EXHIBIT 4

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CLERK OF THE COURT

ERR
JEFFREY R. ALBREGTS, ESQ.
Nevada Bar No. 0066
SANTORO, DRIGGS, WALCH,
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Attorneys for Plaintiff
Circle Consulting Corporation

DISTRICT COURT

CLARK COUNTY NEVADA

* * *

IRA AND EDYTHE SEAVER FAMILY TRUST, IRA SEAVER and CIRCLE CONSULTING CORPORATION, Plaintiffs, vs. LEWIS HELFSTEIN, MADALYN HELFSTEIN, SUMMIT TECHNOLOGIES LLC, UI SUPPLIES, UNINET IMAGING, INC., NESTOR SAPORITI, and DOES 1 through 20, and ROES entities 21 through 40, inclusive, Defendants. AND ALL RELATED MATTERS	CASE NO.: A587003 DEPT. NO.: XI **PLAINTIFFS' ERRATA TO COMPLAINT**

Plaintiffs, and each of them, hereby file this Errata to their Complaint on file herein to correct and/or amend their third cause of action for breach of fiduciary duty to also allege that claim against defendants UI Supplies, Uninet Imaging, Inc. and Nestor Saporiti, and each of

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07650-03/868457

SDW SANTORO, DRIGGS, WALCH, KEARNEY, HOLLEY & THOMPSON

them, pursuant to this Court's instruction and order in open court at the conclusion of plaintiffs' case at trial on Wednesday, March 21, 2012.

Dated this 22 day of March, 2012.

SANTORO, DRIGGS, WALCH,
KEARNEY, HOLLEY & THOMPSON

JEFFREY R. ALBREGTS, ESQ.
Nevada Bar No. 0066
400 South Fourth Street, Third Floor
Las Vegas, Nevada 89101
Attorneys for Plaintiff
Circle Consulting Corporation

CERTIFICATE OF MAILING

I HEREBY CERTIFY that, on the 27th day of March, 2012 and pursuant to NRCP 5(b), I deposited for mailing in the U.S. Mail a true and correct copy of the foregoing **PLAINTIFFS' ERRATA TO COMPLAINT,** postage prepaid and addressed to:

Michael Lee, Esq.
LAW OFFICE OF MICHAEL B. LEE
2000 South Eastern Avenue
Las Vegas, NV 89104
Attorneys for Defendants

Mr. Ira Seaver
2407 Ping Drive
Henderson, NV 89074
In Proper Person

An employee of SANTORO, DRIGGS, WALCH,
KEARNEY, HOLLEY & THOMPSON

07650-03/868457

EXHIBIT 3

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GARY E. SCHNITZER, ESQ. (NSB 395)
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Attorneys for Defendants UI Supplies, Uninet Imaging and Nestor Saporiti

DISTRICT COURT
CLARK COUNTY, NEVADA

IRA AND EDYTHE SEAVER FAMILY TRUST, IRA SEAVER, CIRCLE CONSULTING CORPORATION

Plaintiff,

vs.

LEWIS HELFSTEIN, MADALYN HELFSTEIN, SUMMIT LASER PRODUCTS, INC., SUMMIT TECHNOLOGIES LLC, UI SUPPLIES, UNINET IMAGING, INC., NESTOR SAPORITI and DOES 1 through 20, and ROE entities 21 through 40, inclusive,

Defendants.

UI SUPPLIES, UNINET IMAGING, INC., NESTOR SAPORITI

Counter-Claimants

vs.

IRA AND EDYTHE SEAVER FAMILY TRUST, IRA SEAVER, CIRCLE CONSULTING CORPORATION; and ROE CORPORATIONS 101-200.

Counter-Defendants

Case No. A587003

Dept. No. XI

DEFENDANTS UI SUPPLIES, UNINET IMAGING AND NESTOR SAPORITI'S FIRST AMENDED ANSWER TO COMPLAINT, COUNTERCLAIM, AND CROSS CLAIM

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UI SUPPLIES, UNINET IMAGING AND NESTOR SAPORITI

Cross-Claimants

vs.

LEWIS HELFSTEIN, MADALYN HELFSTEIN, SUMMIT LASER PRODUCTS, INC., SUMMIT TECHNOLOGIES LLC,

Cross-Defendants

DEFENDANTS UI SUPPLIES, UNINET IMAGING AND NESTOR SAPORITI'S FIRST AMENDED ANSWER TO COMPLAINT, COUNTERCLAIM, AND CROSS CLAIM

COMES NOW, DEFENDANTS UI SUPPLIES, UNINET IMAGING AND NESTOR SAPORITI, ("Defendants"), by and through their attorneys, the law firm of Kravitz, Schnitzer, Sloane & Johnson, Chtd., and hereby submit their Answer to Complaint ("Answer") as follows:

1. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon said ground deny each and every allegation contained in Paragraph 1.

2. Defendants admit that Defendant UI Supplies is a New York Corporation; that Defendant UniNet Imaging Inc. is a California Corporation with its principal place of business in Los Angeles County; and that Defendant Nestor Saporiti is a resident of the State of California, but deny the remaining allegations contained in Paragraph 2.

3. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon said ground deny each and every allegation contained in Paragraph 3.

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General Definitions:

4. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon said ground deny each and every allegation contained in Paragraph 4.

Agreements:

5. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon said ground deny each and every allegation contained in Paragraph 5.

6. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon said ground deny each and every allegation contained in Paragraph 5.

7. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon said ground deny each and every allegation contained in Paragraph 7.

8. Defendants admit that an Agreement was entered into by the Helfstein Defendants on behalf of Summit, and Saporiti on behalf of UI and Uninet, but deny the remaining allegations contained in Paragraph 8.

General Allegations:

9. Defendants deny each and every allegation contained in Paragraph 9.

10. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon said ground deny each and every allegation contained in Paragraph 10.

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11. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon said ground deny each and every allegation contained in Paragraph 11.

12. Defendants deny each and every allegation contained in Paragraph 12.

13. Defendants deny each and every allegation contained in Paragraph 13.

Specific Allegations:

14. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon said ground deny each and every allegation contained in Paragraph 14.

15. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon said ground deny each and every allegation contained in Paragraph 15.

16. Defendants deny each and every allegation contained in Paragraph 16.

17. Defendants deny each and every allegation contained in Paragraph 17.

18. Defendants deny each and every allegation contained in Paragraph 18.

19. Defendants deny each and every allegation contained in Paragraph 19.

20. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon said ground deny each and every allegation contained in Paragraph 20.

21. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon said ground deny each and every allegation contained in Paragraph 21.

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22. Defendants deny each and every allegation contained in Paragraph 22.

23. Defendants deny each and every allegation contained in Paragraph 23.

FIRST CAUSE OF ACTION

BREACH OF CIRCLE CONSULTING CONTRACT

24. Defendants reassert and reallege all of their answers contained in Paragraphs 1 through 23 as though fully set forth herein.

25. Defendants deny each and every allegation contained in Paragraph 25.

26. Defendants deny each and every allegation contained in Paragraph 26.

27. Defendants deny each and every allegation contained in Paragraph 27.

SECOND CAUSE OF ACTION

BREACH OF SUMMIT TECHNOLOGIES FORMATION AGREEMENT

28. Defendants reassert and reallege all of their answers contained in Paragraphs 1 through 27 as though fully set forth herein.

29. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon said ground deny each and every allegation contained in Paragraph 29.

30. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon said ground deny each and every allegation contained in Paragraph 30.

THIRD CAUSE OF ACTION

BREACH OF SUMMIT TECHNOLOGIES OPERATING AGREEMENT

31. Defendants reassert and reallege all of their answers contained in Paragraphs 1 through 30 as though fully set forth herein.

32. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon said ground deny each and every allegation contained in Paragraph 32.

33. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon said ground deny each and every allegation contained in Paragraph 33.

FOURTH CAUSE OF ACTION

BREACH OF FIDUCIARY DUTY

34. Defendants reassert and reallege all of their answers contained in Paragraphs 1 through 33 as though fully set forth herein.

35. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon said ground deny each and every allegation contained in Paragraph 35.

36. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon said ground deny each and every allegation contained in Paragraph 36.

FIFTH CAUSE OF ACTION

PROMISSORY ESTOPPEL

37. Defendants reassert and reallege all of their answers contained in Paragraphs 1 through 36 as though fully set forth herein.

38. Defendants deny each and every allegation contained in Paragraph 38.

39. Defendants deny each and every allegation contained in Paragraph 39.

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SIXTH CAUSE OF ACTION

UNJUST ENRICHMENT

(By all Plaintiffs against the Uninet Defendants)

40. Defendants reassert and reallege all of their answers contained in Paragraphs 1 through 39 as though fully set forth herein.

41. Defendants deny each and every allegation contained in Paragraph 41.

42. Defendants deny each and every allegation contained in Paragraph 42.

SEVENTH CAUSE OF ACTION

ACCOUNTING

43. Defendants reassert and reallege all of their answers contained in Paragraphs 1 through 42 as though fully set forth herein.

44. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon said ground deny each and every allegation contained in Paragraph 44.

45. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon said ground deny each and every allegation contained in Paragraph 45.

EIGHTH CAUSE OF ACTION

DECLARATORY RELIEF

(By Plaintiffs against All Defendants)

46. Defendants reassert and reallege all of their answers contained in Paragraphs 1 through 45 as though fully set forth herein.

47. Defendants deny each and every allegation contained in Paragraph 47.

NINTH CAUSE OF ACTION

BREACH OF IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING

(By Plaintiffs against All Defendants)

48. Defendants reassert and reallege all of their answers contained in Paragraphs I through 47 as though fully set forth herein.

49. Defendants admit each and every allegation contained in Paragraph 49.

50. Defendants admit each and every allegation contained in Paragraph 50.

51. Defendants deny each and every allegation contained in Paragraph 51.

52. Defendants deny each and every allegation contained in Paragraph 52.

53. Defendants deny each and every allegation contained in Paragraph 53.

TENTH CAUSE OF ACTION

ALTER EGO

(By Plaintiffs against All Defendants)

54. Defendants reassert and reallege all of their answers contained in Paragraphs 1 through 53 as though fully set forth herein.

55. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon said ground deny each and every allegation contained in Paragraph 55.

56. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon said ground deny each and every allegation contained in Paragraph 56.

57. Defendants state that they do not have sufficient knowledge or information upon which to base a belief as to the truth of the allegations contained herein and upon

said ground deny each and every allegation contained in Paragraph 57.

58. Defendants deny each and every allegation contained in Paragraph 58.

59. Defendants deny each and every allegation contained in Paragraph 59.

60. Defendants deny each and every allegation contained in Paragraph 60.

61. Defendants deny each and every allegation contained in Paragraph 61.

AFFIRMATIVE DEFENSES

First Affirmative Defense

Plaintiffs' Compliant fails to state a claim for which relief may be granted.

Second Affirmative Defense

Plaintiffs, through its acts and omissions, have waived its right to prosecute its claims against Defendants.

Third Affirmative Defense

Plaintiffs, by and through their acts and omissions, are estopped from prosecuting their claims against Defendants.

Fourth Affirmative Defense

Plaintiffs' claims are barred by the Doctrine of Novation.

Fifth Affirmative Defense

Plaintiffs' claims are barred by the Doctrine of Accord and Satisfaction.

Sixth Affirmative Defense

Defendants allege that the Complaint and each and every cause of action stated therein fails to state facts sufficient to constitute a cause of action, or any cause of action, as against Defendants.

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Seventh Affirmative Defense

Defendants are informed and believe and thereon allege that Plaintiffs' alleged damages, if any, were and are, wholly or partially, contributed or proximately caused by Plaintiffs' recklessness and negligence, thus barring or diminishing Plaintiffs' recovery herein according to principles of comparative negligence.

Eighth Affirmative Defense

Defendants are informed and believe and thereon allege that the Complaint and each and every cause of action contained therein is barred by the applicable Statutes of Repose, such that the Complaint and each and every cause of action contained therein is time-barred.

Ninth Affirmative Defense

Defendants are informed and believe and thereon allege that as to each alleged cause of action, Plaintiffs have failed, refused and neglected to take reasonable steps to mitigate their alleged damages, if any, thus barring or diminishing Plaintiffs' recovery herein.

Tenth Affirmative Defense

Defendants are informed and believe and thereon allege that the Complaint and each and every cause of action contained therein is barred by the applicable Statutes of Limitation.

Eleventh Affirmative Defense

Defendants are informed and believe and on that basis allege that Plaintiffs have failed to join all necessary and indispensable parties to this lawsuit.

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Twelfth Affirmative Defense

Defendants are informed and believe and thereon allege that the injuries and damages of which Plaintiffs complain were proximately caused by, or contributed to, by the acts of other Third-Party Defendants, Defendants, persons and/or other entities, and that said acts were an intervening and superseding cause of the injuries and damages, if any, of which Plaintiffs complain, thus barring Plaintiffs from any recovery against Defendants.

Thirteenth Affirmative Defense

It has been necessary for Defendants to retain the services of an attorney to defend this action and it is entitled to a reasonable sum as and for attorneys' fees.

Fourteenth Affirmative Defense

Defendants are informed and believe and thereon allege that the claims of Plaintiffs are reduced, modified and/or barred by the Doctrine of Unclean Hands.

Fifteenth Affirmative Defense

Defendants are informed and believe that the Plaintiffs lack standing to assert one or more of the claims made in its Complaint, such that it may not recover damages for said claims, thereby barring or diminishing Plaintiffs' recovery herein.

Sixteenth Affirmative Defense

In further answering, Defendants state that Plaintiffs' claims are barred by the doctrine of laches.

Seventeenth Affirmative Defense

In further answering, Defendants state that Plaintiffs fail to state a claim upon which relief may be granted.

Eighteenth Affirmative Defense

In further answering, Defendants state that Plaintiffs' Claims are barred because of lack of jurisdiction over the subject matter of the action.

Nineteenth Affirmative Defense

In further answering, Defendants state that Plaintiffs' Claims are barred because of lack of jurisdiction over the person.

Twentieth Affirmative Defense

In further answering, Defendants state that venue is improper.

Twenty-First Affirmative Defense

In further answering, Defendants state that Plaintiffs' Claims are barred because of insufficiency of process.

Twenty-Second Affirmative Defense

In further answering, Defendants state that Plaintiffs' complaint is wholly insubstantial, frivolous, and not advanced in good faith.

Twenty-Third Affirmative Defense

In further answering, Defendants state that the alleged agreement is contrary to the statue of frauds, and therefore unenforceable.

Twenty-Fourth Affirmative Defense

In further answering, Defendants state that Plaintiffs waived any right to payment they may have had under the alleged agreement.

Twenty-Fifth Affirmative Defense

In further answering, Defendants state that if there was an agreement between Plaintiffs and Defendants, Plaintiffs breached the agreement, therefore, Plaintiffs are not

entitled to prevail in this action.

Twenty-Sixth Affirmative Defense

Pursuant to N.R.C.P. 11, as amended, all possible affirmative defenses may not have been alleged herein insofar as sufficient facts were not available for responding party after reasonable inquiry upon the filing of the answering Defendants' Answer to Plaintiffs' Complaint, and therefore Defendants reserve the right to amend their Answer to allege additional affirmative defenses, if subsequent investigation so warrants.

WHEREFORE, These Answering Defendants request for relief and pray for judgment against Plaintiffs, and each of them, as follows:

a. That Plaintiffs take nothing by way of the Complaint on file herein;

b. For reasonable attorneys' fees and costs of suit incurred herein; and

c. Such other and further relief the Court may deem just and proper.

COUNTER CLAIM

COMES NOW, Counter-Claimants UI SUPPLIES, UNINET IMAGING AND NESTOR SAPORITI, ("Counter-Claimants"), by and through their attorneys, the law firm of Kravitz, Schnitzer, Sloane & Johnson, Chtd., and hereby files this Counter-Claim as follows against Counter-Defendants IRA AND EDYTHE SEAVER FAMILY TRUST, IRA SEAVER, CIRCLE CONSULTING CORPORATION:

1. At all times relevant herein, IRA AND EDYTHE SEAVER FAMILY TRUST ("Seaver Trust"), is organized pursuant to the laws of the State of Nevada. IRA SEAVER ("Ira Seaver") is a resident of the State of Nevada. CIRCLE CONSULTING CORPORATION ("Circle Consulting") is a Nevada Corporation whose principal place of business is Clark County, Nevada (collectively "Counter-Defendants").

2. At all times relevant herein, NESTOR SAPORITI was and is a resident of California, UI SUPPLIES is and was a New York Corporation, and UNINET IMAGING is and was a California Corporation (collectively "Counter-Claimants").

3. Upon information and belief, Circle Consulting entered into a consulting agreement on or about September 1, 2004, for the exclusive performance of services at the request for Summit Technologies LLC ("Summit") (the "Consulting Agreement).

4. Upon information and belief, the Consulting Agreement contained a provision stating that Ira Seaver was to exclusively perform services at the request of Summit and required to honor restrictive covenants related to non-competition, non-disclosure of non-public information and trade secrets, and confidentiality.

5. However, this Consulting Agreement contained an express provision that it was unassignable. A waiver of this provision required a written writing by Circle Consulting, through Ira Seaver, and Summit.

6. No written modification of the anti-assignment provision of the Consulting Agreement was executed.

7. Thus, the Consulting Agreement is and was unassignable based on its plain language.

8. Ira Seaver and Circle Consulting violated the Consulting Agreement through the actions of Ira Seaver through Ira Seaver's engagement of activities that violated the restrictive covenants of the Consulting Agreement.

9. Counter-Defendants do not have a right to assert claims against Counter-Plaintiffs as a matter of law since the Consulting Agreement is unassignable. However, in the alternative, assuming that the Consulting Agreement is assignable, Counter-

Defendants breached that agreement.

FIRST CLAIM FOR RELIEF
(Breach of Contract)

10. Counter-Claimants repeat and reallege their allegations in Paragraphs 1 through 9, inclusive, as if fully set forth at this point and incorporates them herein by reference.

11. The Consulting Agreement provided various obligations and terms of dealings between the Helfstein Defendants (defined by Counter-Defendants' Complaint) and Counter-Defendants.

12. Counter-Defendants breached the terms of the Consulting Agreement by IRA SEAVER's action and conduct.

13. As a direct and proximate result of the foregoing, Counter-Claimants have been damaged in an amount in excess of $10,000.00, said amount to be determined at trial.

