all applicable appeal periods without an appeal being filed following the filing of an Order of the Bankruptcy Court approving the sale of the Premises to Purchaser pursuant to the terms of this Agreement (the "Approval"), and if an appeal of the Approval is filed, then in no event later than June 30, 2016, provided any appeal filed has been finally resolved no less than fifteen (15) days prior to such date, with the Approval remaining in place and in full force and effect (the "Closing Date"), at 216 South Orange Street, Media, Pennsylvania 19063.

4. **Title.**

4.1. **Condition of Title.**

4.1.1. At Closing, title to the Premises shall be good and marketable and free and clear of all liens and encumbrances, except for the Permitted Title Exceptions (defined in Section 4.1.3 of this Agreement), and such as will be insured by the Title Company at its regular rates. Seller shall execute and deliver to the Title Company such customary releases, documents, indemnities and affidavits (including an affidavit of title) as shall be reasonably necessary for the elimination of any standard and/or printed exceptions, conditions and/or exclusions in Purchaser's final title policy, including for the elimination of any exception for mechanics' liens, parties in possession, and the satisfaction of any Internal Revenue Service disclosure and reporting requirements. Seller shall also provide at Closing a Foreign Investment in Real Property Tax Act affidavit ("FIRPTA Affidavit") executed by Seller.

4.1.2. Purchaser shall within two (2) business days after the Effective Date order a title commitment from the Title Company and within twenty (20) days after the Effective

Date furnish Seller with (i) a copy of Purchaser's title report (the "Title Report"), together with clear and legible (if available in the public records) copies of all recorded instruments related to the matters which are listed as exceptions on the Title Report, as well as a copy of Purchaser's survey, if any ("Purchaser's Survey"); and (ii) notice in writing ("Purchaser's Title Notice") of any conditions, defects, encumbrances or other items appearing as exceptions in the Title Report or as a result of Purchaser's Survey which are unsatisfactory to Purchaser (the "Title Objections"); however, Purchaser shall not be required to object to any Liquidated Liens or Permitted Title Exceptions (each as hereinafter defined) and shall be deemed to have objected thereto, as well as to any parties in possession, and to title matters customarily removed by a seller's title affidavit including mechanic's liens, all of which shall be removed by Seller by Closing.

4.1.3. Seller shall, within five (5) days after Seller's receipt of the Purchaser's Title Notice, notify Purchaser of those Title Objections, if any, that it is unable or unwilling to correct or otherwise cause to be removed from the Title Report at Closing ("Seller's Title Notice"). Within five (5) days after Purchaser's receipt of Seller's Title Notice, Purchaser shall either: (i) waive the Title Objections noted in Seller's Title Notice, in which event such waived matters shall become Permitted Title Exceptions; or (ii) terminate this Agreement by giving written notice thereof to Seller, in which event the Deposit (to the extent held by Escrow Agent) shall be returned to Purchaser, this Agreement shall be null and void, and neither party shall have any further rights or obligations whatsoever hereunder. In the event Purchaser fails to give written notice to Seller of Purchaser's election to waive one or more of the Title Objections or of Purchaser's election to terminate this Agreement within five (5) days, Purchaser shall be deemed to have waived all Title Objections noted in Seller's Title Notice. For purposes of this Agreement, the term "Permitted Title Exceptions" shall mean and refer to: (i) any exceptions originally appearing in the Title Report which are not objected to in Purchaser's Title Notice (Purchaser shall in all events be deemed to object to Liquidated Liens, parties in possession and to title matters customarily removed by a seller's title affidavit, including mechanic's liens); and (ii) Title Objections waived or deemed to have been waived by Purchaser. Notwithstanding the foregoing, at Closing, Seller shall satisfy from the Purchase Price or otherwise cause the Title Company to remove as exceptions all Liquidated Liens affecting title to the Premises which can be satisfied upon payment of a fixed and liquidated amount, including, but not limited to, mortgages or other liens securing financing, mechanics liens, judgments, delinquent taxes, assessments, sewer charges and water charges (each a "Liquidated Lien" and collectively referred as "Liquidated Liens"), none of which shall be deemed a Permitted Title Exception.

4.1.4. Without limiting Seller's obligations to deliver the Premises free of Liquidated Liens, parties in possession and mechanic's liens, in the event that on the date of Closing Seller is unable, despite commercially reasonable efforts, to give good and marketable fee simple title subject only to the Permitted Title Exceptions and such as will be insured by the Title Company as set forth above, Purchaser shall have the option of (i) taking such title as Seller can convey, without abatement of the Purchase Price, or (ii) terminating the Agreement.

5. Due Diligence Period.

5.1. **Delivery of Materials.** Seller shall, within (3) days after the Effective Date, furnish to Purchaser copies of all leases, service and maintenance contracts for the Buildings and

building systems, agreements, records and reports respecting all or any part of the Premises, the most recent survey and site plan of the Premises, architectural plans for the Buildings, title reports, environmental reports or studies, and any governmental permits, registrations, reports, and/or approvals relating to the Premises, any warranties received by Seller from any contractors, subcontractor, materialmen or others in connections with the construction, maintenance or repair of the Premises; and building permits, licenses, approvals and certificate of occupancy for the Premises within Seller's possession and control. Purchaser understands and acknowledges that such information is for informational purposes and that Seller makes no representations concerning the accuracy of such information and such information may not be relied upon by Purchaser for any purpose under this Agreement.

5.2. Review of Physical Condition.

From time to time during the Due Diligence Period, and such time as is reasonably required by Purchaser thereafter, Purchaser shall have the right to inspect the physical condition of the Premises and make such environmental studies as Purchaser may elect. For purposes of conducting such inspections and studies, Seller agrees to provide Purchaser, its agents, employees, contractors and consultants' reasonable access to the Premises at all reasonable times on business days during the Due Diligence Period upon at least twenty-four (24) hours prior notice to Seller, which notice may be telephonic. Seller and Seller's designees shall have the right to accompany Purchaser and Purchaser's designees on any visits to the Premises. Any disturbance to the Premises as a result of Purchaser's inspections shall be restored by Purchaser to its condition prior to disturbance. Additionally, Purchaser may make a pre-Closing walk-through inspection of the Premises.

5.3. Due Diligence Period; Right of Termination.

If Purchaser determines that Purchaser is not satisfied in any respect with the results of the environmental inspection(s) and/or studies of the Premises, then Purchaser shall have the right to terminate this Agreement by giving written notice to Seller at any time prior to 5:00 p.m. Eastern Standard Time on May 30, 2016 (the "Due Diligence Date"). Notwithstanding the foregoing, if Purchaser is not able to complete such environmental inspection(s) and/or studies by the Due Diligence Date despite Purchaser's good faith efforts to do so, Seller agrees, at Purchaser's request, to extend the Due Diligence Date to June 13, 2016. The period from the Effective Date through and including the Due Diligence Date, as the same may be extended, is referred to as the "Due Diligence Period." If Purchaser terminates this Agreement as aforesaid, (a) the Escrow Fund shall be paid to Purchaser, (b) this Agreement shall become null and void and of no further force or effect, and (c) neither Purchaser nor Seller shall have any further liability or obligation to the other under this Agreement, except for the obligations of Purchaser which by their terms survive such termination.

