

Sample of LOI ( )

Confidential  
01/30/2017

Owners and Sellers of ABC, LLC.

Re: Proposed Acquisition of Specified Assets of ABC, LLC.

Dear Directors:

This letter of intent between the undersigned ABC LLC, a Limited Liability Company Doing Business As, ABC is intentions of the parties with respect to the purchases by \_\_\_\_\_ of certain assets of ABC. This letter of intent is non-binding except as provided in paragraph 16. The principal terms and conditions that would be applicable to the proposed transactions are as follows:

1. Sale of Assets. At the close of the transaction, ABC, a Limited Liability Company Doing Business As, ABC", would sell, and \_\_\_\_\_ (directly, or through an affiliated entity designated by \_\_\_\_\_) would purchase, all of the ABC, LLC, a Limited Liability Company Doing Business As, ABC", right title and interest in and to all of the rights, properties, contracts and other assets of ABC, LLC, a Limited Liability Company Doing Business As, ABC", of every kind, character description, whether tangible or intangible, whether real, personal or mixed, whether accrued, contingent or otherwise, except for such assets that may be explicitly excluded from the transaction.

In addition, \_\_\_\_\_ understands that ABC, LLC, a Limited Liability Company Doing Business As, ABC, LLC", desires to exclude certain other of its assets from the acquired assets. \_\_\_\_\_ has not had the opportunity to complete its due diligence investigation of ABC, LLC a Limited Liability Company Doing Business As, ABC", and thus cannot commit to a list of assets to be included or excluded from the transaction as of the date of this letter; however, \_\_\_\_\_ will consider the request to exclude assets from the transaction as part of its due diligence investigation. The assets (and corresponding balance sheet account numbers) which ABC, LLC, a Limited Liability Company Doing Business As, ABC", desires to exclude from the transaction are as follows:

Account:

Account :

2. Consideration. In consideration of the number of the transfer of the specified ABC, LLC, a Limited Liability Company Doing Business As, ABC", assets, \_\_\_\_\_ would pay to ABC, LLC, a Limited Liability Company Doing Business As, ABC", up to an aggregated amount of \_\_\_\_\_ and no/100 Dollars ( The purchase price), subject to further adjustment as provided herein, of which:

a. \$ \_\_\_\_\_ will be paid at closing to ABC, LLC, a Limited Liability Company Doing Business As, ABC", or it's assigned.

b. \$ \_\_\_\_\_ ( "the Holdback Amount") would be retained by \_\_\_\_\_ until the date that is six (6) months after closing of the transaction and would be used as the first source of funds for payment of indemnification claims and other purchase price adjustments asserted by ABC, LLC, a Limited Liability Company Doing Business As, ABC", pursuant to the definitive purchase agreement before the end of such six (6) month period (if any) and the Holdback Amount remaining at the end of such period would be paid to ABC, LLC, a Limited Liability Company Doing Business As, ABC", or it's assigned.

c. Up to \$ \_\_\_\_\_ would be paid to ABC, LLC, a Limited Liability Company Doing Business As, ABC", as an earn-out, based on the gross revenue actually received in the business from the acquired customers of ABC, LLC, a Limited Liability Company Doing Business As, ABC", after closing, as follows:

1. ABC, LLC. a Limited Liability Company Doing Business As, ABC", average annual sales for fiscal/calendar years 2020 \$ \_\_\_\_\_ and the first quarter of 2020, \$ \_\_\_\_\_ ("the Revenue Target Amount").

2. If ABC, LLC. a Limited Liability Company Doing Business As, ABC", receives gross revenue from the acquired customers in the business during the first twelve (12) full calendar months after closing in an aggregate amount equal to or greater than, "The Revenue Target Amount", then within forty-five (45) days of the end of such twelve (12) month period, \_\_\_\_\_ would pay \$ \_\_\_\_\_ to ABC, LLC. a Limited Liability Company Doing Business As, ABC" . If \_\_\_\_\_ does not receive gross revenue from the acquired customers during such twelve (12) month period in an aggregate amount of the shortfall (The "Shortfall Amount") would be calculated and considered with respect to subsequent twelve (12) month periods as described below.

3. If \_\_\_\_\_ receives gross revenue from the acquired customers in the business during the second twelve (12) full calendar months after closing in an aggregate amount equal to or greater than the Revenue Target Amount, then within forty-five (45) days of the end of such second twelve (12) month period, \_\_\_\_\_ would pay \$ \_\_\_\_\_ to ABC, LLC. a Limited Liability Company Doing Business As, ABC", Alternatively, if \_\_\_\_\_ receives gross revenue from the acquired customers in the business during the second twelve (12) full calendar months after closing in an aggregate amount equal to or greater than the sum of the revenue Target Amount, plus any Shortfall Amount related to the first such twelve (12) month period, and if an earn-out payment was not paid to ABC, LLC. a Limited Liability Company Doing Business As, ABC", with respect to the first twelve (12) month period, then within forty-five (45) days of the end of such second twelve (12) month period, \_\_\_\_\_ would pay \$ \_\_\_\_\_ to ABC, LLC. a Limited Liability Company Doing Business As, ABC", If \_\_\_\_\_ does not receive gross revenue from the acquired customers during such second twelve (12) month period in an aggregated amount at least equal to the Revenue Target Amount, then the Shortfall Amount for that period shall be calculated and considered with respect to subsequent twelve (12) month period as described below.

4. If \_\_\_\_\_ receives gross revenue from acquired customers in the business during the third twelve (12) full month calendar months after closing in an aggregate amount equal to or greater than the Revenue target Amount, then within forty-five (45) days of the end of such third twelve (12) months period, \_\_\_\_\_ would pay \$ \_\_\_\_\_ to ABC, LLC. a Limited Liability Company Doing Business As, ABC".

5. If \_\_\_\_\_ receives total gross revenue from the acquired customers in the business during the thirty-six (36) full calendar months after closing in an aggregated amount equal to or greater than the product of three (3) times the Revenue Target Amount, then within forty-five (45) days after the end of this thirty-six (36) month period, \_\_\_\_\_ would pay to ABC, LLC. a Limited Liability Company Doing Business As, ABC", all earn-out amounts not already paid, up to a maximum of \$ \_\_\_\_\_. Earn-out payments would never exceed \$ \_\_\_\_\_.