14. In order to prosecute this action, Counter-Claimants have had to retain attorneys to represent them, and they are entitled to fair and reasonable attorneys' fees, expenses, and costs associated with enforcing the Consulting Agreement.

SECOND CLAIM FOR RELIEF
(Breach of the Covenant of Good Faith and Fair Dealing)

15. Counter-Claimants repeat and reallege their allegations in Paragraphs 1 through 14, inclusive, as if fully set forth at this point and incorporates them herein by reference.

16. Each contract in Nevada carries with it the duty of good faith and fair dealing.

17. As a result of Counter-Defendants' actions, they breached their obligations of good faith and fair dealing toward Counter-Claimants with respect to the Consulting Agreement.

18. As a direct and proximate result of the foregoing, Counter-Claimants have been damaged in an amount in excess of $10,000.00, said amount to be determined at trial.

19. As a result of Counter-Defendants' breach of good faith and fair dealing, Counter-Claimants have had to retain attorneys to represent them, and they are entitled to fair and reasonable attorneys' fees, expenses, and costs associated with enforcing the Consulting Agreement.

THIRD CLAIM FOR RELIEF
(Unjust Enrichment)

20. Counter-Claimants repeat and reallege their allegations in Paragraphs 1 through 19, inclusive, as if fully set forth at this point and incorporates them herein by reference.

21. Counter-Defendants have a contractual duty to, among other things, deal honestly, fairly, confidently, and professionally with Counter-Claimants. Counter-Defendants also have a duty to comply with the Consulting Agreement and their dealings with Counter-Claimants.

22. Counter-Defendants refused to comply with the Consulting Agreement and perform as specified.

23. Counter-Defendants breached and/or failed and refused to comply with their aforementioned duties and obligations under the Consulting Agreement. As such, Counter-Defendants have been unjustly enriched.

24. As a direct and proximate result of the foregoing, Counter-Claimants have been damaged in an amount in excess of $10,000.00, said amount to be determined at trial.

25. In order to prosecute this action, Counter-Claimants have had to retain attorneys to represent them, and they are entitled to fair and reasonable attorneys' fees, expenses, and costs associated with enforcing the Agreement.

WHEREFORE, Counter-Claimants pray for judgment against Counter-Defendants as follows:

1. For this Court to declare the Consulting Agreement terminated based on IRA SEAVER'S default of his obligations.

2. For this Court to declare that Counter-Defendants are in material breach for their failure of the Consulting Agreement based IRA SEAVER'S violations of the restrictive covenants.

3. For breach of contract damages as requested above;

4. For damages associated with breach of the covenant of good faith and fair dealings as stated above;

5. For damages associated with unjust enrichment as stated above;

6. For attorneys' fees and costs incurred herein;

7. For exemplary damages; and

8. For such other and further relief as the Court may deem just and proper.

CROSS-CLAIM

COMES NOW, the Defendants, UI SUPPLIES, UNINET IMAGING, INC., NESTOR SAPORITI (collectively referred to as "Cross-Claimants"), by and through

their counsel of record, Gary E. Schnitzer, Esq. and Michael B. Lee, Esq. of the law firm KRAVITZ, SCHNITZER, SLOANE & JOHNSON, CHTD., and hereby file their Cross-Claim against Defendants, LEWIS HELFSTEIN, MADALYN HELFSTEIN, SUMMIT LASER PRODUCTS, INC., SUMMIT TECHNOLOGIES LLC (collectively referred to as "Cross-Defendants"), as follows:

1. At all times relevant herein, IRA AND EDYTHE SEAVER FAMILY TRUST ("Seaver Trust"), is organized pursuant to the laws of the State of Nevada. IRA SEAVER ("Ira Seaver") is a resident of the State of Nevada. CIRCLE CONSULTING CORPORATION ("Circle Consulting") is a Nevada Corporation whose principal place of business is Clark County, Nevada (collectively "Counter-Defendants").

2. At all times relevant herein, NESTOR SAPORITI was and is a resident of California, UI SUPPLIES is and was a New York Corporation, and UNINET IMAGING is and was a California Corporation.

3. On or about March 30, 2007, Cross-Defendants and Cross-Claimants entered into the AGREEMENT FOR PURCHASE AND SALE OF ASSETS by and between UI SUPPLIES, INC. and SUMMIT TECHNOLOGIES, LLC. ("Sales Agreement").

4. During the negotiations of the Sales Agreement, Cross-Claimants expressly stated to Cross-Defendants that they did not want to assume the Consulting & Non-Competition Agreement between Summit Technologies, LLC and Circle Consulting Corporation ("Consulting Agreement).

5. In turn, Cross-Claimants and Cross-Defendants executed "Exhibit E" the Sales Agreement that expressly provided that, "CONSULTING AGREEMENTS WITH

IRA SEAVER AND LEWIS HELFSTEIN NOT BEING ASSUMED."

6. Cross-Claimants relied on this provision in entering the Sales Agreement.

7. However, Plaintiffs IRA AND EDYTHE SEAVER FAMILY TRUST, IRA SEAVER, CIRCLE CONSULTING CORPORATION ("Plaintiffs") have instigated litigation against Cross-Claimants attempting to enforce the Consulting Agreement against them.

FIRST CLAIM FOR RELIEF
(Breach of Contract)

8. Cross-Claimants repeat and reallege their allegations in Paragraphs 1 through 7, inclusive, as if fully set forth at this point and incorporates them herein by reference.

9. The Sales Agreement provided various obligations and terms of dealings between Cross-Defendants and Cross-Claimants.

10. Cross-Defendants breached the terms of the Sales Agreement by exposing Cross-Claimants to alleged damages claimed by Plaintiffs related to the Consulting Agreement.

11. As a direct and proximate result of the foregoing, Cross-Claimants have been damaged in an amount in excess of $10,000.00, said amount to be determined at trial.

12. In order to prosecute this action, Cross-Claimants had to retain attorneys to represent them, and they are entitled to fair and reasonable attorneys' fees, expenses, and costs associated with enforcing the Consulting Agreement.

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SECOND CLAIM FOR RELIEF
(Breach of the Covenant of Good Faith and Fair Dealing)

13. Cross-Claimants repeat and reallege their allegations in Paragraphs 1 through 12, inclusive, as if fully set forth at this point and incorporates them herein by reference.

14. Each contract in Nevada carries with it the duty of good faith and fair dealing.

15. As a result of Cross-Defendants' actions, they breached their obligations of good faith and fair dealing toward Cross-Claimants with respect to the Consulting Agreement.

16. As a direct and proximate result of the foregoing, Cross-Claimants have been damaged in an amount in excess of $10,000.00, said amount to be determined at trial.

17. As a result of Cross-Defendants' breach of good faith and fair dealing, Cross-Claimants have had to retain attorneys to represent them, and they are entitled to fair and reasonable attorneys' fees, expenses, and costs.

THIRD CLAIM FOR RELIEF
(Unjust Enrichment)

18. Cross-Claimants repeat and reallege their allegations in Paragraphs 1 through 17, inclusive, as if fully set forth at this point and incorporates them herein by reference.

19. Cross-Defendants have a contractual duty to, among other things, deal honestly, fairly, confidently, and professionally with Cross-Claimants. Cross-Defendants also have a duty to comply with the Sales Agreement and the representations made

surrounding those dealings with Cross-Claimants.

20. Cross-Defendants did not comply with their duties under the Sales Agreement nor with their underlying representations made as to the Consulting Agreement.

21. Cross-Defendants breached and/or failed and refused to comply with their aforementioned duties and obligations under the Sales Agreement. As such, Cross-Defendants have been unjustly enriched.

22. As a direct and proximate result of the foregoing, Cross-Claimants have been damaged in an amount in excess of $10,000.00, said amount to be determined at trial.

23. In order to prosecute this action, Cross-Claimants have had to retain attorneys to represent them, and they are entitled to fair and reasonable attorneys' fees, expenses, and costs associated with enforcing the Agreement.

FOURTH CLAIM FOR RELIEF
(Fraud)

24. Cross-Claimants repeat and reallege the allegations contained in Paragraphs 1 through 23, above, as though fully set forth herein.

25. Through the Sales Agreement Cross-Defendants explicitly stated that "CONSULTING AGREEMENTS WITH IRA SEAVER AND LEWIS HELFSTEIN NOT BEING ASSUMED."

26. Cross-Claimants relied on this statement in entering the Sales Agreement.

27. In the alternative, if the Consulting Agreement was assigned to Cross-Claimants, the representations mentioned above were false when Cross-Defendants made them, in that the Consulting Agreement was allegedly assigned to Cross-Claimants.

28. In the alternative, if the Consulting Agreement was assigned to Cross-Claimants, Cross-Defendants knew the representations were false when made, or made the representations mentioned above with a reckless disregard for their truth or falsity, in that the Consulting Agreement was assigned to Cross-Claimants although Cross-Defendants explicitly represented that it would not be.

29. In the alternative, if the Consulting Agreement was assigned to Cross-Claimants, Cross-Defendants made the representations mentioned above with the intent and for the purpose of deceiving Cross-Claimants and to induce Cross-Claimants into relying on the representations.

30. In the alternative, if the Consulting Agreement was assigned to Cross-Claimants, Cross-Claimants, in reliance on the representations mentioned above, were induced to enter into the Sales Agreement by Cross-Defendants.

31. In the alternative, if the Consulting Agreement was assigned to Cross-Claimants, Cross-Claimants's reliance on the representations mentioned above was reasonable under the circumstances in that the Sales Agreement clearly specified that the Consulting Agreement would not be assigned to Cross-Claimants.

32. As a direct and proximate result of Cross-Defendants' fraud, Cross-Claimants have suffered, and will continue to suffer, monetary loss and injury.

33. As a direct and proximate result of the foregoing, Cross-Claimants have been damaged in an amount in excess of $10,000.00, said amount to be determined at trial.

34. In order to prosecute this action, Cross-Claimants have had to retain attorneys to represent them, and they are entitled to fair and reasonable attorneys' fees;

namely, attorneys' fees, expenses, and costs associated with defending against Cross-Defendants' fraud.

FIFTH CLAIM FOR RELIEF
(Fraudulent Misrepresentation)

35. Cross-Claimants repeat and reallege the allegations contained in Paragraphs 1 through 34, above, as though fully set forth herein.

36. In the alternative, if the Consulting Agreement was assigned to Cross-Claimants, Cross-Defendants made a false representation with knowledge or belief that their representation was false or that they have an insufficient basis of information for making the representation. Cross-Defendants intended to induce Cross-Claimants to act on the misrepresentation regarding the non-assignment of the Consulting Agreement to have them enter into the Sales Agreement. Cross-Claimants have been damaged as a result of relying on the misrepresentation by Cross-Defendants.

37. In the alternative, if the Consulting Agreement was assigned to Cross-Claimants, during the negotiations for the Sales Agreement, Cross-Defendants submitted information to Cross-Claimants that set forth false, fraudulent, incomplete and/or misleading information concerning material facts about the Consulting Agreement.

38. In the alternative, if the Consulting Agreement was assigned to Cross-Claimants, the representations mentioned above were false when Cross-Defendants made them, in that Cross-Defendants knowingly induced Cross-Claimants' reliance in executing the Sales Agreement premised on the representation that the Consulting Agreement would not be assigned to Cross-Claimants.

39. In the alternative, if the Consulting Agreement was assigned to Cross-Claimants, Cross-Defendants knew the representations were false when made, or made

the representations mentioned above with a reckless disregard for their truth or falsity, in that Cross-Defendants sought to induce Cross-Claimants into entering the Sales Agreement.

40. In the alternative, if the Consulting Agreement was assigned to Cross-Claimants, Cross-Claimants, in reliance on the representations mentioned above, were induced into executing the Sales Agreement.

41. In the alternative, if the Consulting Agreement was assigned to Cross-Claimants, Cross-Claimants' reliance on the false representations mentioned above was reasonable under the circumstances, in that the false statements were made by Cross-Defendants in a manner that explicitly stated the Consulting Agreement was not being assigned to Cross-Claimants.

42. Cross-Defendants induced Cross-Claimants into executing the Sales Agreement.

43. As a direct and proximate result of Cross-Defendants' fraudulent misrepresentation, Cross-Claimants suffered, and will continue to suffer, monetary loss and injury.

44. As a direct and proximate result of the foregoing, Cross-Claimants have been damaged in an amount in excess of $10,000.00, said amount to be determined at trial.

45. In order to prosecute this action, Cross-Claimants have had to retain attorneys to represent them, and they are entitled to fair and reasonable attorneys' fees; namely, attorneys' fees, expenses, and costs associated with prosecuting an action for Cross-Defendants' fraudulent misrepresentation.

SIXTH CLAIM FOR RELIEF
(Intentional Misrepresentation)

46. Cross-Claimants repeat and reallege the allegations contained in Paragraphs 1 through 45, above, as though fully set forth herein.

47. In the alternative, if the Consulting Agreement was assigned to Cross-Claimants, Cross-Defendants assert a false representation with the knowledge or belief that it is false or without sufficient foundation regarding the non-assignment of the Consulting Agreement.

48. In the alternative, if the Consulting Agreement was assigned to Cross-Claimants, Cross-Defendants intended to induce Cross-Claimants into executing the Sales Agreement by representing that the Consulting Agreement was not being assumed by Cross-Claimants.

49. In the alternative, if the Consulting Agreement was assigned to Cross-Claimants, the representations mentioned above were false when Cross-Defendants made them, in that Cross-Defendants knowingly induced Cross-Claimants' reliance in executing the Sales Agreement.

50. In the alternative, if the Consulting Agreement was assigned to Cross-Claimants, Cross-Defendants made the representations mentioned above with the intent and for the purpose of deceiving Cross-Claimants and to induce Cross-Claimants into relying on the representations.

51. In the alternative, if the Consulting Agreement was assigned to Cross-Claimants, Cross-Claimants, in reliance on the representations mentioned above, were induced into executing the Sales Agreement.

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52. In the alternative, if the Consulting Agreement was assigned to Cross-Claimants, Cross-Claimants' reliance on the false representations mentioned above were reasonable under the circumstances, in that the false statements were made in the Sales Agreement with the express statement that "CONSULTING AGREEMENT WITH IRA SEAVER AND LEWIS HELFSTEIN NOT BEING ASSUMED."

53. As a direct and proximate result of Cross-Defendants' fraud, Cross-Claimants suffered, and will continue to suffer, monetary loss and injury.

54. As a direct and proximate result of the foregoing, Cross-Claimants have been damaged in an amount in excess of $10,000.00, said amount to be determined at trial.

55. In order to prosecute this action, Cross-Claimants have had to retain attorneys to represent them, and they are entitled to fair and reasonable attorneys' fees; namely, attorneys' fees, expenses, and costs associated with prosecuting an action for Cross-Defendants' fraud.

SEVENTH CLAIM FOR RELIEF
(Negligent Misrepresentation)

56. Cross-Claimants repeat and reallege the allegations contained in Paragraphs 1 through 55, above, as though fully set forth herein.

57. Cross-Defendants owed a duty of due care to Cross-Claimants to exercise that degree of skill normally expected of skilled professionals particularly where they knew that their representations would form the basis for Cross-Claimants' reliance.

58. The Sales Agreement explicitly states that "CONSULTING AGREEMENT WITH IRA SEAVER AND LEWIS HELFSTEIN NOT BEING ASSUMED." Cross-Claimants justifiably relied on this language and are exposed to

litigation and potential damages caused to them by their justifiable reliance upon the information. Cross-Defendants failed to exercise reasonable care or competence in obtaining or communicating information regarding the non-assignment of the Consulting Agreement.

59. In the alternative, if the Consulting Agreement was assigned to Cross-Claimants, Cross-Defendants, in promoting the Sales Agreement, recklessly disregarded the potential assignment of the Consulting Agreement, and otherwise failed to exercise the degree of care, skill, and competence which should be exercised by Cross-Defendants.

60. In the alternative, if the Consulting Agreement was assigned to Cross-Claimants, as a result, Cross-Defendants' failure to exercise their duty of care, they recklessly misrepresented the non-assignment of the Consulting Agreement.

61. Cross-Defendants were aware that their representations would be relied upon by Cross-Claimants in their business dealings regarding the Sales Agreement. Cross-Claimants relied upon the Cross-Defendants' representation that the Consulting Agreement was not being assigned to Cross-Claimants.

62. In the alternative, if the Consulting Agreement was assigned to Cross-Claimants, Cross-Defendants' representations were seriously flawed as a result of Cross-Defendants' negligence.

63. Cross-Claimants relied on Cross-Defendants' representations in executing the Sales Agreement.

64. Cross-Claimants suffered actual damages as a result of entering into the Sales Agreement based upon their reliance upon the reckless and grossly negligent misrepresentations of Cross-Defendants.

65. In the alternative, if the Consulting Agreement was assigned to Cross-Claimants, if Cross-Defendants reasonably and properly performed their duties and correctly, Cross-Claimants would not be exposed to potential liability to Plaintiffs for the Consulting Agreement.

66. Cross-Defendants are liable for all losses to Cross-Claimants as a result of the above-mentioned violations of their duties and gross negligence.

67. As a direct and proximate result of Cross-Defendants' actions, Cross-Claimants have suffered, and will continue to suffer, monetary loss and injury.

68. As a direct and proximate result of the foregoing, Cross-Claimants have been damaged in an amount in excess of $10,000.00, said amount to be determined at trial.

69. In order to prosecute this action, Cross-Claimants have had to retain attorneys to represent them, and they are entitled to fair and reasonable attorneys' fees; namely, attorneys' fees, expenses, and costs associated with prosecuting an action for Cross-Defendants' negligence.

EIGHTH CLAIM FOR RELIEF
(Breach of Express and Implied Warranties)

70. Cross-Claimants repeat and reallege the allegations contained in Paragraphs 1 through 69, above, as though fully set forth herein.

71. Cross-Claimants are informed and believe and thereon allege that pursuant to the Sales Agreement between Cross-Claimants and Cross-Defendants, it impliedly and expressly warranted that the "CONSULTING AGREEMENTS WITH IRA SEAVER AND LEWIS HELFSTEIN NOT BEING ASSUMED."