5.4 Indemnification.

Purchaser acknowledges that all of Purchaser's inspections and studies of the Premises are undertaken by Purchaser at Purchaser's sole risk, cost and expense. Purchaser shall indemnify, defend and hold harmless Seller from and against any and all claim, loss, cost, liability judgment settlement, damage or expense, including, without limitation, reasonable

attorneys' fees and legal costs, caused by Purchaser or Purchaser's agents or independent contractors conducting any of the inspections or investigations which Purchaser undertakes in connection with the Premises.

5.5 As-Is Condition. EXCEPT AS MAY BE OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, PURCHASER ACKNOWLEDGES AND AGREES THAT PURCHASER IS PURCHASING THE PREMISES AS-IS, WITH ALL FAULTS AS TO ALL MATTERS PERTAINING TO THE PREMISES.

6. Intentionally Omitted.

7. Representations and Warranties of Seller.

Seller, to induce Purchaser to enter into this Agreement and to purchase the Premises, represents and warrants to Purchaser as follows:

7.1. Seller's Organization and Authority.

7.1.1. Seller is a Pennsylvania corporation, duly organized, validly existing, and subsisting under the laws of the Commonwealth of Pennsylvania.

7.1.2. Seller has full power, authority and legal right to (a) execute and deliver this Agreement and all documents and instruments relating to this Agreement ("Related Agreements"), (b) comply with the terms of this Agreement and all Related Agreements, and (c) complete the transactions contemplated by this Agreement and all Related Agreements.

7.2. Enforceability. This Agreement and all Related Agreements have been, or will be when executed, duly authorized, executed and delivered by Seller and constitute the valid and legally binding obligations of Seller, enforceable against Seller in accordance with their respective terms except as such enforceability may be limited by bankruptcy, insolvency or similar laws of general application relating to or affecting the enforcement of creditors' rights.

7.3. Consents; Proceedings; Bankruptcy; Conflicts.

7.3.1. With the exception of the entry of an order by the Bankruptcy Court approving this Agreement and the sale of the Premises free and clear of all liens, claims, encumbrances and interests in or on the Premises, except Permitted Title Exceptions, no consent, approval or other authorization of or by any court, administrative agency or other governmental or quasi-governmental authority is required in connection with Seller's (a) execution and delivery of this Agreement or any Related Agreement, (b) compliance with the terms of this Agreement or any Related Agreement, or (c) completion of the transactions contemplated by this Agreement or any Related Agreement.

7.3.2. With the exception of the entry of an order by the Bankruptcy Court approving this Agreement and the sale of the Premises free and clear of all liens, claims, encumbrances and interests in or on the Premises, except Permitted Title Exceptions, no proceedings or actions are pending or, to the best of Seller's knowledge, threatened, which do or might limit or impair Seller's power, authority or right to (a) execute and deliver this Agreement

or any Related Agreement, (b) comply with the terms of this Agreement or any Related Agreement, or (c) complete the transactions contemplated by this Agreement or any Related Agreement.

7.3.3. Seller's execution and delivery of this Agreement and all Related Agreements, compliance with the terms of this Agreement and all Related Agreements, and completion of the transactions contemplated by this Agreement and all Related Agreements, will not conflict with, or result in a breach of any mortgage, lease, agreement or other instrument, or any applicable law, judgment, order, writ, injunction, decree, rule or regulation of any court, administrative agency or other governmental authority to which Seller is a party or by which it or its properties is bound.

7.4. Regulatory Compliance. The current zoning classification of the Premises is HI, Heavy Industrial District.

7.5. Condemnation; Other Notices. Seller has not received any notice of any condemnation proceeding or other proceeding in the nature of eminent domain with respect to the Premises, and to the best of Seller's actual knowledge no such proceedings are threatened.

7.6. Condition of Building Systems. All building systems, including, without limitation, electrical, heating, ventilating, air conditioning, plumbing, security, fire suppression (if any), elevator and other mechanical systems, are in working order, condition and repair (ordinary wear and tear excepted). To the best of Seller's knowledge, there is no defective condition, structural or otherwise, in the Buildings or other improvements on the Premises, or in the Buildings' roof, heating, air conditioning, mechanical, plumbing or electrical systems and equipment. Any such condition of which Seller gains knowledge after the Effective Date shall be disclosed to Purchaser promptly. Notwithstanding the foregoing, Purchaser acknowledges and agrees that the Premises are being sold in "As-Is" Condition as provided in Section 5.5 hereof.

7.7. Service Agreements. There are no management, employment, service, equipment, supply, maintenance, water, sewer, or other utility or concession agreements or agreements with municipalities (including improvement or development escrows or bonds) with respect to or affecting the Premises which will burden the Premises or Purchaser after Closing in any manner whatsoever, except for instruments of record.

7.8. Leases. There are no existing leases, whether oral or written, agreements of sale, options, tenancies, licenses or any other claims to possession affecting the Premises in effect on the Effective Date except the leases listed on Exhibit "C" (the "Leases").

7.9. Environmental Matters.

7.9.1. Seller has received no notice(s) of violation or other written communication from any governmental agency of an alleged violation of any Environmental Laws, and to the best of Seller's knowledge, the Premises is in compliance with all Environmental Laws. The term "Environmental Laws" means all Federal, state and local laws, statutes, ordinances, codes, regulations and other requirements respecting the environment.

7.9.2. No part of the Premises has ever been used by Seller to refine, produce,

use, store, handle, transfer, process, transport or dispose of any Hazardous Substances. The term "Hazardous Substance(s)" means any substance, material or waste defined as a pollutant or contaminant, or as a hazardous, toxic or dangerous substance, material or waste, under any Environmental Law.

7.10. **Contractual Obligations.** Seller is the sole owner of the Premises and the Premises is not subject to any contractual agreements or instruments which will be binding upon Purchaser on or after the Closing Date, including by way of illustration and not limitation, any option to purchase or right of first refusal.

7.11. **Bankruptcy Court Approval.** Seller will obtain the Approval of this Agreement permitting the transfer of title to the Premises to Purchaser subject only to the Permitted Title Exceptions.

8. **Conditions to Purchaser's Obligation.**

The obligation of Purchaser under this Agreement to purchase the Premises from Seller is subject to the satisfaction of all of the following conditions (any or all of which may be waived in whole or in part by Purchaser in writing at any time):

8.1. **Compliance.** Seller shall have performed, observed and complied with all covenants, agreements and conditions required by this Agreement to be performed, observed and complied with prior to or as of the Closing.

8.2. **Seller's Representations.** Each of the representations and warranties of Seller contained in this Agreement shall be true and correct in all respects on the date of Closing as though made on the date of Closing.