6. The Target Revenue Amount would be based on the sum of average revenue per customer. If \_\_\_\_\_ stopped providing services to a customer unilaterally and without a reasonable basis for doing so (such as customer breach, refusal to accept pass-through of cost increases, discrimination against or mistreating employees, or other reasonable bases), then the Target Revenue Amount would be adjusted equitably for future time periods as a result of removal of that customer.

7. Gross revenue for purposes of the earn-out would be a calculated net of refunds, discounts and other allowances.

8. ABC, LLC, a Limited Liability Company Doing Business As, ABC", rights to earn-out payments would be subordinate to the rights of and subject to the terms and conditions specified by the senior lender(s) \_\_\_\_\_ and its affiliates, and \_\_\_\_\_ would enter into a subordination or similar agreement with such lender(s) with respect thereto at or before closing of the contemplated transactions.

3. Liabilities. \_\_\_\_\_ would not assume any obligations or liabilities of ABC, LLC, a Limited Liability Company Doing Business As, ABC", except (only) (a) liabilities and obligations arising after closing under the assumed contracts (if any), and (b) other liabilities and obligations explicitly agreed to and accepted in writing by \_\_\_\_\_ at closing, if any. All unassigned liabilities of ABC, LLC, a Limited Liability Company Doing Business As, ABC", would be paid or compromised and satisfied in full by ABC, LLC, a Limited Liability Company Doing Business As, ABC".

4. Purchase Price Adjustment. The Purchase Price would be subject to adjustment to reflect the actual value, at the time of closing, of cash, accounts receivable, prepaid assets/deposits, work in process and other current assets including as part of the acquired assets, as well as the actual amount of any assumed current liabilities including in the transaction (if any) and other specified liability (if any). The parties would agree at or before closing to the list of transferred assets and assumed liabilities to be included in a calculation of "Net Capital", as well as a target amount of Net Capital to be determined based on the capital needs of the business and ABC, LLC, a Limited Liability Company Doing Business As, ABC", Net Capital balances in recent periods. If the Net Capital as of the closing date were later determined to be less than the agreed target NET Capital amount, the Purchase Price would be reduced by the amount of such difference. This post-closing adjustment (if any) would be calculated by \_\_\_\_\_ and reported to ABC, LLC, a Limited Liability Company Doing Business As, ABC", within ninety (90) days after closing.

5. Liens & Restrictions. On the closing date, ABC, LLC, a Limited Liability Company Doing Business As, ABC", would transfer the acquired assets free and clear of all claims, liens, encumbrances, changes and liabilities ("Liens"), other than Liens accepted and permitted by \_\_\_\_\_ (if any).

6. Noncompetition agreement Assistance. At closing ABC, LLC, a Limited Liability Company Doing Business As, ABC", would enter into an agreement not to compete with \_\_\_\_\_ and the former ABC, LLC, a Limited Liability Company Doing Business As, ABC", business on customary terms for a period of five (5) years following closing. Additionally, after closing for a period of twelve months, ABC, LLC, a Limited Liability Company Doing Business As, ABC", Richard Smith and ABC, LLC, a Limited Liability Company Doing Business As, ABC", would provide reasonable time and assistance to \_\_\_\_\_ in good faith and without any additional compensation in order to maintain and transition relationships with the acquired customers, with such assistance not to exceed ten Hours per Month.

7. Key Employees. Depending on the outcome of \_\_\_\_\_ due diligence investigation of ABC, LLC, a Limited Liability Company Doing Business As, ABC", closing of the transaction may be conditional upon the agreement of all or some of ABC, LLC, a Limited Liability Company Doing Business As, ABC", employees and contractors to continue employment with or to provide consulting or transition services to \_\_\_\_\_ after closing.

8. Due Diligence Investigation. Upon signing of this letter of intent, ABC, LLC, a Limited Liability Company Doing Business As, ABC", shall assist and cooperate with \_\_\_\_\_ and its advisors and legal and accounting representatives in a due diligence investigation, affording \_\_\_\_\_ and such advisors and representatives full, complete and reasonable access to ABC, LLC, a Limited Liability Company Doing Business As, ABC", and its suppliers, properties, contracts, books and records, financial statements, customers, employees, and all other documents and data.

9. Conditions Precedent. The consummation of the contemplated transactions would be subject to satisfaction of the following conditions precedent: (a) the satisfactory completion of, and \_\_\_\_\_ satisfaction of results of, the due diligence investigation described in paragraph 8; (B) the negotiation, execution and delivery of a definitive agreement and attendant ancillary documents necessary to effect contemplated transactions and which are satisfactory to each party; \_\_\_\_\_ receipt of financing for the transaction on terms acceptable to \_\_\_\_\_ and (d) the acquisition of all consents and approvals required with respect to any party, contract, license or governmental entity prior to closing.

10. Cost. Each party shall be responsible for and bear all of its own cost and expenses (including, without limitation, fees, expenses and cost of legal counsel, bankers, brokers, accountants or other representatives or consultants) incurred at any time in connection with pursuing or consummating the transactions contemplated herein.

11. Expiration. This letter of intent shall expire and terminate automatically unless you return a signed acceptance hereof to the undersigned on or before 5:00 pm (EST) on April \_\_\_\_, 2020. If accepted by you, this letter shall expire and terminate automatically at 11:59 p.m. (E.S.T.) on May \_\_\_\_, 2020. ABC, LLC. a Limited Liability Company Doing Business As, ABC", shall notify \_\_\_\_\_ promptly if ABC, LLC. a Limited Liability Company Doing Business As, ABC", determines not to proceed with the contemplated transaction, in which case this letter of intent shall terminate immediately upon delivery of such notice, except that the provisions of paragraph 10, 15, and 17 shall in any event survive the termination or expiration of this letter of intent and shall remain binding on the parties.

12. No Solicitation: Operation of Business. Following acceptance of this letter of intent, and for the term of this letter of intent, ABC, LLC. a Limited Liability Company Doing Business As, ABC", and its affiliates, owners, officers, directors, employees and agents shall not directly or indirectly (a) make any offer to sell all or any significant portion of the assets or capital stock of ABC, LLC. a Limited Liability Company Doing Business As, ABC", to any other person, through sale, merger, combination or otherwise; or (b) accept or negotiate any other offer to purchase all or any significant portion of the assets or capital stock of ABC, LLC. a Limited Liability Company Doing Business As, ABC", in progress with a party other than \_\_\_\_\_ will be terminated upon ABC, LLC. A Limited Liability Company Doing Business As, ABC", acceptance of this letter of intent, and ABC, LLC. a Limited Liability Company Doing Business As, ABC", will notify \_\_\_\_\_ promptly regarding any such contract with any other party after the date hereof. During the term of this letter of intent, (y) ABC, LLC. a Limited Liability Company Doing Business As, ABC", shall use commercially reasonable efforts to preserve their business and goodwill; and (z) the business operations, activities and practices of ABC, LLC. a Limited Liability Company Doing Business As, ABC", shall be conducted only in the ordinary course and consistent with past practices.