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72. Further, the Sales Agreement provides that "All representations and warranties by Seller in this Agreement . . . are, to the best of Sellers [sic] knowledge, true and correct in all material respects on and as of the Closing Date, as through such representations and warranties were made on as of that date."

73. Similarly, the Sales Agreement provides "All necessary and consents of any parties to the consummation of the transactions contemplated in this Agreement, or otherwise pertaining to the matters covered by it, will have been obtained by Seller and delivered to Buyer."

74. Cross-Claimants relied upon these warranties and believed that the Consulting Agreement was not being assigned to them.

75. Cross-Claimants are informed and believe and thereon allege that Cross-Defendants, and each of them, breached the Sales Agreement based on the allegations by Plaintiffs in the underlying action.

76. As a proximate result of the breach of express and implied warranties by Cross-Defendants, Cross-Claimants allege that they will suffer damages in a sum equal to any sums paid by way of settlement, or in the alternative, judgment rendered against Cross-Claimants in the underlying action based upon Plaintiffs' Complaint.

77. The breach(es) of the aforementioned warranties by each Cross-Defendant was and is the actual and proximate cause of damages to Cross-Claimants in excess of $10,000.00.

78. In order to defend this action, Cross-Claimants have had to retain attorneys to represent them, and they are entitled to fair and reasonable attorneys' fees; namely, attorneys' fees, expenses, and costs associated with defending this action.

NINTH CLAIM FOR RELIEF
(Implied Indemnity)

79. Cross-Claimants refer to and incorporate herein by reference Paragraphs 1 through 78 as though fully set forth herein.

80. Cross-Claimants are informed and believe and thereon allege that Cross-Claimants entered into written, oral and implied agreements with the Cross-Defendants.

81. By reason of the foregoing, if Plaintiffs recover against Cross-Claimants, then Cross-Claimants are entitled to implied contractual indemnity from Cross-Defendants, and each of them, for injuries and damages sustained by Plaintiffs, if any, for any sums paid by way of settlement, or in the alternative, judgment rendered against Cross-Claimants in the underlying action based upon Plaintiffs' Complaint or any claims filed.

82. In order to defend this action, Cross-Claimants have had to retain attorneys to represent them, and they are entitled to fair and reasonable attorneys' fees; namely, attorneys' fees, expenses, and costs associated with defending this action.

TENTH CLAIM FOR RELIEF
(Equitable Indemnity)

83. Cross-Claimants refer to and incorporates herein by reference Paragraphs 1 through 82 as though fully set forth herein.

84. Cross-Claimants are informed and believe and thereon allege that the claims alleged by Plaintiffs in their Complaint involve damages, if any, caused by Cross-Defendants.

85. In equity and good conscience, if Plaintiffs recover against Cross-Claimants herein, then Cross-Claimants are entitled to equitable indemnity,

apportionment of liability, and contribution among and from the Cross-Defendants according to their respective faults for the injuries and damages allegedly sustained by Plaintiffs, if any, by way of sums paid by settlement, or in the alternative, judgment rendered against Cross-Claimants based upon Plaintiffs' Complaint.

86. In order to defend this action, Cross-Claimants have had to retain attorneys to represent them, and they are entitled to fair and reasonable attorneys' fees; namely, attorneys' fees, expenses, and costs associated with defending this action.

ELEVENTH CLAIM FOR RELIEF
(Apportionment)

87. Cross-Claimants refer to and incorporate herein by reference Paragraphs 1 through 86 as though fully set forth herein.

88. Cross-Claimants are entitled to an apportionment of liability among Cross-Defendants, and each of them.

89. In order to defend this action, Cross-Claimants have had to retain attorneys to represent them, and they are entitled to fair and reasonable attorneys' fees; namely, attorneys' fees, expenses, and costs associated with defending this action.

TWELFTH CLAIM FOR RELIEF
(Equitable Estoppel)

90. Cross-Claimants refer to and incorporate herein by reference Paragraphs 1 through 89 as though fully set forth herein.

91. Cross-Defendants were apprised of the fact that Cross-Claimants did not want to assume the Consulting Agreement. Thus, during the negotiations surrounding the formation of the Sales Agreement, Cross-Defendants represented to Cross-Claimants that they were not assigning the Consulting Agreement to Cross-Claimants.

92. Cross-Defendants intended that these statements induce Cross-Claimants into entering the Sales Agreement. Cross-Defendants entered into the Sales Agreement with the belief that the Consulting Agreement was unassignable. However, Cross-Claimants relied on this information to their detriment as Plaintiffs are alleging that the Consulting Agreement was assigned through the Sales Agreement.

93. Cross-Defendants are liable for all losses to Cross-Claimants as a result of the above-mentioned representations.

94. As a direct and proximate result of Cross-Defendants' inducement, Cross-Claimants have suffered, and will continue to suffer, monetary loss and injury.

95. As a direct and proximate result of the foregoing, Cross-Claimants have been damaged in an amount in excess of $10,000.00, said amount to be determined at trial.

96. In order to prosecute this action, Cross-Claimants have had to retain attorneys to represent them, and they are entitled to fair and reasonable attorneys' fees; namely, attorneys' fees, expenses, and costs associated with prosecuting an action for Cross-Defendants' representations.

PRAYER FOR RELIEF

WHEREFORE, Defendants/Cross-Claimants, UI SUPPLIES, UNINET IMAGING, INC., NESTOR SAPORITI, pray for judgment as follows:

1. For damages associated with breach of contract;

2. For damages associated with breach of the covenant of good faith and fair dealing;

3. For damages associated with unjust enrichment;

4. For damages associated with fraud;

5. For damages associated with fraudulent misrepresentation;

6. For damages associated with intentional misrepresentation;

7. For damages associated with negligent misrepresentation;

8. For damages associated with breach of express and implied warranties;

9. That liability be borne directly on Cross-Defendants who should indemnify and hold Cross-Claimants harmless for any of Cross-Defendants' acts and Plaintiffs' alleged resulting injuries.

10. For apportionment;

11. For damages associated with equitable estoppel;

12. For reasonable attorneys' fees and costs incurred in this action; and

13. For such other and further relief as this Court may deem just and proper under the circumstances.

DATED this 11 day of January, 2010.

KRAVITZ, SCHNITZER SLOANE,
& JOHNSON, CHTD.

GARY E. SCHNITZER, ESQ. (NSB 395)
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Attorneys for Defendants/Cross-Claimants UI Supplies, Uninet Imaging and Nestor Saporiti

CERTIFICATE OF FACSIMILE AND MAILING

I HEREBY CERTIFY that on this 19 day of January, 2010, I faxed and placed a copy of the foregoing **DEFENDANTS UI SUPPLIES, UNINET IMAGING AND NESTOR SAPORITI'S FIRST AMENDED ANSWER TO COMPLAINT, COUNTERCLAIM, AND CROSS CLAIM** in the United States mail, postage pre-paid, and addressed as follows:

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KEARNEY, HOLLEY & THOMPSON
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O:\gcs\DATA\Saporiti adv Seaver\Pleadings\Answer to Complaint - 002 - 11172009 (First Amended).wpd

EXHIBIT 2

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ORIGINAL

FILED

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CLERK OF THE COURT

COMP
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Attorneys for Plaintiffs, IRA AND EDYTHE SEAVER FAMILY TRUST, IRA SEAVER, CIRCLE CONSULTING CORPORATION

DISTRICT COURT

CLARK COUNTY, NEVADA

IRA AND EDYTHE SEAVER FAMILY TRUST, IRA SEAVER, CIRCLE CONSULTING CORPORATION, Plaintiffs v. LEWIS HELFSTEIN, MADALYN HELFSTEIN, SUMMIT LASER PRODUCTS, INC., SUMMIT TECHNOLOGIES LLC, UI SUPPLIES, UNINET IMAGING, INC., NESTOR SAPORITI and DOES 1 through 20, and ROE entities 21 through 40, inclusive, Defendants.	Case No.: A587003 Department: VII ARBITRATION EXEMPTION CLAIMED: ACTION FOR DECLARATORY RELIEF, AND PROBABLE JURY VALUE IN EXCESS OF $50,000.00.

COMPLAINT

COME NOW Plaintiffs, IRA AND EDYTHE SEAVER FAMILY TRUST, IRA SEAVER, CIRCLE CONSULTING CORPORATION ("Plaintiffs') by and through the law firm of THARPE & HOWELL, and hereby sue the Defendants for damages arising out of a series of commercial transactions arising out of the transfer of property and other rights to Summit Technologies LLC. and their subsequent transfer of property and other rights to UI Supplies and Uninet Imaging, Inc.

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CLERK OF THE COURT

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Suite 150
Las Vegas, Nevada 89129

Parties:

Plaintiffs:

1. Ira and Edythe Seaver Family Trust ("Seaver Trust"), is organized pursuant to the laws of Nevada ("Seaver Trust"). Ira Seaver ("Ira Seaver") is a resident of the State of Nevada. Circle Consulting Corporation ("Circle Consulting") is a Nevada Corporation whose principal place of business is Clark County, Nevada.

Defendants:

2. Defendant Lewis Helfstein ("Lewis Helfstein") is a resident of New York. Defendant Madalyn Helfstein ("Madalyn Helfstein") is a resident of New York . Defendant Summit Laser Products Inc. ("Summit Laser") is a New York Corporation. Defendant Summit Technologies, LLC. ("Summit") is a New York Limited Liability Company. Defendant UI Supplies ("UI") is a New York Corporation. Defendant UniNet Imaging Inc.("Uninet") is a California Corporation with its principal place of business in Los Angeles County. Defendant Nestor Saporiti ("Saporiti") is a resident of the State of California.

3. That the true names, identities or capacities, whether individual, corporate, associate, or otherwise of the defendants, DOES 1 through 20, and ROE entities 21 through 40, are unknown to the Plaintiffs, who therefore sues said Defendants by such fictitious names. Plaintiffs are informed and do believe, and thereupon alleges, that each of the Defendants designated herein as DOE is responsible in some manner for the events and happenings herein referred to. That Plaintiffs will ask leave of this Court to amend this Complaint to insert the true names and capacities of said Defendants DOES 1 through 20, and ROE entities 21 through 40, when same have been ascertained by Plaintiffs, together with appropriate charging allegations, to join in this action.

General Definitions:

4. Plaintiffs Ira Seaver and Circle Consulting are collectively referred to as the "Circle Consultants." Defendants Lewis Helfstein, Madalyn Helfstein and Summit Laser are collectively referred to as the "Helfstein Defendants." Defendants UI, Uninet, and Saporiti are collectively referred to as the "Uninet Defendants." Seaver Trust, Ira Seaver and Circle Consulting are

collectively referred to as the "Plaintiffs."

Agreements:

5. On or about August 12, 2004, the Helfstein Defendants entered into an agreement with Ira Seaver to form Summit with the Helfstein defendants maintaining management and control of Summit but obtaining the approval from Ira Seaver for decisions concerning the capital structure of Summit. In addition, Ira Seaver and/or the Seaver Trust was to receive $6,700 per month in distributions from Summit subject to a $55,000 pre-tax profit; that Summit would enter into a Consulting Agreement with Ira Seaver for an annual fee of $120,000 paid bi-monthly, with annual $5,000 increases. Summit Formation Agreement - Exhibit "1."

6. On or about September 1, 2004 the Helfstein Defendants entered into an Operating Agreement with, among others, the Seaver Trust for the operation of Summit as a New York Limited Liability Company. Summit Operating Agreement – Exhibit "2." The Operating Agreement provides for Summit's maintaining records and providing an accounting, including providing quarterly reports to its members. The Operating Agreement provides for obtaining 75% of its members' consent for changes in its capital structure. The Operating Agreement provides for distribution of profits and net cash flow – 65% to Summit Laser and 35% to The Seaver Trust. The Operating Agreement provides for consulting services and fees paid to Circle Consulting and Ira Seaver of $120,000 per year with $5,000 annual increases and health insurance. The Operating Agreement provides for the Helfstein defendants' management and control of Summit.

7. On or about September 1, 2004, a Consulting, Non-Competition and Confidentiality Agreement was entered into by Lewis Helfstein on behalf of Summit, and Ira Seaver, individually and as President of Circle Consulting. The consulting agreement included, among other things, payment of $125,000 per year paid monthly, with annual $5,000 increases; reimbursement of

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expenses, and; payments based on sale of laser printer chips. In exchange, Ira Seaver was to exclusively perform services at the request of Summit, and Ira Seaver was to comply with enumerated non-compete, non disclosure, and confidentiality obligations. Circle Consulting Agreement – Exhibit "3."

8. On or about March 27, 2007, an Agreement was entered into by the Helfstein Defendants on behalf of Summit, and Saporiti on behalf of UI and Uninet. Under the Agreement, the Uninet Defendants acquired certain assets and contract benefits, including rights and obligations to the Circle Consulting Agreement. Summit Asset Sale Agreement (unsigned copy) – Exhibit "4."

General Allegations:

9. The allegations in this complaint are based on the information and belief of the Plaintiffs. Plaintiffs reserve their rights to amend the complaint as additional information is obtained through investigation and discovery.

10. The Helfstein Defendants, Summit Laser, and Summit were acting on behalf of, and as agents of each other; they acted in the course and scope of authority granted to the others and, that such actions were ratified by each of them such that each should be bound by the actions of the others.

11. The Helfstein Defendants operated, managed and controlled Summit as their alter ego, by among other things, co-mingling of funds, facilities, equipment and other assets of Summit, creating and operating Summit as a mere shell, a disregard for corporate record-keeping, accounting and other formalities, such that there is a unity of interest and ownership between Summit and the Helfstein Defendants that the separate personalities do not really exist and an inequitable result will occur if the acts in question are treated as those of Summit alone.

12. The Uninet Defendants were acting on behalf of, and as agents of each other; they acted

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in the course and scope of authority granted to the others and, that such actions were ratified by each of them such that each should be bound by the actions of the others.

13. Saporiti operated, managed and controlled Uninet and UI as his alter ego, and that Uninet operated, managed and controlled UI as its alter ego, by among other things, co-mingling of funds, facilities, equipment and other assets of UI and Uninet, that UI and Uninet were mere shells, that there was a disregard for corporate record-keeping, accounting and other formalities such that there is a unity of interest and ownership between UI, Uninet and Saporiti such that the separate personalities do not really exist and an inequitable result will occur if the acts in question are treated as those of UI and/or Uninet alone.

Specific Allegations:

14. In or about 2004 the Helfstein Defendants induced the Plaintiffs to enter into a series of contracts, including those set forth in this complaint, that effectively led to the Plaintiffs transferring all of their interests in and to National Data Center Inc., and Lasarstar Distribution Company Inc. to the Helfstein Defendants for the purpose of starting a new company, Summit Technologies, LLC. Summit was to be managed by the Helfstein Defendants. In exchange for entering into the aforementioned agreements, the Plaintiffs were to receive from Summit scheduled cash distributions, payments for consulting, and payments for the sale of computer chips. In addition, it was agreed that the Helfstein Defendants would not relinquish control of the company without the approval of the Plaintiffs' or the re-purchase of the Plaintiffs interest.

15. The Helfstein Defendants, while in control of Summit, operated it in a careless and negligent manner, and in a manner intended to benefit the Helfstein Defendants personally. This included their manipulating the activities of the company, as well its books and records. The Helfstein Defendants and defendant Summit failed and refused to pay, or cause Summit to pay, the

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Plaintiffs any of the scheduled cash distributions or payment for sales of computer chips. In addition, The Helfstein Defendants and defendant Summit failed and refused to pay, or cause Summit to pay Circle Consulting pursuant to the terms of the Circle Consulting Agreement.

16. The Helfstein Defendants, without obtaining approval from the Plaintiffs, entered into the Summit Asset Sale Agreement wherein The Helfstein Defendants would sell, transfer and assign certain assets of Summit to the Uninet Defendants, including Uninet's assumption of certain contractual rights and obligations of Summit. In exchange, Uninet provided a cash payment and other consideration to Summit, and, entered into an agreement with Lew Helfstein whereby the Uninet Defendants would pay Lewis Helfstein as a consultant.

17. As part of the Summit Asset Sale Agreement, the Uninet Defendants, as successor in interest to Summit, assumed certain contractual rights and obligations of Summit, including the consulting agreement between Circle Consulting and Summit. The Uninet Defendants took actions and made representations to Ira Seaver and the trade that they obtained the rights to the Circle Consulting Agreement, and that Circle Consulting and Ira Seaver were bound by it. In reliance on the actions, representations and requests of the Uninet Defendants, Circle Consulting and Ira Seaver complied with their obligations under the Circle Consulting Agreement. Circle sent invoices and statements for work performed to the Uninet Defendants, who did not object, but simply failed to respond.

18. The Plaintiffs have fully performed and satisfied all of their obligations under the agreements entered into with the Defendants, including the Summit Formation Agreement, the Summit Operating Agreement and the Circle Consulting Agreement. However, the Defendants, and each of them, have breached the aforementioned agreements.

19. The Plaintiffs have suffered damages that include, among other things, their failure to

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receive distribution payments pursuant to the Summit Formation Agreement and Summit Operating Agreement, and failure to receive payments for consulting services or payment for sales of computer chips from either Summit or the Uninet Defendants.

20. The Helfstein Defendants breached the Summit Formation Agreement by failing, among other things, to pay, or to have Summit pay, Ira Seaver $10,000 per month for any assets that exceeded liabilities; failing to pay or have Summit pay Ira Seaver $6,700 per month in distributions from Summit subject to a $55,000 pre-tax profit; and, failing to pay or have Summit pay Circle Consulting the annual fee of $120,000 with annual $5,000 increases.

21. The Helfstein Defendants and Summit breached the Summit Operating Agreement by among other things, self dealing with respect to the assets and operations of Summit; failing to properly maintain books and records or to provide an accounting of its financial activities; failing to provide quarterly reports to its members; failing to obtain the consent of 75% of its members for the asset sale to the Uninet Defendants; failing to distribute money as provided for under the agreement; failing to pay the Circle Consultants $120,000 per year with $5,000 annual increases, failing to pay for computer chips that were sold, and failing to provide health insurance.

22. The Uninet Defendants, breached the Circle Consulting Agreement by, among other things, failing to pay the Circle Consultants $125,000 per year paid monthly, with annual $5,000 increases; reimbursement of expenses; and payments based on sale of laser printer chips.