8.3. **Title.** Purchaser's title to the Premises shall be insured by Purchaser's title insurance company at regular rates at Closing free of objections of any kind except the Permitted Title Exceptions pursuant to a full coverage owner's title insurance policy (2006 ALTA form), including such endorsements as Purchaser may require.

8.4. **Approval.** The Approval shall be final with all appeal periods having expired without an appeal being filed or if an appeal is filed, such appeal has been finally resolved no less than fifteen (15) days prior to the Closing Date with the Approval remaining in place and in full force and effect.

8.5. **Termination of Leases.** The Leases (if any exist) and the right of tenants thereunder to occupy the Premises shall terminate and expire on or prior to Closing, and all tenants occupying the Premises pursuant to the Leases shall have vacated the Premises.

8.6. Purchaser shall have received a certified copy of the resolutions of the Board of Directors of Seller and the Shareholders approving this Agreement and each other document to be delivered by the Seller pursuant hereto, and authorizing the Seller to execute and deliver this Agreement and the other documents to be delivered by the Seller pursuant hereto, and to perform the transactions contemplated herein or therein contained.

8.7 Purchaser shall have received a certificate of the Secretary or an Assistant Secretary of the Seller, certifying the names of the officers of the Seller authorized to execute this Agreement and any other document to be delivered by the Seller hereunder.

8.8 The delivery of the fully executed Post Closing Lease (hereinafter defined), and Seller's execution and delivery of the Subordination Agreement (hereinafter defined) at Closing."

8.9 If the above noted conditions to Purchaser's obligation to purchase the Premises have not been satisfied prior to Closing, Purchaser may either: (i) waive any of the foregoing conditions precedent; or (ii) terminate this Agreement by giving written notice thereof to Seller, in which event the Deposit (to the extent held by Escrow Agent) shall be returned to Purchaser, this Agreement shall be null and void, and neither party shall have any further rights or obligations whatsoever hereunder.

9. Representations and Warranties of Purchaser.

Purchaser hereby represents and warrants to and covenants with Seller as follows:

9.1. **Purchaser's Organization.** Purchaser is a limited liability company, duly organized, validly existing and subsisting under the laws of the Commonwealth of Pennsylvania, is qualified to do business in Pennsylvania and has authority to enter into and consummate its obligations under this Agreement.

9.2. **Purchaser's Authority:** Purchaser has the power and authority to enter into this Agreement, and the execution, delivery and performance of this Agreement have been duly authorized by all necessary actions on Purchaser's part.

9.3. **No Violation.** Neither the entry into this Agreement by Purchaser nor its consummation of the transaction contemplated hereby does or will violate any provision of the any agreement of Purchaser, or any indenture, agreement or order by which Purchaser is bound or any rule, order or law applicable to Purchaser.

9.4. **Enforceability.** This Agreement and all Related Agreements have been, or will be when executed, duly authorized, executed and delivered by Purchaser and constitute the valid and legally binding obligations of Purchaser, enforceable against Purchaser in accordance with their respective terms except as such enforceability may be limited by bankruptcy, insolvency or similar laws of general application relating to or affecting the enforcement of creditors' rights.

10. Period Prior to Closing.

10.1. **Affirmative Covenants.** Between the Effective Date and the Closing Date, Seller agrees to:

10.1.1. maintain the Premises in good order, condition and repair (ordinary wear and tear excepted), make all necessary repairs and replacements, and deliver the Premises on the Closing Date in substantially the same condition they are on the date of this Agreement;

10.1.2. provide prompt written notice to Purchaser of any casualty or condemnation affecting any portion of the Premises after the date of this Agreement;

10.1.3. deliver to Purchaser, promptly after receipt by Seller, copies of all notices of violation issued by any board, bureau, commission, department or body of any municipal, county, state or Federal government unit with respect to the Premises received by Seller prior to or after the date of this Agreement, and notice of any actual or threatened lien against the Premises;

10.1.4. advise Purchaser promptly of any litigation, arbitration or other judicial or administrative proceeding which concerns or affect the Premises; and

10.1.5. in the event Seller becomes aware that any representation or warranty made by Seller in this Agreement will not be true and correct on the Closing Date in any material respect, as if made at and as of the Closing Date, give prompt written notice thereof to Purchaser, which notice shall include all information related thereto that is in Seller's possession or control.

10.2. Negative Covenants. Between the Effective Date and the Closing Date, Seller agrees that, without Purchaser's prior written consent, Seller will not:

10.2.1. grant, create, assume or permit to be created any mortgage, lien, encumbrance, lease, easement, covenant, condition, right-of-way or restriction upon the Premises or take or permit any action adversely affecting the title to the Premises as it exists on the date of this Agreement;

10.2.2. cancel, modify, extend or amend any service contract or enter into any new service contract (including, without limitation, any management, service, equipment, supply, maintenance or concession agreement) or equipment lease; or

10.2.3. make any alterations to the Premises except with respect to its obligation to maintain the Premises and in good order, condition and repair as required by the terms of this Agreement.

11. Provisions with Respect to Closing.

At Closing:

11.1. Seller's Deliveries. Seller shall deliver or cause to be delivered to Purchaser the following:

11.1.1. A special warranty deed for the Premises, duly executed and acknowledged by Seller, in proper form for recording, subject only to those Permitted Title Exceptions which are of record.

11.1.2. An assignment conveying any transferable warranties or guarantees relating to the Premises, free and clear of all liens, security interests and encumbrances, and in the form attached to this Agreement as Exhibit "D".

11.1.3. An affidavit, in accordance with the Foreign Investment in Real Property Tax Act, in the form attached to this Agreement as Exhibit "E".

11.1.4. An affidavit to Purchaser's title insurance company of the type customarily provided by sellers of real property to induce title companies to remove or insure over the "standard" or "preprinted" exceptions to title.

11.1.5. Such other corporate documents as may be reasonably required by Purchaser's title insurance company in order to insure title.

11.1.6. A Lease Termination Agreement between Seller and tenants under the Leases in form reasonable satisfactory to Purchaser.

11.1.7. Such other documents as may be reasonably required to consummate the transactions contemplated by this Agreement.

11.1.8. The Post Closing Lease and Subordination Agreement.

11.2. Possession. Possession of the vacant Premises shall be delivered by Seller to Purchaser at Closing, subject to the Post Closing Lease.

11.3. Escrow Fund. Escrow Agent shall deliver the Escrow Fund to Seller or the Title Company, and the amount thereof shall be credited against the Purchase Price.

11.4. Purchaser's Deliveries. Purchaser shall deliver or cause to be delivered to Seller the following:

11.4.1. the balance of the Purchase Price, adjusted for any prorations or credits; and

11.4.2. such other documents as may be reasonably required to consummate the transactions contemplated by this Agreement.