13. Definitive Agreement. As soon as reasonably practicable after acceptance of this letter of intent, ABC, LLC. a Limited Liability Company Doing Business As, ABC", would cause its counsel to prepare definitive agreements embodying the terms of this letter and containing other customary provisions including, without limitation, representations, warranties and covenants to be made by ABC, LLC. a Limited Liability Company Doing Business As, ABC, ( including provisions for survival and indemnification), closing conditions, remedies and other provisions. The definitive agreements would be specify that recourse for indemnification payable to ABC, LLC. a Limited Liability Company Doing Business As, ABC", and other purchase price adjustments would first be by deduction from the Holdback Amount, second by offset against the Note, and third by payment from \_\_\_\_\_.

14. Closing date. If this letter of intent is acceptable, the proposed transactions are expected to close on or before May \_\_\_\_, 2020, although the parties would endeavor to close the proposed transactions earlier.

15. Confidentiality. Except to the extent required by law, without the prior written consent of the other parties herein, no party shall, directly or indirectly, make any public comment, statement or communication with respect, or otherwise disclose or permit disclosure of the existence of discussions regarding the proposed transactions. Furthermore, we shall mutually agree upon the disclosure, if any, that will occur should the proposed transactions be consummated. The terms of this paragraph shall survive the expiration or termination of this letter of intent. Notwithstanding anything herein to the contrary, \_\_\_\_\_ may make such disclosure to propose financing parties as it deems necessary or appropriate for the purpose of obtaining financing for the proposed acquisition.

16. Non-Binding Effect. We acknowledge and agree that this letter contains only a general outline of the proposed transactions. Except as set forth below, the paragraphs and provisions of this letter of intent do not constitute and will not give rise to any legally binding obligation of any of the signatories. The provisions of paragraphs 8,10,11,12, 15,16, and 17 shall be the only provision of this letter binding on the parties following your acceptance hereof.

17. Governing Law. This Agreement shall be governed by and enforced, interpreted and construed in accordance with the laws of the state of \_\_\_\_\_ without giving effect to any choice or conflict of law provision or rule that would cause the laws of any other jurisdiction to apply.

Please indicate your acceptance of the above terms and conditions by executing and returning the enclosed copy of this letter of intent before 5:00 p.m. (E.S.T.) on April \_\_\_\_\_, 2020.

Accepted and signed on this \_\_\_\_\_ day of April, 2020.

Company ABC

By \_\_\_\_\_  
Printed \_\_\_\_\_

Title \_\_\_\_\_  
And Individual \_\_\_\_\_

Sample of POA ()

## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (hereinafter referred to as the "Agreement") dated the 31st day of December 2017, by and between Richard Smith, Managing Partner of AlegraStaffing Inc.,(hereinafter referred to as the "Buyer") and Sanchez Staffing, LLC., A Mississippi limited liability company, (hereinafter referred to as the Seller and/or the Company) with its company headquarters located in Clarksdale, Mississippi.

## RECITALS

WHEREAS, the Seller desires to sell substantially all of the operating assets of the Company; and

WHEREAS, the Buyer desires to acquire substantially all of the assets of the Company, in accordance with the terms and conditions hereinafter set forth.

WHEREAS, the parties have entered into a Letter of Intent, dated November 24th, 2019, attached hereto as Schedule 6.6, under which Seller agreed to sell substantially all of the assets of the Company to the Buyer; and

WHEREAS, one of the terms of the Letter of Intent was that the parties enter into this Agreement; and

WHEREAS, the parties are entering into this Agreement in accordance with the terms and conditions of the Letter of Intent and agree that in the event of any conflict between the terms of the Letter of Intent and this Agreement, this Agreement will prevail.

## TERMS

NOW THEREFORE, in consideration of the mutual representations, warranties, covenants, and agreements contained herein, the parties hereto agree as follows:

### 1. INCLUSION OF ASSETS

On the Closing Date, Seller covenants and agrees to sell, assign, convey, transfer, and deliver to Buyer and Buyer covenants and agrees to purchase and accept from Seller the Assets as listed below in the manner and for the consideration hereinafter set forth. These items are owned by the Company and will be transferred as part of this transaction.

1.1 Inventory. All inventory of the Company consists of a quality and quantity usable and/or saleable in the ordinary course of business. At Closing, Buyer agrees to buy all inventory at the agreed upon purchase price as hereinafter provided. See Schedule 1.1 for a list of the inventory.

1.2 Other Assets. Other tangible fixed assets of the Company with the exception of the Company vehicles are included in the purchase price agreed upon by the parties. These assets will be stated in the Closing Balance Sheet of the Company and shown on Schedule 1.2. The Buyer will have an appraisal of the Company's Corporate Automobile Fleet and the Seller and Buyer will agree upon an additional Purchase Price for these vehicles, which shall be paid in immediately available funds.

1.3 Accounts Receivable. Buyer is not purchasing accounts receivable and will not be liable for collecting any outstanding accounts receivable that exist on the date of closing. See Schedule 1.3 for a listing of such Accounts Receivable. The Accounts Receivable as of the Closing Date shall be retained by the Seller to pay off the factoring as no debts or liabilities are being assumed in this transaction.

1.4 Phones, Files and Customer List. The Company customer list shall be a part of this agreement. The Buyer is also acquiring the right to the phone systems, internet listings and number(s), telephone and any marketing listings of the Seller. In addition, all Company files are being purchased by the Buyer as a part of this transaction. Refer to paragraph 5.6 regarding access to records and files. These items are considered part of the goodwill of the Seller.

1.5 Domain Name. The Seller's Domain Name(s) are also a part of this agreement. Buyer agrees to purchase and Seller agrees to sell, any and all of Seller's right, title and interest in and to the Domain Name(s) "Sanchezstaffing.com", including, but not limited to, all goodwill, trademarks, service marks, trademark or service mark applications for the Domain Name or any variant of the Domain Name, URLs, and domain name registrations, and all related contracts, agreements, licenses or permits. Seller agrees to take any action necessary to assist Buyer in transferring the Domain Name(s) registration with the web hosting company. See Schedule 1.5 for a list of the Domain Name(s) and the web hosting company information.