23. Plaintiffs are informed and believe, and herein allege that all relevant times the Defendants, and each of them, acted with malice against Plaintiff's that justifies the imposition of punitive damages. This includes, but is not limited to, their acting with the intent to harm the Plaintiffs by, among other things, secretly and purposely depriving Plaintiffs of contract benefits in complete disregard for their contractual and other legal obligations to the Plaintiffs, as well as

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intentionally exploiting the Plaintiffs property, assets, relationship and name for their own benefit.

FIRST CAUSE OF ACTION

BREACH OF CIRCLE CONSULTING CONTRACT

(By Plaintiffs Circle Consulting and Ira Seaver against All Defendants)

24. Plaintiffs reincorporate paragraphs 1 through 23 as herein alleged.

25. Plaintiffs Circle Consulting and Ira Seaver entered into the Circle Consulting Agreement with the Helfstein Defendants and Summit. The Uninet Defendants, as successors in interest to Summit, assumed the rights and obligations to the Circle Consulting agreement.

26. Plaintiffs have performed all conditions, covenants and promises required on their part to be performed in accordance with the terms and conditions of the Circle Consulting Agreement and/or any non-performance is excused. This includes, but is not limited to, satisfying all terms and conditions of the Circle Consulting Agreement with respect to all of the Defendants.

27. The Helfstein Defendants and Summit, as well as their successors in interest the Uninet Defendants, breached the agreement by failing to make payments as provided for under the agreement. As a result of Defendants' breach, Plaintiffs have been damaged in an amount in excess of $10,000.00.

SECOND CAUSE OF ACTION

BREACH OF SUMMIT TECHNOLOGIES FORMATION AGREEMENT

(By Plaintiff Ira Seaver and the Seaver Trust and against Defendants Lewis Helfstein and Madalyn Helfstein)

28. Plaintiffs reincorporate paragraphs 1 through 27 as herein alleged.

29. Ira Seaver, on behalf of himself and the Seaver Trust entered into the Summit Formation Agreement with the Helfstein Defendants. Ira Seaver and the Seaver Trust performed all conditions, covenants and promises required on their part to be performed in accordance with the terms and conditions of the Summit Formation Agreement and/or any non-performance is excused.

30. The Helfstein Defendants breached the agreement by amongst other things, failing to seek authorization from Summit's members for the Summit asset sale to Uninet, failing to make payments and/or causing Summit to make payments as provided for under the Summit Formation Agreement. As a result of Defendants' breach, Plaintiffs have been damaged in an amount in excess of $10,000.00.

THIRD CAUSE OF ACTION

BREACH OF SUMMIT TECHNOLOGIES OPERATING AGREEMENT

(By all Plaintiffs and against the Helfstein Defendants and Summit.)

31. Plaintiffs reincorporate paragraphs 1 through 30 as herein alleged.

32. The Plaintiffs entered into the Summit Operating Agreement with the Helfstein Defendants and Summit. The Plaintiffs have performed all conditions, covenants and promises required on their part to be performed in accordance with the terms and conditions of the Summit Operating Agreement and/or any non-performance is excused.

33. The Helfstein Defendants and Summit breached the agreement by failing to perform under the agreement, including, but not limited to the making of payments to the Plaintiffs as provided for under the agreement. In addition, neither Summit nor the Helfstein Defendants obtained authorization from Ira Seaver for changes to the capital structure of Summit. As a result of Defendants' breach, Plaintiffs have been damaged in an amount in excess of $10,000.00.

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FOURTH CAUSE OF ACTION

BREACH OF FIDUCIARY DUTY

(By Plaintiffs Ira Seaver and the Seaver Trust against the Helfstein Defendants)

34. Plaintiffs reincorporate paragraphs 1 through 33 as herein alleged.

35. As a member and manager of Summit, Defendant Lew Helfstein and the Helfstein Defendants had a fiduciary duty toward other members of Summit, including Ira Seaver and the Seaver Trust. This duty includes, amongst other things, a duty to manage and operate Summit in the best interests of all of its members; to operate the company in a professional and non-negligent manner; to provide full and complete and regular accountings; and to pay the company's obligations to its other members pursuant to the Summit Operating Agreement.

36. Plaintiff is informed and believes and herein alleges that amongst other things, Lew Helfstein breached his fiduciary duties to Summit's members, including Ira Seaver, by failing to manage and operate Summit in the best interest of all of its members, including Ira Seaver; by failing to operate the company in a professional and non-negligent manner; by failing to provide full and complete and regular accountings; and by failing to pay the company's obligations to its other members pursuant to the Summit Operating Agreement. As a result of Lew Helfstein and the Helfstein Defendants breach of their fiduciary obligation, Ira Seaver has been damaged in an amount in excess of $10,000.00.

FIFTH CAUSE OF ACTION

PROMISSORY ESTOPPEL

(By Plaintiffs Circle Consulting and Ira Seaver against the Uninet Defendants)

37. Plaintiffs reincorporate paragraphs 1 through 36 as herein alleged.

38. The Uninet Defendants made express and implied representations to induce Circle

Consulting and Ira Seaver to believe that the Uninet Defendants has acquired rights to the consulting agreement between Circle Consulting and Summit. This included, but was not limited to, that Ira Seaver was to make himself available to consult with the Uninet Defendants, to refrain from competing or taking actions adverse to the Uninet Defendants' interest, and that Circle Consulting was to comply with the non-compete and confidentiality provisions of the Circle Consulting Agreement.

39. Circle Consulting and Ira Seaver, in reliance on the express and implied representations of the Uninet Defendants, fully complied with their obligations under the Circle Consulting Agreement. However, the Uninet Defendants failed and refused to compensate Circle Consulting and Ira Seaver as required under the Circle Consulting Agreement. As a result of the above actions by the Uninet Defendants, Plaintiffs Circle Consulting and Ira Seaver have been damaged in an amount in excess of $10,000.00.

SIXTH CAUSE OF ACTION

UNJUST ENRICHMENT

(By all Plaintiffs against the Uninet Defendants)

40. Plaintiffs reincorporate paragraphs 1 through 39 as herein alleged.

41. The Uninet Defendants obtained a variety of goods, services, rights and other property directly and indirectly from the Plaintiffs for which the Plaintiffs were not compensated for, but which the Defendants used, sold and/or otherwise exploited for their own interests. This includes, but is not limited to the Uninet Defendants using intellectual property of the Plaintiffs, as well as capitalizing on their relationship with the Plaintiffs and their use of Plaintiffs' property.

42. No attempt has been made by the Uninet Defendants to compensate the Plaintiffs.

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As a result, the Uninet Defendants have been unjustly enriched. As a result of the above actions by the Uninet Defendants, Plaintiffs have been damaged in an amount in excess of $10,000.00.

SEVENTH CAUSE OF ACTION

ACCOUNTING

(By the Seaver Trust and Ira Seaver against Summit and the Helfstein Defendants)

43. Plaintiffs reincorporate paragraphs 1 through 42 as herein alleged.

44. A fiduciary relationship existed between the Seaver Trust and Ira Seaver, and Summit and the Helfstein Defendants. This relationship arouse out of, among other things, Defendants' membership in, and management responsibilities of Summit which required them to fully account for Summit's activities, assets, and its financial condition.

45. Summit and the Helfstein Defendants breached their fiduciary obligations by not operating and managing Summit properly, and by failing to properly account for and report on its financial conditions. As a result, a full and complete accounting of its activities is required in order to ascertain its true financial condition.

EIGHTH CAUSE OF ACTION

DECLRATORY RELIEF

(By Plaintiffs against All Defendants)

46. Plaintiffs reincorporate paragraphs 1 through 45 herein alleged.

47. An actual controversy exists amongst and between all of the Plaintiffs and all of the Defendants (the "Parties") with respect to the rights, duties and obligations of the Parties under the Summit Operating Agreement, the Circle Consulting Agreement, and the Summit Asset Sale Agreement. A declaration of rights and obligations is necessary to eliminate controversies and lack of certainty.

NINTH CAUSE OF ACTION

BREACH OF IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING

(By Plaintiffs against All Defendants)

48. Plaintiffs reincorporate paragraphs 1 through 47 herein alleged.

49. That the Implied Covenant of Good Faith and Fair Dealing exists in every Nevada contract.

50. That the Implied Covenant of Good Faith and Fair Dealing forbids arbitrary, unfair acts by one party that disadvantage the other.

51. That the acts of the Defendants have been arbitrary and unfair.

52. That the acts of the Defendants have disadvantaged the Plaintiffs.

53. That the Plaintiffs are entitled to damages in excess of $10,000.00.

TENTH CAUSE OF ACTION

ALTER EGO

(By Plaintiffs against All Defendants)

54. Plaintiffs reincorporate paragraphs 1 through 53 herein alleged.

55. That the Helfstein Defendants and the Summit Defendant are influenced and governed by each other and are so intertwined with one another as to be factually and legally indistinguishable.

56. That the Helfstein Defendants and the Summit Defendant have such a unity of interest and ownership in one another, that they are inseparable from each other.

57. That under the circumstances, the adherence to a fiction of separate entities would sanction fraud and/or promote injustice.

58. That the Saporiti Defendant and the Uninet and Ul Defendants are influenced and

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governed by each other and are so intertwined with one another as to be factually and legally indistinguishable.

59. That the Saporiti Defendant and the Uninet and UI Defendants have such a unity of interest and ownership in one another, that they are inseparable from each other.

60. That under the circumstances, the adherence to a fiction of separate entities would sanction fraud and/or promote injustice.

61. That the Plaintiffs are entitled to damages in excess of $10,000.00.

RELIEF REQUESTED

FIRST CAUSE OF ACTION – BREACH OF CIRCLE CONSULTING AGREEMENT

1. Payment of fees due under the agreement.

2. Payment of pre-judgment interest.

3. Payment of contractual attorney fees and costs.

SECOND CAUSE OF ACTION – BREACH OF SUMMIT FORMATION AGREEMENT

1. Payment of compensation due under the Summit Operating Agreement.

2. Payment for the sale of computer chips.

3. Payment under the Circle Consulting Agreement.

4. General damages.

THIRD CAUSE OF ACTION - BREACH OF THE SUMMIT TECHNOLOGIES OPERATING AGREEMENT

1. Payment of compensation due under the Summit Operating Agreement.

2. Payment for the sale of computer chips.

3. Payment under the Circle Consulting Agreement.

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4. General damages.

5. Attorney fees and costs

FOURTH CAUSE OF ACTION - BREACH OF FIDUCIARY DUTY

1. Payment of compensation due under the Summit Operating Agreement.

2. Payment for the sale of computer chips.

3. Payment under the Circle Consulting Agreement.

4. General damages.

5. Punitive damages.

FIFTH CAUSE OF ACTION - PROMISSORY ESTOPPEL

1. Payment of fees due under the Circle Consulting Agreement

SIXTH CAUSE OF ACTION - UNJUST ENRICHMENT

1. An Accounting.

2. Appraisal.

3. Payment of value received.

SEVENTH CAUSE OF ACTION - ACCOUNTING

1. An Accounting of the financial books and records of Summit.

EIGHTH CAUSE OF ACTION - DECLARATORY RELIEF

1. A declaration of the rights and duties of Circle Consulting and Ira Seaver as well as all of the Defendants with respect to the Circle Consulting Agreement.

2. A declaration of the rights, duties and obligations of the Helfstein Defendants and Summit under the Summit Operating Agreement.

NINTH CAUSE OF ACTION - BREACH OF IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING

1. General Damages.

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2. Special Damages.

3. Payment of Attorney Fees and Costs.

TENTH CAUSE OF ACTION - ALTER EGO

1. A declaration that the entity Defendants are the Alter Ego of the individuals that control them.

FOR ALL CAUSES OF ACTION

1. Attorney fees and costs as provided for by contract and statutes;

2. Pre-judgment interest;

3. Any other relief the Court deems appropriate.

DATED this 2nd day of April, 2009

THARPE AND HOWELL

By: _____
BYRON L AMES, ESQ.
Nevada Bar No. 7581
VINCENT J. KOSTIW, ESQ.
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Attorneys for the Plaintiffs
IRA AND EDYTHE SEAVER FAMILY TRUST
IRA SEAVER,
CIRCLE CONSULTING CORPORATION

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Suite 150
Las Vegas, Nevada 89129

EXHIBIT 1

SUMMIT Laser Products, Inc.

95 Orville Driv02e
Bohemia, NY 11716
U.S.A.

http://www.summitlaser.com
Telephone (800) 221-3516
Fax (888) 791-9188

August 13, 2004

This letter is a binding agreement between Lewis Helfstein (LH), Madalyn Helfstein (MH) and Ira Seaver and any company or trust formed by him (IS), for the formation of a new business entity, Summit Technologies, LLC (LLC). MH owns all the outstanding shares of Summit Laser Products, Inc. (Summit), a New York S Corporation. IS owns all the outstanding shares of National Data Center, Inc. a California S Corporation doing business as Graphic Technologies Corp (NDC) and Laserstar Distribution Corp. (LDC) a Nevada S Corporation.

A. Formation of the LLC:

1. A new company named Summit Technologies LLC has been formed. MH will cause Summit to transfer all it assets and liabilities to that entity for 6500 units out of a total of 10,000 units. MH shall provide appropriate corporate resolutions to establish the transfer and MH will warrant that she has the authority to make such transfers
2. IS will transfer $200,000 of NDC accounts receivable to the LLC for 3500 units of the LLC. IS shall provide appropriate corporate resolutions to establish the transfer and IS will warrant that he has the authority to make such transfers.
3. IS shall cause the balance of NDC assets and liabilities to be transferred as enumerated in Schedule A attached. (All attachments are made a part hereof.). To the extent that the net assets transferred shall exceed the liabilities, the LLC shall increase the amount to be paid to IS in his consulting agreement at a rate of $10,000 per month without interest. LH will pledge his new interest in LDC to IS until the full amount of the "excess equity payment" is paid. The LLC will acquire all NDC assets and assume liabilities which are listed in a separate "Accounts Payable Schedule". The LLC waives the bulk sales notice provisions of the California UCC.
4. The operating agreement will call for, among other things;
    a. that all corporate decisions with the exception of those enumerated in Sect 6.1 of the LLC operating agreement, shall be made by the majority owner of the LLC.
    b. The items in Schedule B and C shall become part of the operating agreement and shall not be amended without consent of all members.
    c. IS's 35% membership interest shall not be diluted for any reason to less then 25% and IS shall never be required to guarantee or indemnify any indebtedness of the LLC.
    d. LH shall not relinquish control of Summit without IS approval or the repurchase of 2500 unit of the LLC, from IS, whichever shall occur first.
    e. All future equity distributions shall be calculated as if the LLC is treated as a Sub chapter S corporation. An annual Schedule of the Capital Account changes shall be provided to each member.

f. An initial management committee shall be established for the LLC consisting of: LH, IS, Steven Hecht, Mark Camber-Thomas and Michael Josiah. This group shall be responsible for the day to day operation of the LLC.

5. The $6,700 per month distribution, to IS, will be paid so long as the LLC is experiencing a monthly profit (EBTDA) in excess of $55M per month.
6. At the time of the merger, the LLC shall establish a new line of credit with its' Bank. The LLC shall pay off the existing bank loans of NDC and purchase a certain note that NDC has with Coates Electrographic Corp. in the amount of $543,715. The LLC will reduce the amount of the note by 50% as part of the consideration for the assets. The LLC will modify the note so as not to take any action to collect until Jan 3, 2006. The LLC shall hold IS, his wife and or a trust established by him, individually and as an officer and director of NDC, harmless from the payment of the note. In the event NDC receives commissions from Coates Electrographics, the LLC may make claims for repayment of the notes to the extent of the commissions.

B. Summit Laser

After this transaction the shareholders of Summit will enter into a shareholders agreement, whereby, MCT, SH, and MJ will be permitted to buy into the corporation annually, in the following proportions: each will have the right to own 23% of Summit over a ten year period. This will equate to 15% of the LLC. The shareholders will agree that the Helfstein family will control the Board of Directors, so long as either LH or MH has any liability on the company's bank line of credit.

C. Laserstar (LDC)

LDC shall remain a separate Company owned 35% by IS and 65% by LH. LH shall purchase his 65% for $10,000. LH acknowledges that LDC will have negligible book value at the time of the purchase. IS shall be responsible for 100% of all claims made against LDC prior to LH's purchase. It shall contract with the LLC to provide chips on a net cost basis. LLC will have the rights to all purchase all LDC's production on an exclusive basis. The direct expenses of LDC shall be billed to LLC. All products sold to LLC shall be at LDC's direct cost of materials. LH and IS shall sell this company to the LLC as part of their buy sell agreements. The price shall be included in the amount agreed upon in Schedule D.

D. Consulting Agreement:

The LLC shall enter into a consulting agreement with IS. This agreement shall be for the exclusive services of IS for 10 years at an annual rate as indicated in Schedule B. The agreement shall call for an annual fee of $120,000 paid bi monthly. The LLC will gross up the payments to cover the employer portion of FICA. The agreement shall have appropriate non disclosure and non competition clauses; and shall contain the following language with reference to IS's duties and responsibilities: "IS shall provide existing toner blending formulas and expertise while continuing to improve existing formulations and researching formulations for new toner printing devices. Supervising the research and development of chip technology as it related to toner printing devices." (Ira, I would still welcome you expanding or clarify this definition). This agreement will have Nevada as the jurisdiction, and shall include health insurance for IS and his

dependants, cellular service and up to $500 per month for a vehicle and reasonable insurance on the vehicle. The consulting shall exempt competitive activity with the following entities: Tangerine Express, Raven Industries, and commissions from Coates Electrographics. This agreement shall bind the LLC as to this activity. The LLC has enabling language at Sect 6.7.1.

E. Chip Incentives:

The LLC will pay an incentive to LDC based upon chip and reset sales. LLC will pay 20 cents for each chip and 08 cents for resets the company has manufactured and sold up to 40,000 per month, and 08 cents for each one sold thereafter. There shall be an average profit, by the LLC, of at least $1.50 on each chip or $1.00 for reset for the incentive to be paid. The monthly profit shall be based upon the average of profit for the previous calendar month. This payment will be made to LDC. LDC shall be responsible for incenting the employees used to develop such chips and their year end bonuses if so paid. The LLC will pay an incentive to IS based upon chip and reset sales. LLC will pay 05 cents for each chip and 02 cents for resets the company has manufactured and sold up to 40,000 per month, and 02 cents for each one sold thereafter. There shall be an average profit, by the LLC, of at least $1.50 on each chip or $1.00 for reset for the incentive to be paid. The monthly profit shall be based upon the average of profit for the previous calendar month. This payment will be made to IS. The LLC will always calculate chip sales first for both LDC and IS.