11.5. Transfer Taxes and Other Closing Costs. All realty transfer taxes, documentary stamp taxes, recording taxes or similar charges imposed on any document executed or delivered pursuant to this Agreement or otherwise in connection with this transaction, shall be divided equally between Seller and Purchaser. Purchaser shall pay all title insurance premiums charged by Purchaser's title insurance company. Each party shall bear its own counsel fees. All other recording and closing costs of any nature or description shall be borne or apportioned in accordance with the custom and practice in the jurisdiction in which the Premises is located.

12. Adjustments.

12.1. Sums Prorated. The following items shall be prorated as of 12:01 a.m. prevailing Eastern Time on the Closing Date, on the basis of a 365-day year, with Purchaser deemed the owner of the Premises on the entire Closing Date:

12.1.1. real estate taxes, including refunds with respect thereto, if any;

12.1.2. water, sewer and utility charges; and

12.1.3. any other expenses relating to the Premises which are customarily adjusted at Closing, including without limitation rents paid or payable under the Leases.

12.2. **Meter Readings.** Arrangements shall be made for the reading of meters for all utilities on the Premises to a date no earlier than the day prior to the Closing Date. If after diligent efforts Seller is unable to obtain Closing shall be completed, and a pro rata adjustment will be made when the bills are received, such adjustment to be made on a day-to-day basis, with Seller being responsible for any time periods prior to the Closing Date and with Purchaser being responsible for any time periods on and after the Closing Date. At the option of Purchaser, Seller shall place in escrow with the Escrow Agent an amount as reasonably determined by the Title Company to be used for the payment of the utilities with any remaining balance after such payments to be returned to Seller.

12.3. **Tax Rate.** If Closing occurs before the tax rate or the assessed valuation of the Premises is fixed for the then current year, the apportionment of taxes shall be made using the tax rate for the preceding year applied to the latest assessed valuation. Subsequent to Closing, when the tax rate and the assessed valuation of the Premises is fixed for the year in which Closing occurs, the parties shall adjust the proration of taxes and refund or repay such sums as shall be necessary to effect such adjustment.

12.4. **Assessments for Public Improvements.** In the event work for any public improvements with respect to the Premises is begun before the Closing, Seller shall be responsible for the assessments and charges that are imposed before Closing.

13. **Fire; Eminent Domain.**

If at any time prior to Closing any portion of the Premises is destroyed or damaged as a result of fire or any other casualty whatsoever requiring more than \$100,000.00 to fully repair according to a reasonable estimate obtained by Seller from a reputable contractor, Purchaser shall have the option, exercisable within thirty (30) days after Purchaser receives written notice of such casualty, to either (i) terminate this Agreement, in which event this Agreement shall become null and void (except for the obligation to pay the Escrow Fund to Purchaser), and neither party shall have any further liabilities or obligations under this Agreement (except for the obligation to pay the Escrow Fund to Purchaser), or (ii) to take title as damaged, whereupon at Closing Seller shall transfer and assign to Purchaser all of Seller's right, title and interest in and to any insurance proceeds and awards that have been or that may thereafter be made for such casualty, and Purchaser shall assume any contracts for restoration or repair that are then in existence for the casualty and shall reimburse Sellers for any expenditures under such contracts.

If at any time prior to Closing any portion of the Premises is destroyed or damaged as a result of fire or any other casualty whatsoever requiring \$100,000.00 or less to fully repair according to a reasonable estimate obtained by Seller from a reputable contractor, this Agreement shall remain in full force and effect with no adjustment, provided the repair of such damage is covered by casualty insurance maintained by Seller. At Closing Seller shall transfer and assign to Purchaser all of Seller's right, title and interest in and to such insurance and awards

that have been made or that may thereafter be made for such casualty, and Purchaser shall receive a credit at Closing equal to the amount of the policy deductible assessed in connection with the receipt of such insurance to the extent Seller has not already paid the deductible.

If prior to Closing Seller is notified of any condemnation proceedings or other proceedings in the nature of eminent domain against any portion of the Premises, this Agreement shall become null and void (except for the obligation to pay the Escrow Fund to Purchaser), and neither party shall have any further liabilities or obligations under this Agreement (except for the obligation to pay the Escrow Fund to Purchaser).

14. Brokers.

Seller represents and warrants to Purchaser that Seller has had no dealings, negotiations or communications with any broker or other intermediary in connection with this Agreement or the sale of the Premises, other than SJL Jackson Realty. Purchaser represents and warrants to Seller that Purchaser has had no dealings, negotiations or communications with any broker or other intermediary in connection with this Agreement or the sale of the Premises, other than Capital Commercial Real Estate. SJL Jackson Realty and Capital Commercial Real Estate are hereinafter collectively referred to as the "Brokers." Seller has agreed to pay to the Brokers a sales commission with respect to this transaction. Seller shall be solely responsible for any commissions or fees payable to the Brokers. In the event that any claim is asserted by any person, firm or corporation, whether broker or otherwise, claiming a commission and/or finder's fee with respect to the sale of the Premises resulting from any act, representation or promise of Seller (including the Brokers), Seller shall indemnify and save harmless Purchaser from any such claim. In the event any claim is asserted by any person, firm or corporation, whether broker or otherwise, claiming a commission and/or finder's fee with respect to the sale of the Premises resulting from any act, representation or promise of Purchaser (other than the Brokers), Purchaser shall indemnify and save harmless Seller from any such claim. The terms of this Section 13 shall survive Closing.

15. Default; Remedies.

15.1 Purchaser Default; Seller Remedy. Should Purchaser violate or fail to fulfill or perform in any material respect any of Purchaser's duties and obligations under this Agreement (a "Purchaser's Default"), then and in that case the Deposit, with all interest earned thereon, shall be delivered to Seller and the Deposit shall be retained by Seller as liquidated damages for such Purchaser's Default, and this shall be Seller's sole remedy for such Purchaser's Default. Seller's actual damages in the event of a Purchaser's Default are impossible of precise calculation and the parties agree that the amount of the Deposit is their good faith estimate of Seller's actual damages and represent agreed upon liquidated damages and not a penalty.

15.2 Seller Default; Purchaser Remedy. Should Seller violate or fail to perform in any material respect Seller's duties and obligations under this Agreement, Purchaser shall have all rights and remedies available to Purchaser under this Agreement and all rights and remedies available to Purchaser at law and equity including, without limitation, the right to specifically enforce this Agreement, or the right to terminate this Agreement and receive the Deposit and all costs and expenses incurred by Purchaser in connection with Purchaser's due diligence, title

examination, preparation of this Agreement and preparation for Closing, including reasonable attorney fees up to an aggregate amount not to exceed \$5,000.00.

15.3 Seller and Purchaser agree that any breach by Seller of the Post Closing Lease is post-petition and not subject to the automatic stay provisions of the United States Bankruptcy Code.