1.6 Allocation of Purchase Price. Buyer agrees to accept Seller's allocation of the purchase price as to the fair market value for the assets, inventory, goodwill, and any other items included as part of this Asset Purchase Agreement. The allocation shall be as follows (based upon the December 31st, 2017 Balance Sheet of the Company):

(a) Inventory \$ (b) Equipment \$ (d) Consulting Agreement \$ (e) Goodwill \$  
 (f) Non-Compete \$ \_\_\_\_\_

Total \$5,000,000.00 + Vehicles

All parties agree that this allocation will be updated on the Closing Date. Both parties agree to use the updated allocation as of the Closing Date when filing tax returns regarding this transaction and agree to execute IRS form 8594 attached as Schedule 1.6.

## 2. PAYMENT OF PURCHASE PRICE.

2.1 Payment. At Closing, Buyer shall pay to the Seller the total Purchase Price of Five Million Dollars (\$5,000,000.00) plus the agreed upon price for the Company Corporate Vehicle Fleet. The Purchase Price shall be payable to the Seller as follows:

a) One Million Five Hundred Thousand Dollars (\$1,500,000.00) cash payment on the Closing Date, subject to closing costs chargeable to the Seller per the Closing Statement attached as Schedule 2.1(a) plus the agreed upon price of the Company's Corporate Automobile Fleet.

b) Five Hundred Thousand Dollars (\$500,000.00) shall be due and payable Twelve (12) months following the Closing Date and paid in accordance with a Non-Negotiable Promissory Note bearing an interest rate of 3.75% attached as Schedule 2.1(b). In the event of default of the Promissory Note in accordance with its terms, the interest rate shall be immediately increased to 7.50%.



c) Two Million Dollars (\$2,000,000.00) will be paid in accordance with a Non-Negotiable Promissory Note bearing an interest rate of 3.75% per year, with a monthly payment of Fourteen Thousand Five Hundred Forty Four Dollars and 45/100 Cents (\$14,544.45) attached as Schedule 2.1(c). The first payment will be due February 1st, 2018. The Non-Negotiable Promissory Note shall have a balloon payment of principal and interest due five (5) years after the Closing, with a balloon payment of One Million Four Hundred Sixty Eight Thousand Ninety Nine Dollars and 7/100 Cents (\$1,486,099.07). In the event of default of the Non-Negotiable Promissory Note, the interest rate shall be immediately increased to 7.50%. The Interest shall accrue and be due and payable on or before 5:00 P.M. \_\_\_\_\_, \_\_\_\_\_. Buyer will be allowed to prepay the Note without penalty.

2.2 Earn Out Payments. In addition to the Cash Payment at Closing, Buyer shall pay to the Seller, if earned, an amount not to exceed One Million and No/100 Dollars (1,000,000.00) (the "Maximum Earn-out Amount"), in a series of payments (each an "Earn-out Payment" and, together, the "Earn-out Payments") based on the gross revenue (net of discounts, refunds, write-offs for bad debt, and other allowances) accrued on work performed by the Buyer for those customers and prospects of the Business identified on Schedule 2.2 (the "Legacy Customers") during each relevant Measurement Period ("Gross Revenue"). Such Earn-out Payments, once (and if) earned, comprise part of the Purchase Price payable under this Agreement and shall be subject to deduction, adjustment and offset as specified in this Agreement. The Earnout Payments will be determined and paid as followed:

a) The Earn-out Payments will be earned on the basis of Gross Revenue meeting or exceeding certain Gross Revenue targets. The initial Gross Revenue target shall be \$35,000,000.00 (such amount (as and adjusted pursuant to this Section (a)), the "Revenue Target Amount"). If Buyer elects unilaterally to cease providing services to a Legacy Customer without a reasonable basis for doing so, then the Revenue Target Amount for any future Measurement Period shall be reduced by an amount equal to (A) \$35,000,000.00, multiplied by (B) the "Customer Revenue Percentage" attributed to such Legacy Customer on Schedule 2.2; and the Revenue Target Amount for the Measurement Period in which the Legacy Customer was removed shall be reduced by an amount equal to (X) \$35,000,000.00, multiplied by (Y) the "Customer Revenue Percentage" attributed to such Legacy Customer on Schedule 2.2, multiplied by (Z) the quotient obtained by dividing (1) the number of days remaining in the applicable Measurement Period following the effective date of the Buyer's removal of such Legacy Customer as a client by (2) 365. If Buyer subsequently renews the business relationship with any such unilaterally removed Legacy Customer, then the Revenue Target Amount would be adjusted upward equitable for the then current and any future Measurement Period(s).

For purposes of this Section 2.2(a), a “reasonable basis” for ceasing to do business with a Legacy Customer (which will not result in a downward adjustment to the Revenue Target Amount) shall include, without limitation, a breach or default by such Legacy Customer under any agreement between such Legacy Customer and the Business repeated delinquent payments by such Legacy Customer, violations of Law by such Legacy Customer, a refusal by such Legacy Customer to accept pass-through of cost increases or other changes in fees or reimbursement amounts requested by the Business, any discrimination against or mistreatment of employees by such Legacy Customer, or any other commercially reasonable basis for such cessation. If Buyer elects unilaterally to remove a Legacy Customer without reasonable basis, Buyer will notify Seller within a reasonable period following such removal and provide Buyer’s calculation of the corresponding adjustment to the Revenue Target Amount.

b)(i) If Buyer accrues Gross Revenue from the Legacy Customers during the first twelve (12) full calendar months after the month in which Closing occurs (“the First Measurement Period”) in an aggregate amount equal to or greater than the Revenue Target Amount, then on or before January 31, 2019, Buyer will pay to Seller in immediately available funds an amount equal to Two Hundred Thousand and No/100 Dollars (\$200,000.00); and following such payment and delivery Buyer shall not have any additional obligation to make payments to Seller pursuant to this Section 2.2(b). If Buyer does not receive Gross Revenue from the Legacy Customers during the First Measurement Period in an aggregate amount at least equal to the Revenue Target Amount, then no Earn-out Payment will be made to Seller with respect to the First Measurement Period; however, the amount of such shortfall (the First Period Shortfall Amount”) would be calculated and considered with respect to subsequent Measurement Periods as described below.