F. Buy Out and Life Insurance

The three junior shareholders in Summit Laser will be buying out a large share of Madalyn Helfstein's shares in Summit. This will take 10 years and is to commence in 2005. At the end of this period the LLC shall buy out LH share of LDC, the price of this buy back shall be included in the last annual payment of $120,000. When that buy out is completed, then they will purchase 2500 unit of IS's in the LLC and all of LDC At the time this combined buyout commences, IS's or his Corporation will cease to earn the distribution on that 2500 units and that shall go to the junior shareholders of Summit. This buy out will be for $900,000 paid out for 10 years at $90,000 per year incrementally, plus any increase in IS's "Adjusted Capital Account" in excess of $200,000 over the same ten year period. Within 12 months of the final $90,000 payment these three shareholders will buy out the remaining 1,000 units from IS for $250,000 plus any increase in IS's "Adjusted Capital Account" in excess of $200,000, and to include all provsions of Schedule D, in the event of any incosistancies then Schedule D controls. Thereafter they will purchase MH's 20% of Summit for a lump sum of $250,000. They will have 24 months from the last payment to IS to complete this transaction with MH. IS will agree in the event of his death to leave his interest in the LLC to his wife, and his interest in LDC to LH. LH will agree in the event of his death to leave his interest in LDC to his wife, MH. The company will purchase term life insurance on MH and IS's wife in an amount equal to their total buy out amounts. Said Insurance to fund a final buyout in the event of the death of either person of their or their spouses interest.

At the time of the initial and final IS buy out, any increase in his capital account as defined in the buy out agreement to be calculated as if the LLC was a sub chapter S corporation, shall be paid on a one tenth annual basis. The same provision will apply to MH at the time of the final buy out, and extend for 5 years.

Payments under all buy out agreements shall limited to distribution that are subject to bank covenants and reduced by 50% for taxation on the distributions.

Life insurance in the amount of $500,000 shall be purchased on each junior shareholder (MJ,SH,MCT) to be paid to their estate to cover all interest they will have in Summit or the LLC. The amount of insurance on these shareholders may be increased as the Board of Directors of Summit so determines.

G. Leases:

IS will enter into a lease for the CA property with new LLC. This lease shall be for 10 years with a 10 option. Lease for building shall be for approximately 13,000 sq. ft of floor space and approximately 2,000 sq. ft. loft space. This includes the entire rear section of the main building as well as approximately 40% of the front warehouse section. A floor plan must be provided. NDC has two leases that will not be assumed by the LLC for locations in Scranton PA and Miami FL.

H. Jurisdiction and Accounting:

All LLC agreements shall have an arbitration provision. Jurisdiction for this agreement will be in New York. The shareholders agree that GAAP will be used for all financial calculations required in the agreement.

I. Disclosure:

The only litigation pending against NDC, Summit or LDC is a suit brought by Static Control Corp. for copyright infringement. Both IS and LH are aware of this litigation. The suit shall remain against NDC and Summit respectively. There are no other pending actions or government claims against either party. NDC shall provide LLC with copies of all leases and other contracts binding GTC. Both parties will give indemnity clause to the LLC with regards to any tax liabilities of their respective companies and a warranty as to full disclosure of accounts payable.

H. Disclosure of Confidential Information:

NDC will be providing Summit with it's customer list. In the event that Summit, LH and MH fail to finalize this transaction then they agree not to sell or solicit any NDC customer on the provided list, which Summit has not sold within 18 months. This prohibition shall last for a period of 24 month from termination of negotiations..

This document Letter of understanding between the parties is herby executed on the date listed.

Ira J. Seaver

Acknowledged by: Edythe T. Seaver Date:

Lewis B. Helfstein

Madalyn H. Helfstein Date: 8/15/04

Schedule A

TRANSFER AND VALUE OF NDC ASSETS:

A. See Exhibit 1 for an outline of the asset and liability transfer.

B. Definitions:

1. Reduction mechanism: At the time of Closing, a Schedule of Inventory, Accounts Receivable and Fixed Assets will be prepared. In 120 days a schedule of uncollected Accounts receivable will be prepared and then 60 days later a schedule of unsaleable inventory prepared. These amounts will be deducted from the "Excess Inventory amount owed to IS in the consulting agreement.
2. Fixed Assets: Valued at book.
3. Collectable Accounts Receivable: The value of all accounts receivable collected within 120 days of the transfer.
4. Saleable Inventory: The current market value of all inventory sold within six months of transfer. (With an $30,000 exclusion for small parts and cores)

C. Summit shall have a net equity of $340,000 at the time of transfer. IS has the right to have Summits assets valued in a similar manner.

Schedule B Salaries of Executives and Consultant Fees for 2004
Management:
Steven Hecht $145,000
Mark Camber Thomas $115,000
Mike Josiah $105,000

Consulting:
Lewis Helfstein $105,000
Ira Seaver $120,000
These salaries shall increase $5,000 each year, so long as the company has met all its' bank loan requirements.

Schedule C Annual Distributions Subject to the terms of the LLC agreement and the Bank Loan Agreement

Subject to the operating agreement and bank loans, Distributions shall be made as follows:

Minimum Net Profit after tax	Maximum Net profit after tax	Percentage Distribution of this segment
$100,000	$300,000	50%
$300,001	$600,000	75%
$600,001	+	100%

Schedule D Buy Out Provisions (Attached)

Schedule D

BUY OUT of Ira Seaver's Interest in SUMMIT TECHNOLOGIES LLC

INITIAL POSITION 35%, 3500 Units

Membership Interest and Distributions reduced to 1000 units and 10% of Net Profits at beginning of first payout year

Buy Out 2500 units to Commence 12 month after Madalyn Helfstein initial buyout from Summit completed.

To the extent that the members "adjusted capital account" exceeds $200,000, then one tenth of that excess shall be paid annually in monthly installments, in addition to payments set forth below. The balance due on the sale shall be secured by the 2500 membership shares in the form of a pledge agreement.

Annual payments shall be paid out of cash disbursements from the LLC, reduced by 50% estimated taxes payable by the purchasing members on the distributions.

Year	Total	
1	30,000	All interest in LDC
1	60,000	
2	90,000	
3	90,000	
4	90,000	
5	90,000	
6	90,000	
7	90,000	
8	90,000	
9	90,000	
10	90,000	
Totals	900,000	

Membership Interest and Distributions reduced to 1000 units and 10% of Net Profits at beginning of first payout year.

Ira Seaver will sell the balance of his 1000 units for $250,000, plus the increase in Ira's capital account, computed from the date of purchase of the 2500 membership shares above. Such amounts will be paid 12 months after the final payment of the 2500 membership shares.

ASSET AND LIABILITY TRANSFER: EXHIBIT 1

	June Book Value NDC		Booked Transaction for Tax Purposes	
Current Assets				
Cash in Bank - Wells Fargo	7,007		7,007	
Accounts Receivable	772,354		772,354	
(A?R exchanged for 3500 units	(200,000)		(200,000)	
Inventory - GTC	971,128		971,128	
Asset w/d	(50,000)		(50,000)	
TOTAL Current Assets		1,500,489		1,500,489
Fixed Assets				
Equipment & Furniture	353,582		353,582	
Accumulated Depreciation	(256,523)		(256,523)	
Software Combined	58,647		58,647	
TOTAL Fixed Assets		155,706		155,706
Other Assets				
Prepaid Assets	54,597		54,597	
TOTAL Other Assets		54,597		54,597
TOTAL Assets		**1,710,792**		**1,710,792**
Current Liabilities				
Accounts Payable	701,258		701,258	
TOTAL Current Liabilities		701,258		701,258
Long-Term Liabilities				
First Regional Bank Loan	48,000		48,000	
First Federal Note	233,333		233,333	
Coates Note	553,715		*276,858*	
TOTAL Long-Term Liabilities		835,048		558,191
TOTAL Liabilities		**1,536,306**		**1,259,449**
Equity				
Common Stock	1,500			
Retained Earnings	582,888			*451,344*
Current Year	(159,902)			
TOTAL Equity	424,486	424,486	Sub total	451,344
			Less Coates w/d	(276,858)
TOTAL Liabilities AND Equity		**1,960,792**	Excess Equity	174,486

IS 0000010

EXHIBIT 2

LIMITED LIABILITY COMPANY OPERATING AGREEMENT

OF

SUMMIT TECHNOLOGIES, LLC

LIMITED LIABILITY COMPANY

IS 0000012

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ALLOCATIONS AND DISTRIBUTIONS

Limited Liability Company Operating Agreement

of

SUMMIT TECHNOLOGIES, LLC

This Limited Liability Company Operating Agreement of the above, a limited liability company organized pursuant to the New York Limited Liability Company Law, is entered into and shall be effective as of the Effective Date, by and among the Company and the persons executing this Agreement.

ARTICLE I
DEFINITIONS

For purposes of this Agreement (as defined below), unless the context clearly indicates otherwise, the following terms shall have the following meanings:

1.1 **Act.** The New York Limited Liability Company Law and all amendments to the Act.

1.2 **Additional Contribution.** An additional Capital Contribution payable by the Members to the Company pursuant to Article VII.

1.3 **Additional Contribution Share.** A Member's proportionate share of an Additional Contribution, (i) equal to the product of (A) such Member's Initial Sharing Ratio (set forth in Schedule A to this Agreement) and (B) such Additional Contribution or (ii) as otherwise agreed by the Members under Section 7.2.

1.4 **Agreement.** This Limited Liability Company Operating Agreement including all amendments adopted in accordance with the Agreement and the Act.

1.5 **Articles.** The Articles of Organization of the Company, as amended from time to time, and filed with the Department of State of New York.

1.6 **Assignee.** A transferee of a Membership Interest who has not been admitted as a Substitute Member.

1.7 **Bankrupt Person.** A Person who: (1) has become the subject of an Order for Relief under the United States Bankruptcy Code by voluntary or involuntary petition, or (2) has initiated, either in an original Proceeding or by way of answer in any state insolvency or receivership Proceeding, an action for liquidation, arrangement, composition, readjustment, dissolution, or similar relief.

1.8 **Business Day.** Any day other than Saturday, Sunday or any legal holiday observed in the State of New York.

1.9 **Capital Account.** The account maintained for a Member or Assignee determined in accordance with Article VII.

1.10 **Capital Contribution.** Any contribution of Property or services made by or on behalf of a Member or Assignee.

1.11 **Commitment.** The Capital Contributions that a Member is obligated to make, including a Member's Initial Capital Contribution and any Additional Contribution Share of a Member.

1.12 **Company.** The company named at beginning of this Operating Agreement, a limited liability company formed under the laws of New York, and any successor limited liability company.

1.13 **Default Interest Rate.** The prime rate published by the Wall Street Journal for the last Business Day on which a Commitment is payable.

1.14 **Delinquent Member.** A Member who has failed to meet the Commitment of that Member.

1.15 **Disposition (Dispose).** Any sale, assignment, exchange, mortgage, pledge, grant, hypothecation, or other transfer, absolute or as security or encumbrance (including dispositions by operation of law).

1.16 **Dissociation.** Any action which causes a Person to cease to be a Member as described in Article XI hereof.

1.17 **Dissolution Event.** An event, the occurrence of which will result in the dissolution of the Company under Article XII.

1.18 **Distribution.** A transfer of Property to a Member on account of a Membership Interest as described in Article VIII.

1.19 **Effective Date.** The date of filing of the Articles of Organization or such other date as set forth in the Articles of Organization.

1.20 Tax Year and Accounting Method: The tax year of the LLC shall be Jan 1 to December 31. The LLC shall use the accrual method of accounting.

1.21 **Initial Capital Contribution.** The Capital Contribution agreed to be made by the Members as described in Article VII.

1.22 **Initial Membership Interest.** The Initial Membership Interest set forth in Schedule A.

1.23 **Initial Sharing Ratio.** The Initial Sharing Ratio set forth in Schedule A.

1.24 **Management Right.** The right of a Member to participate in the management of the Company, to vote on any matter, and to grant or to withhold consent or approval of actions of the Company.

1.25 **Member.** A Corporation whose Shareholders have approved the Membership of the Corporation, and where individual actions are indicated or defined, the Shareholders themselves shall be considered Members with regards to actions and responsibilities define herein and Persons becoming a Member, and a Substitute Member.

1.26 **Membership Interest.** The rights of a Member to Distributions (liquidating or otherwise) and allocations of the profits, losses, gains, deductions, and credits of the Company, and, to the extent permitted by this Agreement, to possess and exercise Management Rights.

1.27 **Net Cash Flow.** With respect to any fiscal period of the Company, all revenues of the Company during that period decreased by (a) cash expenditures for operating expenses, (b) capital expenditures limited to $50,000 annually, to the extent not made from reserves, (c) reserves for contingencies and working capital, established in such amounts as the Members may determine, (d) repayment of principal on any financing and (e) taxes.

1.28 **Organization.** A Person other than a natural person, including without limitation corporations (both non-profit and other corporations), partnerships (both limited and general), joint ventures, limited liability companies, business trusts and unincorporated associations, but the term does not include joint tenancies and tenancies by the entirety.

1.29 **Person.** An individual, trust, estate, or any Organization permitted to be a member of a limited liability company under the laws of the State of New York.

1.30 **Principal Office.** The Principal Office of the Company set forth in Section 2.6.

1.31 **Proceeding.** Any administrative, judicial, or other adversary proceeding, including without limitation litigation, arbitration, administrative adjudication, mediation, and appeal or review of any of the foregoing.

1.32 **Property.** Any property, real or personal, tangible or intangible, including money, and any legal or equitable interest in such property, but excluding services and promises to perform services in the future.

1.33 **Schedule A.** Schedule A to this Agreement setting forth the name, address, Initial Capital Contribution, number of Units, Initial Membership Interest and Initial Sharing Ratio of each Member, and the Member designated as the Tax Matters Partner.

1.34 **Sharing Ratio.** With respect to any Member, as of any date, the ratio (expressed as a percentage) of (i) such Member's Capital Contribution to (ii) the aggregate Capital

Contributions of all Members, or such other ratio as shall be agreed by all Members from time to time. The Initial Membership Interest and Sharing Ratio of each Member is set forth in Schedule A hereof, and Schedule A shall be amended as necessary to conform to any changes thereof agreed to by the Members. In the event all or any portion of a Membership Interest is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Membership Interest and Sharing Ratio of the transferor to the extent it relates to the transferred Membership Interest.

1.35 **Substitute Member.** An Assignee who has been admitted to all of the rights of membership pursuant to Section 10.3 of the Agreement.

1.36 **Tax Characterization and Additional Tax Terms.** It is intended that the Company be characterized and treated as a partnership for, and solely for, federal, state and local income tax purposes. For such purpose, (i) the Company shall be subject to all of the provisions of Subchapter K of Chapter 1 of Subtitle A of the Code, (ii) all references to a "Partner," to "Partners" and to the "Partnership" in this Agreement (including the provisions of Section 7.4 and the provisions of Article VIII) and in the provisions of the Code and Tax Regulations cited in this Agreement shall be deemed to refer to a Member, the Members and the Company, respectively. In addition, the following terms shall have the following meanings:

1.36.1 Profits and Losses shall mean, for each Fiscal Year, an amount equal to the Company's taxable income or loss for such Fiscal Year, determined in accordance with Section 703(a) of the Code (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code shall be included in taxable income or loss), with the following adjustments:

1.36.1.1 Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this Section 1.36(i) shall be added to such taxable income or loss;

1.36.1.2 Any expenditures of the Company described in Section 705(a)(2)(B) of the Code or treated as Section 705(a)(2)(B) of the Code expenditures pursuant to Section 1.704-1(b)(2)(iv)(i) of the Tax Regulations, and not otherwise taken into account in computing Profits or Losses pursuant to this Section 1.36(i), shall be subtracted from such taxable income or loss;

1.36.1.3 Notwithstanding any other provisions of this definition, any items which are specially allocated pursuant to Sections 8.4 or 8.5 shall not be taken into account in computing Profits or Losses.

The amounts of the items of Partnership income, gain, loss, or deduction available to be specially allocated pursuant to Sections 8.4 or 8.5 shall be determined by applying rules analogous to those set forth in clauses (i) through (iii) above.

1.36.2 Tax Regulations shall mean the federal income tax regulations promulgated by the United States Treasury Department under the Code as such Tax Regulations may be amended from time to time. All references herein to a specific section of the Tax Regulations shall be deemed also to refer to any corresponding provision of succeeding Tax Regulations.

1.37 Unit. One of the One Thousand units of Membership Interest that are authorized to be issued under this Agreement. Each Unit represents a Membership Interest with an Initial Sharing Ratio of one tenth of percent (0.1%), subject to adjustment as provided herein. A Unit is divisible into fractional parts. References to Units herein shall be solely for the purpose of certificating the Membership Interests authorized hereunder. Voting, the granting or withholding of consents or approvals, and allocation of Profits and Losses and Distributions shall be made pursuant to the applicable provisions of this Agreement without reference to the number of Units held by Members.

ARTICLE II
FORMATION

2.1 **Organization.** The Members hereby organize the Company as a New York limited liability company pursuant to the provisions of the Act.

2.2 **Agreement.** For and in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Members executing the Agreement hereby agree to the terms and conditions of the Agreement, as it may from time to time be amended. It is the express intention of the Members that the Agreement shall be the sole source of agreement of the parties, and, except to the extent a provision of the Agreement expressly incorporates federal income tax rules by reference to sections of the Code or Tax Regulations or is expressly prohibited or ineffective under the Act, the Agreement shall govern, even when inconsistent with, or different than, the provisions of the Act or any other law or rule. To the extent any provision of the Agreement is prohibited or ineffective under the Act, the Agreement shall be deemed to be amended to the least extent necessary in order to make the Agreement effective under the Act. In the event the Act is subsequently amended or interpreted in such a way to make any provision of the Agreement that was formerly invalid valid, such provision shall be considered to be valid from the effective date of such interpretation or amendment.