16. Notices.

(a) Any notices required or permitted to be given under this Agreement shall be given in writing and sent both by email and by Certified Mail, postage prepaid, return receipt requested, or by a nationally recognized commercial overnight courier that guarantees next day delivery and provides a receipt, in and will be deemed delivered in either case, one day after the mailing or delivery to the nationally recognized overnight carrier, addressed as follows:

(b) If to Seller: J.G. Nascon, Inc.
Attention: Joseph Nassib
c/o Ciardi Ciardi & Astin
One Commerce Square, Suite 3500
2005 Market Street
Philadelphia, PA 19103
Attention: Jennifer Cranston Esquire
Email: jcranston@ciardilaw.com

If to Purchaser: Prosthetic Innovations, LLC,
10 Baldwin Creek,
Eddystone, Pennsylvania, 19022
Attention: Michael Rayer, Managing Member
Email: mrayer@prolimb.com

With a required copy to: Robert H. Holber, Esquire
41 E. Front Street
Media, PA 19063
Email: rholber@holber.com

or to such other address as either party may from time to time specify in writing to the other party. Any notice shall be effective only upon receipt (or refusal by the intended recipient to accept delivery). Notice provided to legal counsel for Seller and Purchaser shall be deemed to provide notice to Seller and Purchaser for purposes of this Agreement.

17. Bulk Sale Compliance.

If any portion of the Premises will contain more than fifty (50%) percent of the property owned by Seller, Seller shall provide ten (10) days' notice of this sale to the Pennsylvania Department of Revenue pursuant to the Pennsylvania law, particularly 72 P.S. Sections 1403 and 7240 (the "Bulk Sales Laws"). In such event, at the Closing, Seller shall provide Purchaser with

(a) a letter from Seller's independent certified public accountant addressed to Purchaser stating that there are and will be no taxes owed by the Seller which would result in a lien to the Premises under the provisions of the Bulks Sales Laws, or (b) an estimate of taxes owed or to be owed to the Commonwealth of Pennsylvania under the provisions of the Bulks Sales Laws, prepared by Seller's independent certified public accountant, addressed to Purchaser, and an amount equal to one and one half times the amount of such taxes as estimated shall be held in escrow by the Title Company from Seller's proceeds at Closing, until a corporate clearance certificate issued by the Pennsylvania Department of Revenue is delivered. Seller shall promptly file all required tax returns and applications required to obtain a corporate clearance certificate, and shall indemnify, defend and save harmless Purchaser, its successors and assigns from and against any and all tax claims made by the Commonwealth of Pennsylvania, and if an escrow fund has been established the escrow agent is irrevocably authorized to use the funds escrowed to pay any tax claim asserted, any remaining balance to be paid to Seller. This Section 17 shall survive any termination or expiration of this Agreement.

18. Miscellaneous.

18.1 Intentionally Omitted

18.2 Tender Waived. Formal tender of an executed deed and purchase money are hereby waived.

18.3 Headings. The headings and captions in this Agreement are inserted for convenience of reference only and in no way define, describe or limit the scope or intent of this Agreement or any of the provisions hereof.

18.4 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

18.5 Survival. The representations, warranties, covenants and agreements of the parties contained in this Agreement shall survive the Closing.

18.6 Counterparts; Signatures. This Agreement may be signed in multiple counterparts with the same force and effect as if all original signatures appeared on one copy. In the event this Agreement is signed in counterparts, each counterpart shall be deemed an original and all of the counterparts shall be deemed to be one agreement. Signatures to this Agreement transmitted by fax, by electronic mail in "portable document format (".pdf"), or by other electronic means intended to preserve the original graphic and pictorial appearance of this Agreement, shall have the same effect as physical delivery of the paper document bearing the original signature.

18.7 Binding Effect; Assignment. This Agreement shall be binding upon, and inure to the benefit of, the parties to this Agreement and their respective successors and assigns. Purchaser shall have the right to assign its interest in this Agreement without the consent of Seller to DR2 Holdings, LLC, a Pennsylvania limited liability company, formed by the members of Purchaser. No such assignment shall relieve Purchaser of its liabilities or obligations under this Agreement. Upon an assignment of this Agreement by Purchaser to DR2 Holdings, LLC, upon Purchaser's request, Seller shall execute a replacement agreement between such assignee

and Seller which is identical to this Agreement, except that Contingencies already satisfied may be deleted therefrom, which replacement agreement shall be executed by Seller and DR2 Holdings, LLC simultaneously with the execution of a termination of this Agreement, it being intended that such replacement agreement shall supersede this Agreement in its entirety.

18.8 Entire Agreement; Requirement for Writing. This Agreement and the Exhibits attached to this Agreement contain the final and entire agreement of Purchaser and Seller with respect to the sale and purchase of the Premises and are intended to be an integration of all prior negotiations and understandings. Neither Purchaser nor Seller shall be bound by any covenants, agreements, statements, representations or warranties, oral or written, not contained in this Agreement. No change or modification to this Agreement shall be valid unless the same is in writing and signed by the parties to this Agreement. No waiver of any of the provisions of this Agreement shall be valid unless the same is in writing and is signed by the party against which it is sought to be enforced.

18.9 Severability. If any provision of this Agreement, or the application thereof to any person, place or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances shall remain in full force and effect.

18.10 Automatic Extension. In the event that the date for performance of any duty or obligation, exercise of any right or option or giving of any notice shall occur upon a Saturday, Sunday or legal holiday, the due date for such performance, exercise or giving of notice shall be automatically extended to the next succeeding business day.

18.11 Time of Essence. Time is of the essence of each and every provision of this Agreement of which time is an element.

18.12 Waiver of Jury Trial. Purchaser and Seller waive trial by jury in any action, proceeding or counterclaim brought by any party against any other party on any matter arising out of or in any way connected with this Agreement.

18.13 Business Days. For the purposes of this Agreement a business day means any day that is not a Saturday, Sunday, or a legal holiday.

18.14 Seller's Leaseback Option and Post Closing Lease. Purchaser agrees that Seller may have continued occupancy of the Premises subsequent to Closing on and subject to the following terms and conditions, and Seller hereby agrees to all such terms and conditions:

18.14.1 The parties agree to enter into a lease agreement and use the 2015 Pennsylvania Association of Realtors ("PAR") Commercial Lease form, a true and correct copy of which is marked Exhibit "F" and attached hereto, as the same shall be modified to be consistent with the following sub-sections of this Section 18.14 (the said PAR form as modified hereinafter the "Post Closing Lease"):

18.14.2 The Commencement Date is the Closing Date.

18.14.3 The term of the Post Closing Lease (the "Term") shall expire on December 31, 2016. The Post Closing Lease will automatically terminate at the expiration of the Term without notice to Seller. If Seller fails to surrender the Premises at the end of the Term or earlier termination thereof, Purchaser, in addition to all other remedies available to it hereunder, and as partial compensation for such unlawful retention, shall have the right to receive, as liquidated damages for all the time Seller shall so retain possession of the Premises, or any part thereof, an amount equal to 300% of the \$7,500.00 (the agreed monthly fair market base rent amount) plus 100% of Additional Rent specified in this Lease, as applied to such period calculated on a per diem basis for each day of such continued unlawful retention. Such payments for unlawful retention shall not limit any rights or remedies of Purchaser resulting by reason of the wrongful holding over by Seller or create any right in Seller to continue in possession of the Premises.