b)(ii) Unless Buyer already satisfied its payment obligations pursuant to Section 2.2(b)(i), if Buyer accrues Gross Revenue from the legacy Customers during the second twelve (12) full calendar months after Closing (the “Second Measurement Period”) in an aggregate amount equal to or greater than the Revenue Target Amount of \$36,000,000.00, then on or before January 31, 2020, Buyer will pay to Seller in immediately available funds an amount equal to Two Hundred Thousand and No/100 Dollars (\$200,000.00); except that, if an Earn-out Payment was not paid to Seller with respect to the First Measurement Period and Buyer receives Gross Revenue from the Legacy Customers during the Second Measurement Period in an aggregate amount equal to or greater than the sum of the Revenue Target Amount plus any First Period Shortfall Amount, then within forty-five (45) days of the end of the Second Measurement Period, Buyer will pay to Seller an amount equal

to Four Hundred Thousand and No/100 Dollars (\$400,000.00) in lieu of the \$200,000.00 payment described in Section 2.2(b)(ii). If Buyer accrues Gross Revenue from the Legacy Customers during the Second Measurement Period in an aggregate amount less than the Revenue Target Amount, then no Earn-out Payment will be made to Seller with respect to the Second Measurement Period.

b(iii) Unless Buyer already satisfied its payment obligations pursuant to Section 2.2(b)(ii and/or iii), if Buyer accrues Gross Revenue from the Legacy Customers during the third twelve (12) full calendar months after Closing (the “Third Measurement Period”) in an aggregate amount equal to or greater than the Revenue Target Amount of \$37,000,000.00 then on or before January 31, 2021, Buyer will pay to Seller in immediately available funds an amount equal to Two Hundred Thousand and 00/100 Dollars (\$200,000.00); except that, if an Earn-out Payment was not paid to Seller with respect to the First Measurement Period and/or Second Measurement Period and Buyer receives Gross Revenue for the Legacy Customers during the Third Measurement Period in an aggregate amount equal to or greater than the sum of the Revenue Target Amount plus any First and/or Second Period Shortfall Amounts, then within forty-five (45) days of the end of the Third Measurement Period, Buyer will pay to Seller an amount equal to no more than Six Hundred Thousand and No/100 Dollars (\$600,000.00) in lieu of the \$200,000.00 payment described above in this Section (b)(iii).

b(iv) Unless Buyer already satisfied its payment obligations to Section 2(b)(I and/or ii and/or iii), if Buyer accrues Gross Revenue from Legacy Customer during the fourth twelve (12) full calendar months after Closing (the “Forth Measurement Period”) in an aggregate amount equal to or greater than the Revenue Target Amount of \$38,000,000.00, then on or before January 31, 2021, Buyer will pay to Seller in immediately available funds an amount equal to Two Hundred Thousand and No/100 Dollars (\$200,000.00); except, if an Earn-out Payment was not paid to Seller with respect to the First Measurement Period, Second Measurement Period, and/or Third

Measurement Period and Buyer receives Gross Revenue from the Legacy Customers during the Forth Measurement Period in an aggregate amount equal to or greater than the sum of the Revenue Target Amount plus any First, Second and/or Third Period Shortfall Amounts, then within forty-five (45) days of the end of the Third Measurement Period, Buyer will pay to Seller an amount equal to no more than Eight Hundred Thousand and No/100 Dollars (\$800,000.00) in lieu of the \$200,000.00 payment described above in this Section (b)(iv).

b(v) Unless Buyer already satisfied its payment obligations to Section 2(b)(i and/or ii and/or iii and/or iv), if Buyer accres Gross Revenue from Legacy Customer during the fifth and final twelve

b)(v) Unless Buyer already satisfied its payment obligations to Section 2(b)(i and/or ii and/or iii and/or iv), if Buyer accrues Gross Revenue from Legacy Customer during the fifth and final twelve (12) full calendar months after Closing (the “Fifth Measurement Period”) in an aggregate amount equal to or greater than the Revenue Target Amount of \$39,000,000.00, then on or before January 31, 2022, Buyer will pay to Seller in immediately available funds an amount equal to Two Hundred Thousand and No/100 Dollars (\$200,000.00); if an Earn-out Payment was to be paid to Seller with respect to the First Measurement Period, Second Measurement Period, third Measurement Period, and/or Fourth Measurement Period and Buyer receives Gross Revenue equal to or greater than the sum of the Revenue Target Amount plus any First, Second, and/or Fourth Period Shortfall Amounts, then within forty-five (45) days of the end of the Fourth, Buyer will pay to Seller an amount equal to no more than One Million and No/100 Dollars (\$1,000,000.00).

c) For the avoidance of doubt, notwithstanding any provision of this Agreement to the contrary, the aggregate amount payable to Seller pursuant to this Section 2 shall never exceed One Million and No/100 Dollars (\$1,000,000.00)

d) Seller’s rights to any Earn-out Payments under this Agreement shall be subordinate to the rights of and subject to the terms and conditions specified by the senior secured lender(s) of Buyer and its affiliates, and at or prior to the Closing and thereafter as reasonably requested by such senior secured lender(s), Seller shall enter into a subordination or similar agreement with each such lender memorializing such subordination (each, A “Subordination Agreement”). Notwithstanding any provision to the contrary contained in this Agreement, or in any other agreement between Buyer and Seller, Buyer shall not make nor shall it be required to make any payment under this Agreement so long as a Credit Agreement Default has occurred and is continuing or would occur as a result of such payment, and the failure of Buyer to make such payment in accordance with this Section shall not constitute a breach of or default under this Agreement, however, as soon as the Credit Agreement Default has been cured, the Buyer shall resume payments under this Agreement, and any missed payments shall be immediately paid with interest accrued at the rate of 7.50%. As used in this Agreement, the term “Credit Agreement Default” means an “Event of Default” or “Default,” as those terms are defined in that certain Credit Agreement dated as of the date of this Agreement, by and between Alegra Staffing, Inc. and WeststarBank, N.A., including all modifications, restatements, and amendments thereto.