2.3 Name. The name of the Company is the name set forth at the beginning of this Operating Agreement, and all business of the Company shall be conducted under that name.

2.4 Term. The Company shall be dissolved and its affairs wound up in accordance with the Act and the Agreement on December 31, 2054 unless the term shall be extended by amendment to the Agreement and the Articles, or unless the Company shall be sooner dissolved and its affairs wound up in accordance with the Act or the Agreement.

2.5 **Registered Agent and Office.** The registered agent for the service of process and the registered office shall be that Person and location reflected in the Schedule A.. The Members, may, from time to time, change the registered agent or office through appropriate filings with the Department of State of New York. In the event the registered agent ceases to act as such for any reason or the registered office shall change, the Members shall promptly designate a replacement registered agent or file a notice of change of address as the case may be.

2.6 **Principal Office.** The Principal Office of the Company shall be located at:
The place designated in Schedule A

2.7 **Publication.** Within 120 days after the Effective Date, the Members shall cause a notice containing the substance of the Articles, in the form required by the Act, to be published once in each week for six successive weeks in two newspapers of the county in which the Principal Office is located.

ARTICLE III
PURPOSE; NATURE OF BUSINESS

The business purpose of the Company is to engage in any and all business activities permitted under the laws of the State of New York. This activity shall include the Distribution of Supplies and Cartridges for printers.

The Company shall have the authority to do all things necessary or convenient to accomplish its purpose and operate its business as described in this Article III. The Company exists only for the purpose specified in this Article III, and may not conduct any other business without the unanimous consent of the Members. The authority granted to the Members hereunder to bind the Company shall be limited to actions necessary or convenient to this business.

ARTICLE IV
ACCOUNTING AND RECORDS

4.1 **Records to be Maintained.** The Company shall maintain the following records at the Principal Office:

4.1.1 a current list of the full name set forth in alphabetical order and last known mailing address of each Member, together with the information set forth on Schedule A relating to each Member's Initial Capital Contribution, number of Units, Membership Interest and Sharing Ratio;

4.1.2 a copy of the Articles and all amendments thereto, together with executed copies of any powers of attorney pursuant to which the Articles or any such amendment has been executed;

4.1.3 a copy of the Company's federal, state and local income or information tax returns and reports for the three most recent Fiscal Years;

4.1.4 a copy of this Agreement including all amendments thereto; and

4.1.5 the Company's books and records, including financial statements of the Company, which shall be open to inspections by the Members or their agents at reasonable times.

4.2 **Reports to Members.** The Company shall provide reports, including a balance sheet, statement of profit and loss, and a statement of cash flows, at least quarterly to the Members and changes in Members' accounts, annually; at such time and in such manner as the Members may determine reasonable.

4.3 **Tax Returns and Reports.** The Members, at Company expense, shall prepare and timely file income tax returns of the Company in all jurisdictions where such filings are required, and the Company shall prepare and deliver to each Member, within ninety (90) days after the expiration of each Fiscal Year, and at Company expense, all information returns and reports required by the Code and Tax Regulations and Company information necessary for the preparation of the Members' federal income tax returns.

ARTICLE V
NAMES AND ADDRESSES OF MEMBERS

The names and addresses of the Members are as stated on Schedule A.

ARTICLE VI
RIGHTS AND DUTIES OF MEMBERS

6.1 **Management Rights.** Management of the Company shall be divided into two categories: Members Rights and Managers Responsibilities. Any matter that requires the vote or consent of the Members shall be decided by the Members holding at least a majority of the Membership Interests except for the following:

6.1.1 The control of the Majority Member, Summit Laser Products, Inc. cannot be changed without the consent of 75% of the Members.

6.1.2 The annual compensation of all Managers, Executives and Consultants is established in Schedules B and C, except for $5,000 per year increases, and cannot be changed without unanimous consent of all Members.

Payment of Bonuses may be authorized with the consent of at least 75% of all Members, for Managers, Executives and Consultants, only if such bonuses are given proportionately to all Members or their designees in ratio to their respective Membership Interests. If a Member is not a Manager, Executive or Consultant, their proportionate share of Bonuses shall be paid as an additional Membership

Distribution to such Member not receiving a proportionate share of Bonuses. In the event a Membership Interest is owned by a Corporate Member, such Corporate Member's percentage of Executive Bonuses may be paid as directed by such Corporate Members.

6.1.3 Any changes to the capital structure of the LLC will require consent of 75% of the Members.

6.1.4 There shall only be one class of units issued unless agreed to by all Members.

6.1.5 In the event of the death of Lewis Helfstein, thrn the terms of Schedule D shall supercede all other management rights.

6.2 Members Rights and Obligations Subject to the Sect. 6.1.1 and 6.1.2 any other matter that requires the vote or consent of the Members shall be decided by the Members holding at least a majority of the Membership Interests

6.2.1. any amendment to the Agreement or to the Articles; except for changes to the capital structure of the LLC

6.2.2. the sale of Company Property other than in the ordinary course of business;

6.2.3. the merger or consolidation of the Company with any other Person;

6.2.4. the continuation of the Company after a Dissolution Event;

6.2.5. the borrowing of funds or the pledging, mortgaging or otherwise encumbering of any Company Property, except in the ordinary course of business. Except as provided herein, each Member or a shareholder of a Member agrees to execute any and all documents, including personal guarantees or indemnifications for the purpose of obtaining credit or bank loans on behalf of the LLC. This shall include their spouse if necessary. Any such person who fails to comply with this provision will forfeit their interest in the LLC or Member. **Ira Seaver, his spouse or any trust formed by him or any company owned by him is exempt from this provision.**

6.2.6 the admission of a new Member;

6.2.7 the requirement that Additional Contributions be made. Except that in any event the membership percentage owned by Ira Seaver shall not fall below 25% without his consent or by the terms of a buy sell agreement.

6.2.8 the making of any elections or decisions related to the Tax Code or Regulations or accounting practices.

6.2.9 the lending of money, investment and reinvestment of the Company's funds, and receipt and holding of Property as security for repayment;

6.2.10 the appointment of all Managers. The Members shall establish a Schedule B which has designated the Chief Executive Officer and all Managers, and have the right at any time to dismiss, or replace any Executive or Manager or add to the schedule.

6.2 **Authority of Managers to Bind the Company.**

6.3.1 Only the **Chief Executive Officer** of the Company shall have the authority to bind the Company in any contract that exceed 1 month. His authority shall include:

(a) the institution, prosecution and defense of any Proceeding in the Company's name;

(b) the entering into of contracts and guaranties which run no longer then two years, which incurs liabilities; other then borrowing of money, issuance of notes, bonds, and other obligations, and the securing of any of its obligations by mortgage or pledge of any of its Property or income;

(c) engaging accountants and attorneys or other professionals.

(d) the purchase of liability and other insurance to protect the Company's business and property;

6.3.2 Subject to Section 6.1, 6.2 and 6.3.1, **all other Managers** have the power, on behalf of the Company, to do all things necessary or convenient to carry out the business and affairs of the Company (as described in Article III), including, without limitation:

(a) the conduct of the Company's business, the maintenance of Company offices, and records

(b) the hiring and appointment of employees of the Company, the defining of their duties and the establishment of their compensation;

(c) The establishing of quality control and development protocols;

6.4 **Liability of Members.** No Member or Manager shall be liable as such for the liabilities of the Company.

6.5 **Indemnification.** A Member shall indemnify the Company for any costs or damages incurred by the Company as a result of any unauthorized action by such Member.

6.6 **Representations and Warranties.** Each Member, and in the case of a trust or other entity, the person(s) executing the Agreement on behalf of the entity, hereby represents and warrants to the Company and each other Member that: (a) if that Member is an entity, it has power to enter into the Agreement and to perform its obligations hereunder and that the person(s) executing the Agreement on behalf of the entity has the power to do so; and (b) the Member is

acquiring its interest in the Company for the Member's own account as an investment and without an intent to distribute the interest. The Members acknowledge that their interests in the Company have not been registered under the Securities Act of 1933 or any state securities laws, and may not be resold or transferred without appropriate registration or the availability of an exemption from such requirements.

6.7 Conflicts of Interest.

6.7.1 A Member shall not be entitled to enter into transactions that may be considered to be competitive with the Company, it being expressly understood that Members may enter into transactions that are similar to the transactions into which the Company may enter. Notwithstanding the foregoing, Members shall account to the Company and hold as trustee for it any Property, profit, or benefit derived by the Member, without the consent of all of the other Members, in the conduct and winding up of the Company business or from a use or appropriation by the Member of Company Property including information developed exclusively for the Company and opportunities expressly offered to the Company. Notwithstanding anything to the contrary, the Company can enter into a separate agreement with a Member to exempt certain activity which otherwise may be deemed to be a conflict of interest.

6.7.2 A Member does not violate a duty or obligation to the Company merely because the Member's conduct furthers the Member's own interest. A Member may lend money to and transact other business with the Company. The rights and obligations of a Member who lends money to or transacts business with the Company are the same as those of a person who is not a Member, subject to other applicable law. No transaction with the Company shall be voidable solely because a Member has a direct or indirect interest in the transaction if the transaction is fair and reasonable to the Company.

6.8 **Member's Standard of Care.** Each Member shall discharge the Member's duties to the Company and the other Members in good faith and with that degree of care that an ordinarily prudent person in a similar position would use under similar circumstances. In discharging its duties, a Member shall be fully protected in relying in good faith upon the records required to be maintained under Article IV and upon such information, opinions, reports or statements by any Person as to matters the Member reasonably believes are within such other Person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Company, including information, opinions, reports or statements as to the value and amount of the assets, liabilities, profits or losses of the Company or any other facts pertinent to the existence and amount of assets from which Distributions to Members might properly be paid. The Company shall indemnify and hold harmless each Member against any loss, damage or expense (including attorneys' fees) incurred by the Member as a result of any act performed or omitted on behalf of the Company or in furtherance of the Company's interests without, however, relieving the Member of liability for failure to perform his or her duties in accordance with the standards set forth herein. The satisfaction of any indemnification and any holding harmless shall be from and limited to Company Property and the other Members shall not have any personal liability on account thereof.

ARTICLE VII
CONTRIBUTIONS AND CAPITAL ACCOUNTS

7.1 **Initial Contributions.** Each Member shall make the Initial Capital Contribution described for that Member on Schedule A at the time and on the terms specified in Schedule A and shall perform that Member's Commitment, and shall receive the number of Units of Membership Interest and Sharing Ratio described for that Member on Schedule A. The Company shall issue certificates representing the Units subscribed for by the Members. No Member shall have the right to withdraw or be repaid any Capital Contribution except as provided in the Agreement.

7.2 **Additional Contributions.** In addition to the Initial Capital Contributions, the Members shall make such Additional Contributions (in accordance with their respective Additional Contribution Shares) as shall be determined with the consent of a majority of the Members. Upon the unanimous agreement of the Members, the Members shall make such Additional Contributions in accordance with such agreement. In the event the IRA and EDYTHE SEAVER FAMILY TRUST does not make it's proportionate share of Additional Contributions, his Percentage Interest can be reduced to no less than a 25% Membership Interest, subject to his buy out agreement.

7.3 **Enforcement of Commitments.** In the event any Member (a Delinquent Member) fails to perform the Delinquent Member's Commitment, the other Members shall give the Delinquent Member a notice of such failure. If the Delinquent Member fails to perform the Commitment (including the payment of any costs associated with the failure and interest at the Default Interest Rate) within ten Business Days of the giving of such notice, the other Members may take such action as they deem appropriate, including but not limited to enforcing the Commitment in the court of appropriate jurisdiction in the state in which the Principal Office is located or the state of the Delinquent Member's address as reflected in the Agreement. Each Member expressly agrees to the jurisdiction of such courts but only for purposes of such enforcement. In no event shall IRA AND EDYTHE SEAVER FAMILY TRUST ownership percentage be reduced below 25%, subject to his buy out agreement

7.4 **Capital Account.** A separate capital account shall be maintained for each Member.

7.4.1 Each Member's Capital Account will be increased by:

(i) the amount of cash contributed by such Member to the Company;

(ii) the Gross Asset Value of real, personal, tangible and intangible property (other than cash) contributed by such Member to the Company pursuant to Schedule [insert when schedules are finalized];

(iii) allocations to such Member of Profits and other items of income or gain allocated pursuant to Article VIII; and

(iv) the amount of any liabilities of the Company assumed by such Member or liabilities of the Company that are secured by any property distributed to such Member.

7.4.2 Each Member's Capital Account will be decreased by:

(i) the amount of cash distributed to such Member by the Company;

(ii) the Gross Asset Value of real, personal, tangible and intangible property (other than cash) distributed to such Member by the Company;

(iii) allocations to the Member of Losses and other items of deduction, loss or expense allocated pursuant to Article VIII; and

(iv) the amount of any liabilities of such Member assumed by the Company or liabilities of the Company that are secured by any property contributed by such Member.

7.4.3 In determining the amount of any liability for tax purposes, Section 752(c) of the Code and any other applicable provisions of the Code and Treasury Regulations will apply.

7.4.4 In the event of a sale or exchange of all or part of an Interest, the Capital Account of the Transferor shall become the Capital Account of the Transferee to the extent it relates to the Interest so Transferred in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv)(l).

7.4.5 The manner in which the Capital Accounts are to be maintained pursuant to this Section 7.4 is intended to comply with the requirements of Section 704(b) of the Code and the Treasury Regulations promulgated thereunder, including Treasury Regulations Section 1.704-1(b)(2)(iv), and shall be interpreted consistently therewith. If the manner in which the Capital Accounts are to be maintained pursuant to this Article VII is required to be modified to comply with Section 704(b) of the Code and the Treasury Regulations thereunder, then, the method in which Capital Accounts are maintained shall be modified to the minimum extent required to comply with such provisions and regulations.

7.5 **No Obligation to Restore Deficit Balance.** Except as required by law, no Member shall be required to restore any deficit balance in its Capital Account.

7.6 **Withdrawal; Successors.** A Member shall not be entitled to withdraw any part of its Capital Account or to receive any distribution from the Company, except as specifically provided in the Agreement or their respective buy sell agreement, and no Member shall be entitled to make any capital contribution to the Company other than the Commitments. Any Member, including any additional or Substitute Member, who shall receive an interest in the Company or whose interest in the Company shall be increased by means of a transfer to it of all or part of the interest of another Member, shall have a Capital Account with respect to such interest initially equal to the Capital Account with respect to such interest of the Member from whom such

interest is acquired except as otherwise required to account for any step up in basis resulting from a termination of the Company under Section 708 of the Code by reason of such interest transfer.

7.7 **Interest.** No Member shall be entitled to interest on such Member's Capital Contribution or on any Profits retained by the Company.

7.8 **Investment of Capital Contributions.** The Capital Contributions of the Members shall be invested in demand, money market or time deposits, obligations, securities, investments or other instruments constituting cash equivalents, until such time as such funds shall be used for Company purposes. Such investments shall be made for the benefit of the Company.

7.9 **No Personal Liability.** No Member shall have any personal liability for the repayment of any Capital Contributions of any Member.

ARTICLE VIII
ALLOCATIONS AND DISTRIBUTIONS

8.1 **Profits and Losses.** Profits and Losses, and each item of Company income, gain, loss, deduction, credit and tax preference with respect thereto, for each Fiscal Year (or shorter period in respect of which such items are to be allocated) shall be allocated among the Members as provided in this Article VIII.

8.2 **Profits.** After giving effect to the special allocations set forth in Sections 8.4 and 8.5, Profits for any Fiscal Year shall be allocated in the following order of priority:

8.2.1 First, to the Members, if any, who received any allocation of Losses under Section 8.3(c), in proportion to (and to the extent of) the excess, if any, of (i) the cumulative Losses allocated to such Members pursuant to Section 8.3(c) for all prior Fiscal Years, over (ii) the cumulative Profits allocated to such Members pursuant to this Section 8.2
(a) for all prior Fiscal Years;

(b) Second, to the Members, in proportion to (and to the extent of) the excess, if any, of (i) the cumulative Losses allocated to each Member pursuant to Section 8.3(b) hereof for all prior Fiscal Years, over (ii) the cumulative Profits allocated to each Member pursuant to this Section 8.2(b) for all prior Fiscal Years;

(c) Third, to the Members, in proportion to (and to the extent of) the excess, if any, of (i) the cumulative Losses allocated to each Member pursuant to Section 8.3(a)(ii) hereof for all prior Fiscal Years, over (ii) the cumulative Profits allocated to such Member pursuant to this Section 8.2(c) for all prior Fiscal Years;

(d) Fourth, the balance of the Profits remaining, if any, among the Members, *pro rata*, in proportion to their respective Sharing Ratios on the first day of business 65/35.

8.3 Losses. After giving effect to the special allocations set forth in Sections 8.4 and 8.5, Losses shall be allocated as set forth in Section 8.3(a), subject to the limitation in Section 8.3(b) below, and, if applicable, as provided in Section 8.3(c).

8.3.1 Losses for any Fiscal Year shall be allocated in the following order of priority:

8.3.1.1 first, to the Members in proportion to and to the extent of the excess, if any, of (A) the cumulative Profits allocated to each such Partner pursuant to Section 8.2(d) hereof for all prior Fiscal Years, over (B) the cumulative Losses allocated to such Partner pursuant to this Section 8.3(a)(i) for all prior Fiscal Years; and

8.3.1.2 the balance, if any, among the Members in proportion to their respective Sharing Ratios.

8.3.2 The Losses allocated pursuant to Section 8.3(a) hereof shall not exceed the maximum amount of Losses that can be so allocated without causing any Member to have an Adjusted Capital Account Deficit at the end of any Fiscal Year. In the event some, but not all, of the Members would have Adjusted Capital Account Deficits as a consequence of an allocation of Losses pursuant to Section 8.3(a) hereof, the limitation set forth in this Section 8.3(b) shall be applied on a Member by Member basis so as to allocate the maximum permissible Losses to the Members under Section 1.704-1(b)(2)(ii)(d) of the Tax Regulations.

8.3.3 In the event that there are any remaining Losses in excess of the limitations set forth in Section 8.3(b), such remaining Losses shall be allocated among the Members in proportion to their respective Sharing Ratios on the first day of business 65/35.