18.14.4 The Premises is leased in "As Is" without any representation or warranty of any kind, express or implied, with Seller responsible for the normal maintenance and repair of the Premises during the Term of the Post Closing Lease.

18.14.5 No Rent during the Term. It is the intention of the parties that the Post Closing Lease is a "triple net lease" and that any expenses or charges required to be paid to maintain and carry the Premises for Seller's occupancy shall be paid by Seller, including without limitation, Seller's operating expenses, water and sewer services and all costs and charges for gas, heat, light, electricity, power, telephone and any other utility or service used or consumed in or servicing the Premises and all other costs and expenses involved in the care, management and use thereof, including without limitation, janitorial service, trash removal, grass cutting, and snow and ice removal, excepting only real estate taxes and payments under any mortgage created by Purchaser, which will be paid by Purchaser.

18.14.6 Seller's use and occupancy of the Premises shall be limited to all current uses of the Premises to the extent permitted by right in the HI, Heavy Industrial District.

18.14.7 Seller shall not, without Purchaser's prior written consent, which consent shall not be unreasonably withheld or delayed, make any improvements or repairs to the Premises.

18.14.8 Seller shall maintain (i) insurance covering Seller's trade fixtures, furnishings, equipment, and inventory, in an amount not less than one hundred percent (100%) of their full replacement, providing "all-risk" protection against perils included within the standard state form of fire and broad form extended coverage insurance policy, together with insurance against vandalism and malicious mischief as included under standard insurance industry practices; and (ii) broad form comprehensive general liability insurance in companies acceptable to Landlord, naming Purchaser as additional named insured, with minimum limits of \$1,000,000.00 per occurrence, and not less than \$2,000,000.00 in the aggregate, with a property damage limit shall not be less than (\$500,000.00). Tenant shall also keep in force, at its own expense, Worker's Compensation or similar insurance affording statutory coverage and containing statutory limits.300

18.14.9 If the Premises are damaged by fire or other casualty, and not occurring through the intentional or negligent act of Seller, Purchaser will repair the damaged portions of the Premises (but not any of Seller's property) except that if, in Purchaser's reasonable judgement, the damage would require more than 30 days to repair or the completion of the repair would not occur prior to 30 days before the expiration the Term, then Purchaser shall have the right to terminate the Post Closing Lease. If Purchaser is required to repair, the work shall be commenced and completed with due diligence, taking into account the time required for Purchaser to procure insurance proceeds, and construction delays due to shortages of labor or materials or other causes beyond Purchaser's reasonable control.

18.14.10 Seller's execution and delivery at Closing of a subordination agreement in form and substance satisfactory to Purchaser's lender (the "Subordination Agreement").

18.14.11 Upon receiving Notice of Default from Purchaser of a non-monetary term, covenant, condition or agreement contained in the Post Closing Lease, Seller shall have fifteen (15) days to cure such default.

18.14.12 Deletion of paragraph 28 of the 2015 PAR form lease ("Alternate Dispute Resolution").

18.14.13 The inclusion of a Confession of Judgment for Possession clause in favor of Purchaser in form and substance satisfactory to Purchaser.

18.14.14 Purchaser will deliver the Post Closing Lease to Seller within five (5) business days of the Order of the Bankruptcy Court approving the sale of the Premises to Purchaser pursuant to the terms of this Agreement. The Post Closing Lease will be signed no later than June 2, 2016.

IN WITNESS WHEREOF, intending to be legally bound hereby, Purchaser and Seller have executed this Agreement as of the date first above written.

[Remainder of this page left intentionally blank; signature page(s) follow.]

Witness:

Joseph Nassib
Joseph Nassib

Date: May 18, 2016
May 20 2016

Witness:

Michael Rayer

Date: MAY 19, 2016

SELLER:

J.G. NASCON, INC.,
A Pennsylvania Close Corporation

By: [Signature]

Name: Joseph Nassib

Title: President

Attest: Leonora Miller

Name: Leonora Miller

Title: Secretary

Leonora Miller

PURCHASER:

Prosthetic Innovations, LLC
A Pennsylvania Limited Liability Company

By: [Signature]

Name: Michael Rayer

Title: Managing Member

EXHIBIT "A"

RECORDED
DELAWARE

163791

OCT 15 PM 12:31

DEED

THIS INDENTURE made the 6th day of September, 1996, between ANN FITZPATRICK, hereinafter called the Grantor, of the one part, and J.G. NASCON, INC., hereinafter called the Grantee, of the other part, a Pennsylvania Corporation

WITNESSETH that said Grantor, for and in consideration of the sum of Three Hundred Ninety-Seven Thousand Two Hundred Ninety Dollars and 32/100 (\$397,290.32), lawful money of the United States of America, unto Grantor well and truly paid by the said Grantee, at or before the sealing and delivery hereof, the receipt whereof is hereby acknowledged, has granted, bargained and sold, released and confirmed, and by these presents does grant, bargain and sell, release and confirm unto the said Grantee, its successors and assigns,

ALL THAT CERTAIN PARCEL OF LAND as described on Exhibit "A" attached hereto, UNDER AND SUBJECT, however, to matters of record as of the date hereof, as well as easements, conditions and restrictions visible upon the ground.

TOGETHER with all and singular the structures and improvements, ways, streets, alleys, driveways, passages, waters, water-courses, mineral rights and timber rights, if any, liberties, privileges, hereditaments and appurtenances, whatsoever therunto belonging, or in any wise appertaining, and the reversions and remainders, rents, issues, and profits thereof; and all the estate right, title, interest, property, claim and demand whatsoever of

RETURN TO:
JANIS ABSTRACT
PA 12317

TL1522 #1839

Number: PA 12317

The land referred to in this Commitment is described as follows:

ALL THAT PARCEL of land STRIATE in the Borough of Eddystone, County of Delaware and Commonwealth of Pennsylvania, bounded and described according to a plan of a Survey made by Pickering, Curtis and Swanson, Inc., dated January 21, 1977, as follows, viz:

BEGINNING at a copper veld monument set in the easterly legal right of way line of Saville Avenue (60 feet wide) at the distance of approximately 28 feet measured in a southeasterly direction and radially from the southeasterly prolongation of the center line of Tract No. 3 of Railroad formerly of the Philadelphia, Baltimore and Washington Railroad Company, said point being 5.33 feet measured in a southeasterly direction and radially from the prolongation of the center line of Tract 4 as shown on said plan; THENCE from the point of beginning by a curve to the left in a northeasterly direction and more or less concentric to Tract No. 3 of the said Company and being concentric to Tract 3 of said Company having a radius of 4437.10 feet for the arc distance of 919.46 feet to a copper veld monument set at a point of tangency, said curve having a chord bearing of North 48 degrees 24 minutes 18.5 seconds East, for a distance of 917.89 feet; THENCE on a line parallel with and 20 feet, more or less, measured in a southeasterly direction from the center line of Tract 3 of said Company being 3.33 feet measured in a southeasterly direction at right angles from the center line of Tract No. 3 of said Company, North 40 degrees, 26 minutes, 32 seconds East, 24.67 feet to the copper veld monument set for a corner; THENCE on a line parallel with and 50 feet measured in a northeasterly direction at right angles from the center line of Eddystone Industrial Track, South 78 degrees, 49 minutes, 31 seconds East, 192.84 feet to a copper veld monument set at a point of curve; THENCE by a curve to the left in a southerly direction concentric with and 30 feet measured radially in the northwesterly direction from the center line of said track having a radius of 471.59 feet for the arc distance of 385.01 feet to a copper veld monument set for a corner in the northerly legal right of way line of the Industrial Highway, L.R. 542, Section 6 (45 feet wide), the aforesaid curve having a chord bearing of South 12 degrees, 26 minutes, 17 seconds West, for a distance of 374.41 feet; THENCE from the last mentioned point and along the northerly right of way line of said highway, parallel with and 16 feet measured in the northerly direction at right angles from the center line of said Highway South 70 degrees, 44 minutes, 41 seconds West, 346.77 feet to a copper veld monument set at a point of curve; THENCE by a curve to the right in the northwesterly direction of a radius of 40 feet for the arc distance of 62.88 feet to a corner veld monument set a point of tangency; THENCE along the easterly legal right of way line in Saville Avenue, aforesaid, North 19 degrees 11 minutes 13 seconds West, 55.44 feet to the point and place of beginning.

CONTAINING 2.1936 Acres, more or less.

BEING the same premises which Ann Osborne, Sheriff of the County of Delaware, by Sheriff's Deed dated January 9, 1934 and recorded in Delaware County in record Book Volume 1208 page 1254, granted unto Ann Fitzpatrick, in Fee.

Tax Folio 18-00-00299-01

Exhibit "A"

71-522 131060

the said Grantor, in law as in equity, or otherwise howsoever of, in, and to the same and every part thereof.

TO HAVE AND TO HOLD the said parcel of land above described, with the improvements and structures thereon erected and the hereditaments and premises hereby granted, or mentioned and intended so to be, with the appurtenances, unto the said Grantee, its successors and assigns, to and for the only proper use and behoof of the said Grantee its successors and assigns forever, in fee.

UNDER AND SUBJECT to the matters of record, as aforesaid.

AND the said Grantor, for Grantor's heirs, assigns, Executors and administrators does covenant, promise and agree, to and with the said Grantee, its successors and assigns, that the said Grantor and Grantor's heirs, all and singular the hereditaments and premises hereinabove described and granted or mentioned and intended so to be, with the appurtenances, unto the said Grantee, its successors and assigns, against the said Grantor and Grantor's heirs, and against all and every person or persons whatsoever lawfully claiming or to claim the same or any part thereof, by, from or under Grantor, or any of them, shall and will, subject as aforesaid, WARRANT and forever DEFEND.

IN WITNESS WHEREOF, the parties of the first part have hereunto set Grantor's hand and seal dated the day and year first above written.

Sealed and delivered in the presence of the undersigned

[Handwritten Signature]

[Handwritten Signature] (SEAL)
Ann Fitzpatrick

3972.90

FOOTNOTE BIT 3972.90
ES. TRANS TAX 3972.90
TOTAL 3972.90
CHECK 3972.90
CORPORATION TN OF PENNSYLVANIA
DEPARTMENT OF REVENUE
REALTY TRANSFER TAX 3972.90
10-13-84 131377H
CHECK 3972.90
10-15-16 TUS #2 CORRY 8896 131377H

Alvarez@spartan.edu

03/20/2016

101522 051842

I hereby certify that the address of
the above Grantee is:

J.G. Mason, Inc.
1800 Industrial Highway
Eddystone, PA 19022

IN 1522 #1843

STATE OF FLORIDA
COUNTY OF BROWARD

SS.

On this, the 1st day of September, 1998, before me, a Notary Public for the State of Florida, the undersigned Officer, personally appeared, Ann Fitzpatrick known to me (satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that she executed the same for the purposes therein contained.

I hereunto set my hand and official seal.



Notary Public



EXHIBIT "B"

ESCROW AGREEMENT

THIS ESCROW AGREEMENT made this _____ day of _____, 2016, by and among J.G. NASCON, INC., a Pennsylvania close corporation, having an address of 1400 Industrial Highway, Eddystone, Pennsylvania, 19022 ("Seller") and PROSTHETIC INNOVATIONS, LLC, a Pennsylvania limited liability company, having an address at 10 Baldwin Cr ek, Eddystone, Pennsylvania, 19022 ("Purchaser") and TIMOTHY F. SULLIVAN, ESQUIRE, agent for Commonwealth Land Title Company, having an office at 216 South Orange Street, Media, Pennsylvania, 19063 ("Escrow Holder").

WITNESSETH:

WHEREAS, Seller and Purchaser are parties to an Agreement of Sale dated _____, 2016, for certain real estate located in Eddystone Borough, Delaware County, Pennsylvania (the "Agreement of Sale"); and

WHEREAS, Purchaser in accordance with the Agreement of Sale has agreed to deposit certain monies in escrow with Escrow Holder (the "Escrowed Funds") on account of the purchase price in a non-interest-bearing escrow account (the "Escrow Account"); and

WHEREAS, Escrow Holder has agreed to hold the Escrowed Funds on the terms hereof.

NOW THEREFORE, the parties hereto, intending to be legally bound, agree as follows:

1. Escrow Account. Escrow Holder shall hold the deposit funds on the terms and conditions hereinafter set forth and Escrowed Funds shall be deposited in accordance with the Agreement of Sale. Escrow Holder shall hold the Escrowed Funds until consummation or termination of the Agreement of Sale.
2. Disbursement of Escrowed Funds. Disbursement of the Escrowed Funds shall be in accordance with the Agreement of Sale. Escrow Holder shall take no other action with regard to the Escrowed Funds, unless mutually instructed by Seller and Purchaser in writing. In the event of a dispute over entitlement of the deposit monies, Escrow Holder shall retain the Escrowed Funds until the dispute is resolved. In the event of litigation for the return of deposit monies, Escrow Holder shall distribute the monies as directed by a final order of court or a written agreement of the parties.
3. Liability of Escrow Holder. Escrow Holder shall not be liable to either Seller or Purchaser for any acts or omission, other than gross negligence or intentional wrongdoing. Escrow Holder may rely upon the genuineness or authenticity of any document tendered to it by either Seller or Purchaser, and shall be under no duty of independent inquiry with respect to any facts or circumstances recited therein. Seller and Purchaser agree to and do hereby indemnify, defend and hold harmless Escrow Holder from and against all costs, claims or liabilities

whatsoever arising from Escrow Holder's acceptance of responsibility hereunder, other than for Escrow Holder's gross negligence or intentional wrongdoing. In the event of any dispute between Seller and Purchaser with respect to the Escrowed Funds, Escrow Holder shall have the right at any time thereafter to deposit the Escrowed Funds into a court of competent jurisdiction, in which event, Escrow Holder shall be relieved of any further obligations with respect to the holding or disbursement of the Escrowed Funds.