e) Unless Buyer already satisfied its payment obligations pursuant to this Section 2, Buyer shall notify Seller in writing within five (5) business days of the occurrence of an Buyer Change of Control which occurs before the end of the Third measurement Period and/or Fourth Measurement Period and/or Fifth Measurement Period, in which event Buyer shall pay to Seller an amount equal to the Maximum Earn-out Amount, less amounts previously paid to Seller under this Section 2. Any payment due under this Section 2(i) is referred to as an "Acceleration Payment." Except to the extent limited by applicable law, the Acceleration Payment shall be made within one hundred twenty (120) days of such Buyer Change of Control, as applicable, by wire transfer of immediately available funds to an account designated in writing by Seller. Upon Buyer's payment of the Acceleration Payment, Buyer shall have no further obligations under this Section 2. As used in this provision "Buyer Change of Control" means a transaction or series of related transactions as a result of which a person or entity, or group of persons or entities acting in concert (excluding any of the controlling shareholder(s) of Buyer as of the date of this Agreement, and excluding any entity or group of persons controlled by any of the controlling shareholder(s) of Buyer as of the date of this Agreement), directly or indirectly, acquires (A) all or substantially all of Buyer's assets, determined on a consolidated basis, or (B) securities representing more than fifty percent (50%) of the voting power of Buyer. An Acquired Change of Control may be in any form or combination of forms, including a transfer of voting securities, a merger (whether or not Buyer survives), a consolidation, a share exchange, a reorganization, or an asset sale.

3. CLOSING DATE AND LOCATION. The Closing of this transaction shall occur at a place agreed upon by the parties on or before the 31st day of December, 2019. This date is hereinafter referred to as the Closing Date. At Closing, a representative of the Seller and Company will deliver to the Buyer a Bill of Sale duly endorsed and authorized by the proper representative of the Company, attached as Schedule 3.0.

#### 4. REPRESENTATIONS AND WARRANTIES OF SELLER AND COMPANY.

All of the terms and conditions of this Agreement shall be complied with and performed in all material respects and the covenants, representations, and warranties made by the Seller and the Company in this Agreement shall be true and correct in all material respects as of the Closing Date.

4.1 Organization. Seller has all requisite power and authority to own, lease, operate and sell their assets, properties and business and to carry on their business as now being conducted. Seller was duly organized and are validly existing and in good standing under the laws of the State of \_\_\_\_\_. Seller warrants that all of the books and records, including the tax returns, accurately reflect the state of the business.

4.2 Authority and Enforceability.

a) The Seller represents and warrants that it is (i) mentally competent and in all respects of sound mind, (ii) have not been deprived of their civil rights, (iii) are over the age of 21, (iv) are used to managing their financial affairs, (v) have not had a conservator or guardian appointed for them pursuant to a court order, (vi) have the full legal capacity and all requisite power and authority to enter into and deliver, and perform their obligations under this Agreement (and each of the documents contemplated herein to which they are a party), (vii) are familiar with and fully understand the nature, purpose and effect of this Agreement (and each of the documents contemplated herein to which they are a party) and the transactions contemplated hereby and thereby.

b) This Agreement has been duly and validly executed and delivered by the Seller, and this Agreement constitutes (and each of the documents contemplated herein to which the Seller is a party will constitute, when delivered) a valid and binding agreement of the Seller, enforceable against the Seller in accordance with its terms except as the same may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting the rights of creditors generally and subject to the rules of law governing (and all limitations on) specific performance, injunctive relief and other equitable remedies.

4.3 No Violation. The execution, delivery and performance of this Agreement by Seller and the consummation of the transactions contemplated hereby: Does not, and will not at the Closing, directly or indirectly, conflict with, violate, result in a breach of, or cause a default under (or with notice or lapse of time, or both, would be a default under), (i) any provision of any applicable law or regulation relating to Seller or to the Company's Assets, (ii) any provision of any order, arbitration award, judgment or decree applicable to Seller or to which the Company's Assets are subject, or (iii) any provision of any agreement or instrument to which Seller is a party or the Company's Assets are subject.

4.4 Consents Required. Except as set forth on Schedule 4.4, (collectively the "Required Consents"), the execution, delivery and performance of this Agreement (and each of the documents contemplated herein) by Seller does not require Seller to obtain any consent, approval or action of, or make any filing with or give notice to, any corporation, partnership, limited liability company, person, firm or other entity or any public, governmental or judicial authority.

4.5 Taxes. To the best of Seller's knowledge and understanding, for the period ending on the Closing Date:

a) The Company has filed or will file all applicable federal, state, and local tax returns required to have been filed with respect to the operations, income or assets of

the Company, and all such tax returns are true, correct and complete. The Company has paid all taxes which have become due pursuant to such tax returns or as reflected thereon, and any interest and penalties with respect thereto, other than assessments which are being contested by Seller in good faith by appropriate proceedings diligently pursued as of the Closing Date. b) There are no tax proceedings presently pending with regard to any tax returns or taxes of the Company and no notice has been received from any governmental authority of the expected commencement of such a tax proceeding. c) There are no liens on the Company's Assets resulting from any tax except for liens for taxes not yet due and payable. d) The Company has withheld and paid to the appropriate governmental authority all taxes required to have been withheld and paid in connection with amounts paid, owing or accrued to or in respect of any employee, independent contractor, or other third party.

4.6 Title to Assets. Company has good and marketable title, or a valid leasehold interest, in and to all of the Company's Assets, free and clear of all liens except for those liens filed in a public record.

4.7 Tangible Assets. a) Schedule 1.2 sets forth a complete and accurate list of all furniture, fixtures, equipment and vehicles which are part of the business and part of the Company's Assets (collectively the "Furniture, Fixtures, Equipment and Vehicles").

4.8 Assumed Contracts. Other than the Contracts listed in Schedule 4.8, the Buyer is not assuming any contracts under this Asset Purchase Agreement.

4.9 Employees. a) Schedule 4.9 sets forth a complete and accurate list of the names of all employees of the Company currently employed (collectively the "Employees"), together with the current salary or wage rate of each Employee and the job title for each Employee. All of such salaries, wages and benefits will be paid by the Company when due for all periods through the close of business on the Closing Date. Seller has made available to the Buyer copies of any confidentiality and non-disclosure agreements or employment agreements with such Employees, which agreements are assignable.

b) There has not been and there is not presently pending or existing, and, to the knowledge of Seller there is not threatened any claim, investigation, arbitration, or legal proceeding against or affecting the Company relating to the alleged violation of any law pertaining to labor relations or employment matters, including any charge or complaint filed by an employee with any applicable governmental authority. No event has occurred or circumstance exists that could provide the basis for any work stoppage or other labor dispute of the Company. There is no lockout of any employees and no such action is contemplated by the Company. c) To the knowledge of the Seller, no employee is a party to or is otherwise bound by, any agreement or arrangement, including any confidentiality, noncompetition, or proprietary rights agreement, between such employee and any other person that in any way adversely affects or will affect the performance of such Employee's duties or the ability of Buyer, after Closing, to conduct the business.