8.4 Special Allocations. The following special allocations shall be made in the following order:

8.4.1 Minimum Gain Chargeback. Except as otherwise provided in Section 1.704-2(f) of the Tax Regulations, notwithstanding any other provision of this Article VIII, if there is a net decrease in Partnership Minimum Gain during any Fiscal Year, each Member shall be specially allocated items of Company income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Member's share of the net decrease in Partnership Minimum Gain, determined in accordance with Section 1.704-2(g) of the Tax Regulations. Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Sections 1.704-2(f)(6) and 1.704-2(j)(2) of the Tax Regulations. This Section 8.4(a) is intended to comply with the minimum gain chargeback requirement in Section 1.704-2(f) of the Tax Regulations and shall be interpreted consistently therewith.

8.4.1 Partner Minimum Gain Chargeback. Except as otherwise provided in Section 1.704-2(i) of the Tax Regulations, notwithstanding any other provision of this Article

VIII, if there is a net decrease in Partner Nonrecourse Debt Minimum Gain attributable to a Partner Nonrecourse Debt during any Fiscal Year, each Member who has a share of the Partner Nonrecourse Debt Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Section 1.704-2(i)(5) of the Tax Regulations, shall be specially allocated items of Company income and gain for such Fiscal Year (and, if necessary, subsequent Fiscal Years) in an amount equal to such Member's share of the net decrease in Partner Nonrecourse Debt Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Section 1.704-2(i)(4) of the Tax Regulations. Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Member pursuant thereto. The items to be so allocated shall be determined in accordance with Sections 1.704-2(i)(4) and 1.704-2(j)(2) of the Tax Regulations. This Section 8.4(b) is intended to comply with the minimum gain chargeback requirement in Section 1.704-2(i)(4) of the Tax Regulations and shall be interpreted consistently therewith.

8.4.2 Qualified Income Offset. In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Section 1.704-1(b)(2)(ii)(d)(4), Section 1.704-1(b)(2)(ii)(d)(5), or Section 1.704-1(b)(2)(ii)(d)(6) of the Tax Regulations, items of Company income and gain shall be specially allocated to the Member in an amount and manner sufficient to eliminate, to the extent required by the Tax Regulations, the Adjusted Capital Account Deficit of the Member as quickly as possible, provided that an allocation pursuant to this Section 8.4(c) shall be made only if and to the extent that the Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article VIII have been tentatively made as if this Section 8.4(c) were not in this Agreement.

8.4.3 Gross Income Allocation. In the event any Member has a deficit Capital Account at the end of any Fiscal Year which is in excess of the sum of the amounts such Member is deemed to be obligated to restore pursuant to the penultimate sentences of Sections 1.704-2(g)(1) and 1.704-2(i)(5) of the Tax Regulations, each such Member shall be specially allocated items of Company income and gain in the amount of such excess as quickly as possible, provided that an allocation pursuant to this Section 8.4(d) shall be made only if and to the extent that such Member would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Article VIII have been made as if Section 8.4(c) and this Section 8.4(d) were not in this Agreement.

8.4.5 Nonrecourse Deductions. Nonrecourse Deductions for any Fiscal Year shall be specially allocated among the Members in proportion to their Sharing Ratios.

8.4.6 Partner Nonrecourse Deductions. Any Partner Nonrecourse Deductions for any Fiscal Year shall be specially allocated to the Member who bears the economic risk of loss with respect to the Partner Nonrecourse Debt to which such Partner Nonrecourse Deductions are attributable in accordance with Section 1.704-2(i)(1) of the Tax Regulations.

8.4.7 Mandatory Allocations Under Section 704(c) of the Code. Notwithstanding the foregoing provisions of this Section 8.4, in the event Section 704(c) of the Code or Section 704(c) of the Code principles applicable under Section 1.704-1(b)(2)(iv) of the Tax Regulations require allocations of Profits or Losses in a manner different than that set forth

above, the provisions of Section 704(c) of the Code and the Tax Regulations thereunder shall control such allocations among the Members. Any item of Company income, gain, loss and deduction with respect to any property (other than cash) that has been contributed by a Member to the capital of the Company or which has been revalued for Capital Account purposes pursuant to Section 1.704-1(b)(2)(iv) of the Tax Regulations) and which is required or permitted to be allocated to such Member for income tax purposes under Section 704(c) of the Code so as to take into account the variation between the tax basis of such property and its fair market value at the time of its contribution shall be allocated solely for income tax purposes in the manner so required or permitted under Section 704(c) of the Code using the "traditional method" described in Section 1.704-3(b) of the Tax Regulations; provided, however, that curative allocations consisting of the special allocation of gain or loss upon the sale or other disposition of the contributed property shall be made in accordance with Section 1.704-3(c) of the Tax Regulations to the extent necessary to eliminate any disparity, to the extent possible, between the Members' book and tax Capital Accounts attributable to such property; further provided, however, that any other method allowable under applicable Tax Regulations may be used for any contribution of property as to which there is agreement between the contributing Member and the other Members.

8.5 **Curative Allocations.** The allocations set forth in Sections 8.4 (a) through (g) (the "Regulatory Allocations") are intended to comply with certain requirements of the Tax Regulations. It is the intent of the Members that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of Company income, gain, loss, or deduction pursuant to this Section 8.5. Therefore, notwithstanding any other provision of this Article VIII (other than the Regulatory Allocations), the Members shall make such offsetting special allocations of Company income, gain, loss, or deduction in whatever manner it determines appropriate so that, after such offsetting allocations are made, each Member's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations were not part of this Agreement and all Company items were allocated pursuant to Sections 8.2 and 8.3. The Members (i) shall take into account future Regulatory Allocations under Sections 8.4(a) and 8.4(b) that, although not yet made, are likely to offset other Regulatory Allocations previously made under Sections 8.4(e) and 8.4(f) and (ii) may reallocate Profits and Losses for prior open years (or items of gross income and deduction of the Company for such years) among the Members to the extent it is not possible to achieve such result with allocations of items of income (including gross income) and deduction for the current year and future years. This Section 8.5 shall control notwithstanding any reallocation or adjustment of taxable income, taxable loss, or items thereof by the Internal Revenue Service or any other taxing authority.

8.6 **Other Allocation Rules.**

8.6.1 For purposes of determining the Profits, Losses, or any other item allocable to any period (including allocations to take into account any changes in any Member's Sharing Ratio during a Fiscal Year and any transfer of any interest in the Company), Profits, Losses, and any such other item shall be determined on a daily, monthly, or other basis, as determined by the Members using any permissible method under Section 706 of the Code and the Tax Regulations thereunder.

8.6.2 The Members are aware of the income tax consequences of the allocations made by this Article VIII and hereby agree to be bound by the provisions of this Article VIII in reporting their shares of Company income and loss for income tax purposes.

8.6.3 Solely for purposes of determining a Member's proportionate share of the "excess nonrecourse liabilities" of the Partnership within the meaning of Section 1.752-3(a)(3) of the Tax Regulations, the Members' interests in Company Profits are in proportion to their Sharing Ratios.

8.6.4 To the extent permitted by Section 1.704-2(h)(3) of the Tax Regulations, the Members shall endeavor to treat distributions of Net Cash Flow as having been made from the proceeds of a Nonrecourse Liability or a Partner Nonrecourse Debt only to the extent that such distributions would cause or increase an Adjusted Capital Account Deficit for any Partner.

8.6.5 Except as otherwise provided in this Article VIII, an allocation of Company Profits or Losses to a Member shall be treated as an allocation to such Member of the same share of each item of income, gain, loss and deduction taken into account in computing such Profits or Losses.

8.6.6 For purposes of determining the character (as ordinary income or capital gain) of any Profits allocated to the Members pursuant to this Article VIII, such portion of Profits that is treated as ordinary income attributable to the recapture of depreciation shall, to the extent possible, be allocated among the Members in the proportion which (i) the amount of depreciation previously allocated to each Member bears to (ii) the total of such depreciation allocated to all Members. This section 8.6(f) shall not alter the amount of allocations among the Members pursuant to this Article VIII, but merely the character of income so allocated.

8.6.7 Except for arrangements expressly described in this Agreement, no Member shall enter into (or permit any Person related to the Member to enter into) any arrangement with respect to any liability of the Company that would result in such Member (or a person related to such Member under Section 1.752-4(b) of the Tax Regulations) bearing the economic risk of loss (within the meaning of Section 1.752-2 of the Tax Regulations) with respect to such liability unless such arrangement has been approved by all Members. To the extent a Member does not guarantee the repayment of any Company indebtedness under this Agreement, the indebtedness should be allocated for purposes of Code Section 752 to those guarenteing Members.

8.7 **Distribution of Net Cash Flow.**

8.7.1 Amounts and Timing. Net Cash Flow shall be distributed to the Members in proportion to their respective shares of Profits allocated to each of them for such period (and prior periods) under Section 8.2, to the extent that such amounts have not been distributed previously under this Section 8.7. Such distributions, shall be made within 90 days of the end of each Fiscal Year to those persons recognized on the books of the Company as Members or as Assignees on the last day of such Fiscal Year.

8.7.2 Amounts Withheld. All amounts withheld pursuant to the Code and Tax Regulations or any provision of any state or local tax law with respect to any payment, distribution, or allocation to the Company or the Members shall be treated as amounts distributed to the Members pursuant to this Section 8.7 for all purposes under this Agreement. The Members are authorized to withhold from distributions, or with respect to allocations, to the Members and to pay over to any federal, state, or local government any amounts required to be so withheld pursuant to the Code and Tax Regulations or any provisions of any other federal, state, or local law, and shall allocate any such amounts to the Members with respect to which such amount was withheld.

8.7.3 Draws for Payment of Estimated Taxes. The Company may pay to each Member a quarterly draw, not to exceed the amount reasonably necessary to provide for payment by the Members of any federal, state and local estimated taxes with respect to Profits allocated to the Members pursuant to this Article VIII, and each such draw, if any, shall be treated as a loan from the Company to each Member receiving such draw and shall be deemed repaid by reducing the amount of each subsequent distribution to the Member receiving such draw pursuant to the provisions of Schedule C. All equity calculations shall be made as if the company was a Sub S corporation and an annual accounting of any difference between this calculation and the members' capital account shall be provided.

ARTICLE IX
TAXES

9.1 Tax Matters Partner. The Member designated as such on Schedule A shall be the Tax Matters Partner of the Company pursuant to Section 6231(a)(7) of the Code. Such Member shall not resign as the Tax Matters Member unless, on the effective date of such resignation, the Company has designated another Member as Tax Matters Member and such Member has given its consent in writing to its appointment as Tax Matters Member. The Tax Matters Member shall receive no additional compensation from the Company for its services in that capacity, but all expenses incurred by the Tax Matters Member in such capacity shall be borne by the Company. The Tax Matters Member is authorized to employ such accountants, attorneys and agents as it, in its sole discretion, determines is necessary to or useful in the performance of its duties. In addition, such Member shall serve in a similar capacity with respect to any similar tax related or other election provided by state or local laws. The Tax Matters Partner shall cause to be prepared and shall sign all tax returns of the Company and monitor any governmental tax authority in any audit that such authority may conduct of the Company's books and records or other documents.

9.2

Mandatory Section 754 Election. Upon a transfer by a Member of an interest in the Company, which transfer is permitted by the terms of this Agreement, or upon the death of a Member or the distribution of any Company Property to one or more Members, the Members, upon the request of one or more of the transferees or distributees, shall cause the Company to file an election on behalf of the Company, pursuant to Section 754 of the Code, to cause the basis of the Company's property to be adjusted for federal income tax purposes in the manner prescribed in Section 734 or Section 743 of the Code, as the case may be. The cost of preparing such election, and any additional accounting expenses of the Company occasioned by such election, shall be borne by such transferees or distributees.

ARTICLE X
TRANSFER OF MEMBERSHIP INTEREST

10.1 **Compliance with Securities Laws.** No Unit of Membership Interest has been registered under the Securities Act of 1933, as amended, or under any applicable state securities laws. A Member may not transfer (a transfer, for purposes of this Agreement, shall be deemed to include, but not be limited to, any sale, transfer, assignment, pledge, creation of a security interest or other disposition) all or any part of such Member's Units of Membership Interest, except upon compliance with the applicable federal and state securities laws. The Members shall have no obligation to register any Member's Units of Membership Interest under the Securities Act of 1933, as amended, or under any applicable state securities laws, or to make any exemption therefrom available to any Member.

10.2 **Transfer of Economic Interest.** The right to receive allocations of Profits and Losses and to receive Distributions may not be transferred in whole or in part unless the following terms and conditions have been satisfied:

The transferor shall have:

(a) assumed all costs incurred by the Company in connection with the transfer;

(b) furnished the Company with a written opinion of counsel, satisfactory in form and substance to counsel for the Company, that such transfer complies with applicable federal and state securities laws and the Agreement and that such transfer, for federal income tax purposes, will not cause the termination of the Company under Section 708(b) of the Code, cause the Company to be treated as an association taxable as a corporation for income tax purposes or otherwise adversely affect the Company or the Members; and

(c) complied with such other conditions as the Members may reasonably require from time to time.

Transfers will be recognized by the Company as effective only upon the close of business on the last day of the calendar month following satisfaction of the above conditions. Any transfer in contravention of this Article X and any transfer which if made would cause a termination of the

Company for federal income tax purposes under Section 708(b) of the Code shall be void *ab initio* and ineffectual and shall not bind the Company or the other Members.

10.3 **Transfer of Membership Interest and Admission of Substitute Member.** Except for the right to receive allocations of Profits and Losses and to receive Distributions, a Membership Interest of any Member may not be transferred in whole or in part, and a transferee shall not have a right to become a Member unless the following terms and conditions have been satisfied:

10.3.1 A majority of the Members shall have consented in writing to the transfer and substitution, which consent may be not arbitrarily withheld by any such Member;

10.3.2 The transferee shall have assumed the obligations, if any, of the transferor to the Company, including the obligation to fulfill the *pro rata* portion of the transferor's then existing or subsequently arising Commitment allocable to the transferred Unit of Membership Interest or portion thereof; and

10.3.4 The transferor and the transferee shall have complied with such other requirements as the non-transferring Members may reasonably impose, including the conditions that the transferee:

10.3.4.1 adopt and approve in writing all the terms and provisions of the Agreement then in effect; and

10.3.4.2 pay such fees as may be reasonable to pay the costs of the Company in effecting such substitution.

10.4 **Status of Transferee.** A transferee of a Unit of Membership Interest who is not a Substitute Member shall be entitled only to receive that share of Profits, Losses and Distributions, and the return of Capital Contribution, to which the transferor would otherwise be entitled with respect to the interest transferred, and shall not have the rights of a Member of the Company under the Act or this Agreement including without limitation the right to obtain any information on account of the Company's transactions, to inspect the Company's books or to vote with the Members on, or to grant or withhold consents or approvals of, any matter. The Company shall, however, if a transferee and transferor jointly advise the Company in writing of a transfer of the Unit of Membership Interest, furnish the transferee with pertinent tax information at the end of each Fiscal Year.

10.5 **Death, Dissolution, Bankruptcy or Incompetency of a Member.** Upon the death, dissolution, adjudication of bankruptcy or adjudication of incompetency of a Member, such Member's successors, executors, administrators or legal representatives shall have all the rights of a Member (except as provided by the last sentence of this Section 10.5) for the purpose of settling or managing such Member's estate, including such power as such Member possessed to substitute a successor as a transferee of such Member's interest in the Company and to join with such transferee in making the application to substitute such transferee as a Member. However, such successors, executors, administrators or legal representatives will not have the

right to become a Substitute Member in the place of their predecessor in interest unless all of the other Members shall so consent as provided in Section 10.3(a) hereof.

10.6 **Dispositions not in Compliance with this Article Void.** Any attempted Disposition of a Unit of Membership Interest, or any part thereof, not in compliance with this Article shall be void *ab initio* and ineffectual and shall not bind the Company.

10.7 **Family and Affiliate Transfers.** The Membership Interest of any Member may be transferred without the prior written consent of all Members, upon consent of the Managers, which shall not be unreasonably withheld, by the Member (i) by inter vivos gift or by testamentary transfer to any spouse, child or grandchild of the Member; or to a trust for the benefit of the Member or such spouse, child or grandchild of the Member; or (ii) to any Affiliate of the Member; it being agreed that in executing this Agreement, each Member has consented to such transfers.

ARTICLE XI
DISSOCIATION OF A MEMBER

11.1 **Dissociation.** A Person shall cease to be a Member upon the happening of any of the following events:

11.2.1 the withdrawal of a Member;
11.2.2 the bankruptcy of a Member;

11.2.3 in the case of a Member who is a natural person, the death of the Member or the entry of an order by a court of competent jurisdiction adjudicating the Member incompetent to manage the Member's personal estate;

11.2.4 in the case of a Member that is a trust or who is acting as a Member by virtue of being a trustee of a trust, the termination of the trust (but not merely the substitution of a new trustee);

11.2.5 in the case of a Member that is a separate Organization other than a corporation, the dissolution and commencement of winding up of the separate Organization;

11.2.6 in the case of a Member that is a corporation, the filing of a certificate of dissolution, or its equivalent, for the corporation or the revocation of its charter; or

11.2.7 in the case of a Member that is an estate, the distribution by the fiduciary of the estate's entire interest in the Company.

11.2 **Rights of Dissociating Member.** Dissociating Members shall have only those rights specifically set forth in a separate buy sell agreement made among the Members. Any

amounts due a dissociating Member shall be reduced by any damages sustained by the Company as a result of the Member's Dissociation.

ARTICLE XII
DISSOLUTION AND WINDING UP

12.1 **Dissolution.** The Company shall be dissolved and its affairs wound up, upon the first to occur of any of the following events (each of which shall constitute a Dissolution Event):

12.1.1 the expiration of the term of the Agreement, unless the Company is continued with the consent of all of the Members;

12.1.2 the unanimous written consent of all of the Members;

12.1.3 at any time when there is but one Member, the Dissociation of such Member, or the transfer of all or part of the Membership Interest of such Member and the admission or attempted admission of the transferee of such interest as a Substitute Member.

12.2 **Effect of Dissolution.** Upon dissolution, the Company shall not be terminated and shall continue until the winding up of the affairs of the Company is completed and a certificate of dissolution has been issued by the Secretary of State of New York.