4. Successors and Assigns. This Escrow Agreement is binding upon the parties hereto and their respective successors and assigns.

5. Choice of Law. This Escrow Agreement shall be governed by the laws of the Commonwealth of Pennsylvania.

6. Captions. The captions preceding the paragraphs of this Escrow Agreement have been inserted merely for the convenience of reference and shall not be used in construing this Escrow Agreement.

7. Entire Agreement. This Escrow Agreement (and the relevant provisions of the Agreement of Sale) constitutes the entire agreement between the parties hereto concerning the Escrowed Funds. There are no other agreements, representations or understandings, oral or written, of any kind or nature whatsoever.

8. Notices. All notices, requests and other communications under this Escrow Agreement shall be in writing and shall be sent by (i) registered or certified mail, return receipt requested, postage prepaid; or (ii) recognized overnight delivery service providing positive tracking of items, addressed as set forth on the first page of this Escrow Agreement or to such other address which Seller, Purchaser or Escrow Holder shall have given notice as herein provided. All such notices, requests, and other communications may be given on behalf of any party by its counsel.

9. Other. Notwithstanding the foregoing, the Escrowed Funds shall be held by the Escrow Holder in accordance with Section #16 of the "Rules and Regulations of the Real Estate Commission of the Commonwealth of Pennsylvania, as Amended" entitled "Regulations Interpreting Escrow Requirements."

[BALANCE OF PAGE INTENTIONALLY LEFT BLANK.

SIGNATURE PAGE FOLLOWS.]

IN WITNESS WHEREOF, the parties have signed this Escrow Agreement as of the day and year first above written.

Witness:

[Signature]

[Signature]

Date: May 18, 2016

May 20 2016

[Signature]

Date: May 19, 2016

SELLER:

J.G. NASCON INC.,
A Pennsylvania Close Corporation

By:

[Signature]
Name: Joseph P. Nassis
Title: President

Attest:

[Signature]
Name: Leona M. Miller
Title: Secretary

[Signature]

PURCHASER:

PROSTHETIC INNOVATIONS, LLC
A Pennsylvania Limited Liability Company

By:

[Signature]
Name: MICHAEL RAYR
Title: Managing Member

ESCROW HOLDER:

By:

[Signature]
TIMOTHY F. SULLIVAN, ESQUIRE

EXHIBIT "C"

LEASES

Identify Lease

NONE.

EXHIBIT "D"

ASSIGNMENT OF INTANGIBLES

THIS ASSIGNMENT OF INTANGIBLES (the "Assignment") is made as of the _____ day of _____, 2016, J.G. NASCON, INC., a Pennsylvania close corporation ("Assignor"), in favor of Prosthetic Innovations, LLC, a Pennsylvania limited liability company ("Assignee").

WITNESSETH:

Assignor and Assignee are parties to an Agreement of Sale dated May _____, 2016 (the "Agreement of Sale"), pursuant to which Assignor agreed to sell and Assignee agreed to purchase certain property located in Eddystone Borough, Delaware County, Pennsylvania (the "Premises"). This Assignment is being delivered pursuant to Subsection 11.1.2 of the Agreement of Sale.

NOW, THEREFORE, for good and valuable consideration received by Assignor, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, Assignor hereby sells, assigns and transfers to Assignee all of the following (collectively, the "Intangibles"):

(a) all licenses, authorizations, approvals, permits and certificates of occupancy, if any, issued by any governmental authority and relating to the ownership, operation, maintenance, use or occupancy of the Premises;

(b) all currently effective warranties or guaranties given by any contractor, supplier or manufacturer of (i) any personal property or fixture installed in or used in connection with the Premises, and (ii) any work performed on or improvements included in the Premises. Assignor represents and warrants to Assignee that (a) Assignor is the absolute owner of the Intangibles, (b) the Intangibles are free and clear of all liens, charges, encumbrances and security interests, and (c) Assignor has full right, power and authority to sell the Intangibles and to make this Assignment.

This Assignment shall inure to the benefit of Assignee, its successors and assigns and shall be binding upon, Assignor, its successors and assigns.


[BALANCE OF PAGE INTENTIONALLY LEFT BLANK.



SIGNATURE PAGE FOLLOWS.]

IN WITNESS WHEREOF, Assignor has executed this Assignment on the day and year first above written.

ASSIGNOR:

J.G. NASCON, INC.,
A Pennsylvania Close Corporation

By: 
Name: Jason P. Nassib
Title: President

Attest: 
Name: Leona M. Miller
Title: Secretary


Date: May 18, 2016
May 20, 2016

EXHIBIT "E"

ENTITY TRANSFER CERTIFICATION

Section 1445 of the Internal Revenue Code provides that a transferee of a United States real property interest must withhold tax if the transferor is a foreign person. To J.G. NASCON, INC., a Pennsylvania close corporation ("Purchaser"), that withholding of tax is not required upon the disposition of United States real property interests by, a Pennsylvania partnership ("Seller"), Seller hereby certifies the following:

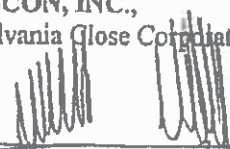
1. Seller is not a foreign corporation, foreign partnership, foreign trust, or foreign estate, as those terms are defined in the Internal Revenue Code and Income Tax Regulations.
2. Seller's employer identification number is 23-2617087.
3. Seller's address is:

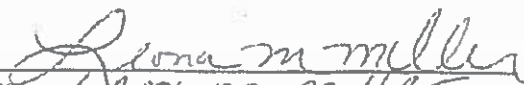
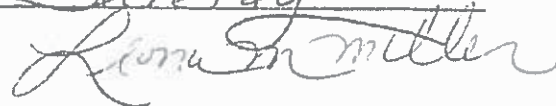
J.G. NASCON, INC.
1400 Industrial Highway
Eddystone, Pennsylvania 19022

Seller understands that this certification may be disclosed to the Internal Revenue Service by Purchaser and that any false statement made by Seller and contained herein could be punished by fine, imprisonment or both.

Under penalties of perjury, the undersigned individual signing this document on behalf of Seller declares that he has examined this certification and to the best of his knowledge and belief, it is true, correct and complete. The undersigned further declares that he has authority to sign this document on behalf of Seller.

J.G. NASCON, INC.,
A Pennsylvania Close Corporation

By: 
Name: Joseph P Nassib
Title: President

Attest: 
Name: Leona M Miller
Title: Secretary


Date: May 18, 2016
May 20, 2016

EXHIBIT "F"