4.10 Inventory. Schedule 1.1 contains a complete and accurate list of all of Company's inventory as of the Closing Date, which is part of the Company's Assets (collectively the "Inventory"). The Inventory was acquired and has been maintained in accordance with Company's regular business practices, and consists of new and used items of a quality and quantity all of which is usable and/or saleable in the ordinary course of business, and is valued at prices equal to the cost value.

4.11 Intellectual Property. To the best of Seller's knowledge and understanding: a) The Company is the owner, free and clear of all Liens, of (i) the goodwill related to the business, (ii) Seller's confidential and proprietary information and trade secrets relating to the business, and (iii) the customer list of Company's customers of the business (collectively clauses (i), (ii), and (iii) referred to as the "Intellectual Property"). b) The Company's records contain a complete and accurate list of Company's customers (actual and prospects) for the business, including, where available, name, address, phone number and contact person for each customer and prospect. Seller has no knowledge that such customers are displeased with the Company or intend to discontinue use of the Company as a vendor, and Seller has no knowledge of material adverse information regarding the Company's business with such customers. c) Seller has not licensed any of the Intellectual Property to any other person other than the Company, and no other person has any right or interest in or to any of the Intellectual Property. To Seller's knowledge, there has been no infringement of or unauthorized use by any third person of any Intellectual Property. Seller has taken reasonable security precautions to protect the secrecy, confidentiality, and value of its confidential and proprietary information and trade secrets. d) The validity or title to or right to use any Intellectual Property of the Company has not been and is not now being contested in any litigation, governmental authority



inquiry, or other proceeding to which the Company is a party, and to the knowledge of the Seller, no such litigation, inquiry or proceeding is threatened and no claims by third persons have been received with regard to such Intellectual Property.

4.12 Compliance with Laws. Seller has complied with all applicable laws affecting the Company's Assets or the operation of the business, including, but not limited to, any federal, state, or local, ordinance or law, regulating or otherwise affecting the environment, and the Company has not received notice alleging noncompliance with such applicable laws nor does Seller have knowledge of any events or conditions which may constitute material noncompliance with such applicable laws. The Company has all permits necessary for the conduct of the business.

4.13 Professional Fees. Seller will be responsible for paying to any broker, appraiser, advisor, consultant, or attorney used by Seller, any and all fees or other commissions or similar fees in connection with the transactions contemplated by this Agreement. Seller agrees to indemnify and hold the Buyer harmless with respect to any and all claims for such fees, commissions, or other similar fees arising from any professional retained by Sellers in connection with the transactions contemplated by this Agreement.

4.14 Solvency. Seller is not insolvent, will not be rendered insolvent by the sale of the Assets, and is able to meet his business obligations as they become due.

4.15 No Material Adverse Change. Since the date of the Financial Statements there has been no material adverse change, from the perspective of a reasonable person in Buyer's position in (i) the Business, operations, prospects, Assets, operations, and/or condition, financial or otherwise, of Seller or the Company, and (ii) no event has occurred or circumstance exists that may result in such a material adverse change. 4.16 Non-Compete. Richard Smith agrees to enter into a Non-Competition and NonSolicitation Agreement for a period of three (3) years. See attached Schedule 4.16.

## 5. REPRESENTATIONS AND WARRANTIES OF BUYER.

All of the terms and conditions of this Agreement shall be complied with and performed in all material respects and the covenants, representations, and warranties made by the Buyer in this Agreement shall be true and correct in all material respects as of the Closing Date. 5.1 Organization. Buyer has all requisite power and authority to own, lease and operate assets, properties and business and to carry on a business.

5.2 Authority and Enforceability. (a) Richard Smith represents and warrants that he is (i) mentally competent and in all respects of sound mind, (ii) has not been deprived of their civil rights, (iii) is over the age of 21, (iv) is used to managing his financial affairs, (v) has not had a conservator or guardian appointed for himself pursuant to a court order, (vi) has the full legal capacity and all requisite power and authority to enter into and deliver, and perform their obligations under this Agreement (and each of the documents contemplated herein to which they are a party), (vii) is familiar with and fully understand the nature, purpose and effect of this Agreement (and each of the documents contemplated herein to which they are a party) and the transactions contemplated hereby and thereby.

(b) This Agreement has been duly and validly executed and delivered by Buyer and this Agreement constitutes (and each of the other documents contemplated herein to which Buyer is a party will constitute, when delivered at the Closing) a valid and binding agreement of Buyer, enforceable against Buyer in accordance with its terms except as the same may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting the rights of creditors generally and subject to the rules of law governing (and all limitations on) specific performance, injunctive relief and other equitable remedies.

### 5.3 Consents and Approvals: No Violation.

a) The execution, delivery and performance of this Agreement does not require the Buyer to obtain any consent, approval or action of, or make any filing with or give notice to, any corporation, partnership, limited liability company, person, firm or entity or any public, governmental or judicial authority. b) The execution, delivery and performance of this Agreement by Buyer, does not and will not conflict with, violate, result in a breach of, or cause a default under (i) any provision of any federal, state or local law or regulation relating to the business or assets of Buyer, (ii) any provision of any order, arbitration award, judgment or decree to which Buyer or its assets are subject, or (iii) any provision of any material agreement or instrument to which Buyer's assets are subject.

5.4 Professional Fees. Buyer will be responsible for paying to any appraiser, advisor, consultant, or attorney used by Buyer, any and all fees or other commissions or similar fees in connection with the transactions contemplated by this Agreement. Buyer agrees to indemnify and hold the Seller harmless with respect to any and all claims for such fees, commissions, or other similar fees arising from any professional retained by the Buyer in connection with the transactions contemplated by this Agreement.

5.5 No Litigation. Buyer has not received service or other written notice of any litigation, action, suit, proceeding or investigation presently pending (and, to Buyer's knowledge, threatened) which would restrict or prohibit the consummation of the transactions contemplated by this Agreement.

5.6 Access to Financial Records. Buyer shall preserve and make available to Seller, for a period of Five (5) years after the Closing Date and during normal business hours, such of the books and records transferred to Buyer by Seller hereunder as Seller may need in connection with the preparation of tax returns and in connection with tax audits or for any other reasonable purpose.

5.7 Taxes. Buyer warrants it will pay all taxes due and arising from the operation of the business after the Closing Date, if and to the extent such items become legal liabilities of the Buyer after the Closing Date.

5.8 Due Dilligence. The Buyer, or their agents, warrant that they have had sufficient time to conduct a due dilligence of the Company and they hereby accept the assets and company in an as-is condition. Buyer further releases the Seller from any liabilities that might arise in the future as a result of any due dilligence or failure of the Buyer to properly conduct due dilligence if such would have disclosed a liability of the Seller as to the subject matter of this Asset Purchase Agreement.

5.9 Assumption of Liabilities. All liabilities on the books as of the date of closing are the responsibility of the Seller and are not a part of the sale of assets to the Buyer. The Buyer is not assuming any liabilities other than those identified in Schedule 5.9.

5.10 Security Agreement. Buyer shall execute a Security Agreement attached hereto as Schedule 5.10 granting the Seller a lien against all assets purchased hereunder until the Promissory Note is paid in full. Payment in full shall be due if any of the secured assets are sold to a third party other than in the ordinary course of business. The Security Agreement shall contain the right of the Seller to obtain, if the Note is in default, a court appointed receiver to preserve the secured assets. Further, the Buyer shall execute UCC-1 forms which shall be recorded in the State of Mississippi public records, as per the Uniform Commercial Code. The collateral for the Security Agreement and Promissory Note shall be all of the Assets purchased per the terms of this Agreement together with all substitutions and replacements.

5.11 Employment Agreements. Buyer agrees to enter into Employment Agreements with Caroline Moore, Michael Bates and Andrea Hudson for terms of no less than two (2) years. See Attached Schedule 5.11.

## 6. MISCELLANEOUS

6.1 Due Diligence. Seller has made all records of the company available to the Buyer and has not held back any information that would be material to the decision of the Buyer to go forward with this transaction.

6.2 Costs and Expenses. Buyer shall pay all fees and expenses incurred by it in connection with the transactions provided for hereunder, including the fees and expenses of the counsel and accountants and Seller shall pay all expenses and fees incurred by it in connection with the transactions provided hereunder, including the fees and expenses of its counsel and accountants.

6.3 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto, but shall not be assigned to any third party by either of the parties hereto without the prior written consent of the other party.

6.4 Cooperation. Seller and Buyer shall cooperate in the preparation, execution, and delivery of any other documents necessary to give effect to this Agreement.

6.5 Governing Law. This Agreement shall be interpreted and construed in accordance with the laws of the State of \_\_\_\_\_, without giving effect to the conflicts of laws provisions thereof.

6.6 Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matters hereof and supersedes all negotiations, preliminary agreements and all prior or contemporaneous discussions and understandings of the parties hereto in connection with the subject matters hereof, with the exception of the original Letter of Intent, that is attached as Schedule 6.6 and is the basis for this Agreement.

6.7 Amendments. No amendment, change, or modification of any terms, provisions, or conditions of this Agreement shall be effective unless made in writing and signed or initialed on behalf of the parties hereto by their duly authorized representatives.

6.8 Gender and Number. Words or phrases herein shall be construed in the singular or plural number and as masculine, feminine or neuter gender, according to context.

6.9 Severability. The invalidity or unenforceability of any provision herein shall in no way affect the validity or enforceability of any other provision hereof.

6.10 Incorporation by Reference. Any and all schedules, agreements, reports, lists, certificates

6.11 Third Party Beneficiaries. Except as otherwise specifically provided in this Agreement, the parties acknowledge that by the execution of this Agreement they do not intend to create rights in any other person other than themselves, and no person will be justified in relying upon any provision of this Agreement to its detriment.

6.12 Notices. All notices hereunder or in connection herewith shall be in writing and, if to Buyer, shall be sufficient if delivered in person or by regular mail to:

Buyer: Richard Smith Alegra Staffing Inc. 2658 Lowell Street Suite 103 Indianapolis, Indiana 46228

And, if to Seller, shall be sufficient if delivered in person or by regular mail to:

Carlos Sanchez Sanchez Staffing , LLC

With a copy to: Wayne Donaldson, President The Donaldson Firm, Inc. 8975 E. Jefferson, Suite 367 Margo, Illinois 626459

6.13 Counterparts. This Agreement may be executed by the parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

6.14 Arbitration. Except as otherwise expressly set forth herein, any controversy arising out of or relating to this Agreement, or the breach of this Agreement, shall be settled by binding arbitration in accordance with the rules of the American Arbitration Association, and judgment upon the award rendered may be entered in any court having jurisdiction. The prevailing party shall be entitled to all costs of arbitration including, but not limited to, reasonable attorneys' fees. The parties further agree that they shall be entitled to discovery in the same manner as though the dispute were within the jurisdiction of the State of Mississippi and that the statute of limitations shall be applied in the same manner as though the dispute were filed as a claim in the Courts of the State of Mississippi.

6.15 Facsimile Signatures. The parties hereto intentionally adopt as and for their signatures, including initials, the impression of their signatures electronically produced by a receiving facsimile machine. Further, the parties agree not to raise an issue as to

the validity of a signature simply because it is by facsimile as opposed to being an original, and do hereby waive such issue.

6.16 Exclusive Negotiations. Upon signing this Asset Purchase Agreement, the Seller and Buyer agree that negotiations between the two parties are exclusive and no other offers are being pursued or negotiated at this time. Seller agrees that as long as the Buyer is proceeding according to the terms of this agreement, Seller will not discuss the sale of the Assets with any other party. Seller and Buyer also further agree that they will work closely with The Donaldson Firm, Inc. in preparing the legal documents needed to consummate this transaction.

6.17 Necessary Consents and Approvals. This Agreement is subject to any necessary consents or approvals of governmental bodies, as well as consents or approvals of other necessary third parties.

IN WITNESS WHEREOF, Buyer and Seller have individually signed this Asset Purchase Agreement and caused it to be executed and attested by a duly authorized officer of the Company as of the day, month, and year first above written.

Buyer:

Seller:

\_\_\_\_\_  
Richard Smith, Managing Partner  
Alegra Staffing, LLC.

\_\_\_\_\_  
Carlos Sanchez, Managing Member Sanchez Staffing, Inc.

There are seventeen (17) total pages to this Asset Purchase Agreement, plus Schedules.