12.3 **Distribution of Assets on Dissolution.** Upon the winding up of the Company, the Members acting together or such Person(s) designated by the Members representing at least a majority of the Members' Sharing Ratios) shall take full account of the assets and liabilities of the Company, shall liquidate the assets (unless the Members determine that a distribution of any Company Property in-kind would be more advantageous to the Members than the sale thereof) as promptly as is consistent with obtaining the fair value thereof, and shall apply and distribute the proceeds therefrom in the following order:

12.3.1 first, to the payment of the debts and liabilities of the Company to creditors, including Members who are creditors, to the extent permitted by law, in satisfaction of such debts and liabilities, and to the payment of necessary expenses of liquidation;

12.3.2 second, to the setting up of any reserves which the Members may deem necessary or appropriate for any anticipated obligations or contingencies of the Company arising out of or in connection with the operation or business of the Company. Such reserves may be paid over by the Members to an escrow agent or trustee selected by the Members to be disbursed by such escrow agent or trustee in payment of any of the aforementioned obligations or contingencies and, if any balance remains at the expiration of such period as the Members shall deem advisable, shall be distributed by such escrow agent or trustee in the manner hereinafter provided;

12.3.3 then, to the Members in accordance with positive Capital Account balances taking into account all Capital Account adjustments for the Company's taxable year in which the

liquidation occurs. Liquidation proceeds shall be paid within 60 days of the end of the Company's taxable year in which the liquidation occurs. Such distributions shall be in cash or Property (which need not be distributed proportionately) or partly in both, as determined by the Members.

If at the time of liquidation the Members shall determine that an immediate sale of some or all Company Property would cause undue loss to the Members, the Members may, in order to avoid such loss, defer liquidation.

12.4 **Winding Up and Filing Articles of Dissolution.** Upon the commencement of the winding up of the Company, articles of dissolution shall be delivered by the Company to the Secretary of State of New York for filing. The articles of dissolution shall set forth the information required by the Act. The winding up of the Company shall be completed when all debts, liabilities, and obligations of the Company have been paid and discharged or reasonably adequate provision therefor has been made, and all of the remaining Property of the Company has been distributed to the Members.

ARTICLE XIII
MISCELLANEOUS

13.1 **Notices.** Notices to the Company shall be sent to the Principal Office of the Company. Notices to the Members shall be sent to their addresses set forth on Schedule A. Any Member may require notices to be sent to a different address by giving notice to the other Members in accordance with this Section 13.1. Any notice or other communication required or permitted hereunder shall be in writing, and shall be deemed to have been given with receipt confirmed if and when delivered personally, given by prepaid telegram or mailed first class, postage prepaid, delivered by courier, or sent by facsimile, to such Members at such address.

13.2 **Headings.** All Article and section headings in the Agreement are for convenience of reference only and are not intended to qualify the meaning of any Article or section.

13.3 **Entire Agreement.** This Agreement together with the schedules and appendices attached hereto constitutes the entire agreement between the parties and supersedes any prior agreement or understanding between them respecting the subject matter of this Agreement.

13.4 **Binding Agreement.** The Agreement shall be binding upon, and inure to the benefit of, the parties hereto, their successors, heirs, legatees, devisees, assigns, legal representatives, executors and administrators, except as otherwise provided herein.

13.5 **Saving Clause.** If any provision of this Agreement, or the application of such provision to any Person or circumstance, shall be held invalid, the remainder of this Agreement, or the application of such provision to Persons or circumstances other than those as to which it is held invalid, shall not be affected thereby. If the operation of any provision of this Agreement would contravene the provisions of the Act, such provision shall be void and ineffectual.

13.6 **Counterparts.** The Agreement may be executed in several counterparts, and all so executed shall constitute one agreement, binding on all the parties hereto, even though all parties are not signatory to the original or the same counterpart. Any counterpart of the Agreement shall for all purposes be deemed a fully executed instrument.

13.7 **Governing Law.** The Agreement shall be governed by and construed in accordance with the laws of the State of New York.

13.8 **No Membership Intended for Nontax Purposes.** The Members have formed the Company under the Act, and expressly do not intend hereby to form a partnership, either general or limited, under the New York Partnership Law. The Members do not intend to be partners one to another, or partners as to any third party. To the extent any Member, by word or action, represents to another person that any Member is a partner or that the Company is a partnership, the Member making such wrongful representation shall be liable to any other Members who incur personal liability by reason of such wrongful representation.

13.9 **No Rights of Creditors and Third Parties under Agreement.** The Agreement is entered into among the Company and the Members for the exclusive benefit of the Company, its Members, and their successors and assignees. The Agreement is expressly not intended for the benefit of any creditor of the Company or any other Person. Except and only to the extent provided by applicable statute, no such creditor or any third party shall have any rights under the Agreement or any agreement between the Company and any Member with respect to any Capital Contribution or otherwise.

13.10 **General Interpretive Principles.** For purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

(a) the terms defined in this Agreement include the plural as well as the singular, and the use of any gender herein shall be deemed to include the other gender;

(b) accounting terms not otherwise defined herein have the meanings given to them in the United States in accordance with generally accepted accounting principles;

(c) references herein to "Sections", "paragraphs", and other subdivisions without reference to a document are to designated Sections, paragraphs and other subdivisions of this Agreement;

(d) a reference to a paragraph without further reference to a Section is a reference to such paragraph as contained in the same Section in which the reference appears, and this rule shall also apply to other subdivisions;

(e) the words "herein", "hereof", "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular provision; and

(f) the term "include" or "including" shall mean without limitation by reason of enumeration.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals as of the Effective Date.

Summit Laser Products, Inc

L. B. Helfstein

By: Lewis Helfstein, President

September 1, 2004

Ira and Edythe Seaver Family Trust

Ira, Co-Trustee

By: Ira Seaver, Co-Trustee

Co-Trustee

By: Edythe Seaver, Co-Trustee

IS 0000040

UIS 000073

SCHEDULE A
CAPITOL CONTRIBUTIONS

Name and Address of Member	Value of initial capitol Contribution	No. of Units	Initial Membership Interest and Sharing Ratio
Summit Laser Products, Inc. 95 Orville Drive, Bohemia, NY	$340,000*	6,500	65%
(Ira Seaver Trust)	$160,000**	3,500	35%

* Consists of all Summit Laser Products, Inc Assets and Liabilities

** Consists of Accounts Receivable

IS 0000041

UIS 000074

SCHEDULE B
EXECUTIVE SALARIES AND CONSULTANT FEES

Management: 2004

Steven Hecht $145,000
Mark Camber Thomas $115,000
Mike Josiah $115,000

Consulting: 2005

Lewis Helfstein $110,000
Ira Seaver $120,000

These salaries shall increase $5,000 each year, so long as the company has met all its' bank loan requirements.

All Managers and Consultants listed in Schedule B shall be provided health insurance by the LLC, so long as they are employed or have any equitable interest in the LLC.

SCHEDULE C
ANNUAL DISTRIBUTION

Annual Distributions are Subject to the terms of the LLC agreement and the Bank Loan Agreement.

Subject to the operating agreement and bank loans, Distributions shall be made as follows:

Minimum Net Profit after tax	Maximum Net profit after tax	Percentage Distribution of this segment
$100,000	$300,000	50%
$300,001	$600,000	75%
$600,001	+	100%

EXHIBIT 3

CONSULTING & NON-COMPETITION AGREEMENT

This **AGREEMENT**, dated as of September 1, 2004, is made between Summit Technologies, LLC ("Company"), a New York limited liability corporation and Circle Consulting Corporation ("Consultant"), a Nevada corporation, having a place of business at 2407 Ping Drive, Henderson, NV 89074.

WITNESSETH:

WHEREAS, the Company has, pursuant to a certain Agreement of Contribution dated September 9, 2004, acquired certain assets of National Data Center, Inc. ("NDC") and,

WHEREAS, the principal of Consultant is thoroughly familiar with the business operations of NDC; and

WHEREAS, as a condition of contribution of the business and assets of NDC to the Company, the Company agreed to retain the services of the Consultant for a fixed fee over a period of time and the Consultant has agreed to render such services to the Company; and

WHEREAS, the Company wishes to retain Consultant to render such services to the Company and its affiliates and the Consultant wishes to render such services, all on the terms and conditions hereinafter set forth;

NOW, THEREFORE, the parties hereto agree as follows:

IS 0000103

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1. Engagement.

The Company hereby engages Consultant and Consultant's hereby accept such engagement upon the terms and conditions hereinafter set forth.

2. Term.

The Consultant will be bound by this on the date first above written and payment pursuant to this agreement shall commence Jan 1, 2005 and shall continue until December 31, 2014, unless otherwise terminated pursuant to Section 9.

3. Compensation.

3.1 For all services rendered and covenants given by Consultant under this Agreement, the Company shall pay Consultant an initial annual fee of $125,000, paid monthly. The payment shall be increased by the Federal Employment tax expense as indicated in Schedule A. This fee shall be increased $5,000 each year, beginning on January 1, 2006, and annually on January 1 each year thereafter.

3.2 In addition to the annual fee, the consultant will be reimbursed by the LLC for certain other reasonable expenses, including cell phone usage, auto, insurance and medical coverage.

3.3 In addition to the above, LLC will pay Consultant 05 cents for each chip and 02 cents for resets the company has manufactured and sold up to 40,000 per month, and 02 cents for each one sold thereafter. There shall be an average profit, by the LLC, of at least $1.50 on each chip or $1.00 for reset for the incentive to be paid. The monthly profit shall be based upon the average of profit for the previous calendar month. This payment will be made to Consultant quarterly. The LLC will calculate chip sales first, arriving at maximum units of 40,000 per month, in calculating payments.

3.4 Additional payments. A payment of ten thousand dollars per month shall be made until a total of $_____ is made.

4. **Services to be Rendered.**

Consultant shall be engaged in rendering consulting services to the Company and to the Managers of the Company, in connection with the operations the business acquired by the Company from NDC, including improvement on existing formulations and developing new formulations for new toner printing devices, Also included shall be the supervision , research and development of microchip technology as it relates to toner printing devices.

The Consultant has entered into an agreement with Ira Seaver for his exclusive service for a term to run concurrent with this Agreement and will furnish the services of Ira Seaver to perform the services required by this contract.

5. **Extent of Services.**

Consultant, shall from time to time, make available to the Company, the Consultant's employees, including its President, Ira Seaver on an exclusive basis, to the extent reasonably necessary to enable Consultant to render the services required hereby. Consultant and its employees, if any, shall devote such portion of their business time, attention, and energies to the business of the Company and its affiliates as shall be necessary to render services hereunder, as determined by Consultant in its reasonable discretion.

6. **Disclosure of Information.**

Consultant, recognizes and acknowledges that the trade secrets of the Company and its affiliates and their proprietary information and procedures, as they may exist from time to time, are valuable, special, and unique assets of the

Company's business, access to and knowledge of which are essential to performance of the Consultant's duties hereunder. Except to the extent required in order for the Consultant to carry out and perform the terms of this Agreement, Consultant, will not, at any time during the term of this Agreement disclose, in whole or in part, such secrets, information or processes to any person, firm, corporation, association or other entity for any reason or purpose whatsoever, nor shall they make use of any such property their own purposes of benefit of any firm person or corporation, or other entity (except the Company) under any circumstances during the term of this Agreement; provided, that these restrictions shall not apply to such secrets , information, and processes which are in public domain (provided that Consultant was not responsible, directly or indirectly, for such secrets, information or processes entering the public domain after the date hereof without the Company's written consent). Consultant agrees to hold as the Company's property, all memoranda, books, papers, letters, and other data, and all copies thereof and there from, in any way relating to the Company's business and affairs, whether made by him or otherwise coming into his possession, and on termination of his employment, or on demand of the Company, at any time, to deliver the same to the Company.

7. 7. Agreement not to Aid Competition.

7.1 Consultant acknowledges and agrees that during the term of this Agreement, it will not in any way, directly or indirectly, whether for its account or for the account of any other person, firm, or company engage in, represent, furnish consulting services to, be employed by, or have any interest in (whether as owner, principal, director, officer, partner, agent, consultant, stockholder, otherwise) any business which manufacturers, sells or distributes parts and supplies for the

remanufacturing of business machine toner cartridges in competition with the Company or refills business machines toner cartridges. Further, Consultants shall knowingly induce or attempt to induce any person or entity which is a customer of the Company or any of its subsidiaries at any time during the term of this Agreement to cease doing business, in whole or in part, with the Company or such subsidiary, or solicit or endeavor to cause any employee of the Company or its subsidiaries to leave the employ of the Company or such subsidiary.

For the sole purposes of Sections 6 and 7 of this Agreement, the term "Consultant" shall include Consultant, and Ira Seaver individually, and any other person who hereafter renders services to the Company on behalf of Consultant. Consultant agrees that the covenant set forth in this Section 7 is reasonable with respect to its duration, geographic area and scope. If any particular portion of this Section 7 deemed amended to reduce in scope and/or duration the portion thus adjudicated to be invalid or unenforceable to the extend necessary to render it valid or enforceable, such amendment to apply only with respect to the operation of this Section 7 in particular jurisdiction(s) in which adjudication is made.

7.2 The Consultant is exempt with regards to this paragraph for the following activity: Consulting with Tangerine Express, so long as their activity remain on the retail level, Raven Industries, Laserstar Distribution Corporation and the collecting of commissions from Coates Toner manufacturers.

8. <u>Remedies by Company.</u>

If there be a breach or threatened breach of any provision(s) of Sections 6 or 7 of this Agreement the Company should be entitled to seek temporary and permanent injunctive relief restraining Consultant from such breach without the necessity of

proving actual damage. Subject to the payment obligations set forth in Section 3 hereof, which are unconditional, nothing herein shall be construed as prohibiting the Company from pursuing a claim for monetary damages resulting from such breach or threatened breach, or other relief. Any claim by the Company alleging any violation or breach by the Consultant under Sections 6 or 7 hereof shall be brought by way of a separate action, and not by way of offset or counterclaim as to the monies due or payments required to be made to the Consultant under this Agreement. Notwithstanding the foregoing, in the event the Company obtains a money judgment against consultant or Seaver for a breach of section 6 or 7 hereof, and such judgment is not bonded, vacated or the enforcement thereof otherwise stayed, then such judgment may be satisfied by way of offset against the monies to be paid to Consultant hereunder, to the extent of such money judgment. The restrictions and covenants contained in Sections 6 and 7 hereof, shall be ipso facto, null and void, in the event of uncured default, beyond any applicable grace periods, on the part of the Company herein.

9. **Terminatioin:**

9.1. Disability: The Company may terminate Consultant's contract upon the total disability of Ira Seaver. Ira Seaver shall be deemed to be totally disabled if (i) he is unable to perform his duties under this Agreement by reason of mental or physical illness or accident for a period of ninty (90) consecutive days or (ii) he is unable to perform his duties under this Agreement by reason of mental or physical illness or accident for one hundred twenty (120) days in any twelve (12) month period, or (iii) Ira Seaver files an application for to receive permanent disability benefits. Upon termination by reason of the Ira Seaver's disability, the

Corporation's sole and exclusive obligation will be to pay the Consulting fee for a 6 month period from the original date of disability. In the event, within 24 months of disability, Ira Seaver can resume his duties then the termination shall be void and the Consultant will not receive compensation for four month.

9.2. The Company may terminate this contract in the event of Ira Seaver's death during the term of this Agreement. The Company's sole and exclusive obligation will be to pay the Consulting fee for a period of 6 months from the date of his death, plus the amounts set forth in Section 3.4 above.

10. Assignment.

This Agreement may not be assigned by any party hereto.

11. Notices.

Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and sent by registered or certified mail, return receipt requested, or by overnight (next weekday) delivery via FedEx, U.P.S. or Airborne Express to the respective party at:

If to Consultant:

Ira Seaver
2407 Ping Drive
Henderson, NV 89074

with a copy to:

Irwin Groner
21021 Ventura Blvd. Suite 200
Woodland Hills, CA 91364

If to the Company:

Summit Technologies
95 Orville Drive
Bohemia, NY 11716

with a copy to:

Lewis Helfstein
10 Meadowgate East
St. James, New York 11780

Notices delivered by Federal Express, U.P.S. or Airborne Express delivery service shall constitute delivery as of the next day of the dispatch. Notices sent by hand shall be deemed effective upon delivery by hand as of the next business day after dispatch. Notices sent by hand shall be deemed effective upon delivery and notices sent by registered or certified mail, return receipt requested shall be deemed effective five days after mailing. Either party may change its address by notice given in accordance with this Section. All such notices shall be deemed made regardless of whether or not the intended recipient refuses or fails to accept delivery thereof.

12. Waiver or Breach.

A waiver by either party of a breach of any provision of this Agreement by the other party shall not be effective unless in writing and shall not operate or be construed as a waiver of any other or subsequent breach by the other party.

13. Entire Agreement.

This instrument contains the entire agreement of the parties. It may be changed only by agreement in writing signed by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought.

14. Governing Law.

The agreement shall be governed by and construed in accordance with the laws of the State of Nevada. If any provision of this agreement shall be unenforceable or invalid, such unenforceability or invalidity shall not affect the remaining provisions of this agreement. In the event of any action, proceeding or

counterclaim brought by either party hereto in connection with or arising under this Agreement, the parties hereby agree to waive trial by jury in any such action or proceeding.

15. **Binding Effect.**

Upon execution and delivery of this Agreement, this Agreement shall be binding upon and inure to the benefit to the parties hereto and their respective heirs, executors, administrators, successors, and permitted assigns.

16. **Counterparts.**

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

17. **Attorney's Fees.**

In the event that either party to this Agreement commences a litigation to enforce its rights hereunder, the prevailing party in any such party shall be entitled to reimbursement by the other party of the reasonable fees and expenses of the prevailing party's attorneys.

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

THE COMPANY
Summit Technologies, LLC

By: _____
Lewis B. Helfstein, Tax Manager

IS 0000111

CONSULTANT

By: _____
Ira Seaver, President

The undersigned acknowledges the applicability of and agrees to be bound individually to the provisions of Sections 6, 7 and 8 above.

_____
Ira Seaver

EXHIBIT 4

AGREEMENT FOR PURCHASE AND SALE OF ASSETS

by and between

UI SUPPLIES, INC. and

SUMMIT TECHNOLOGIES, LLC

This agreement is made as of March 30, 2007, at Bohemia, New York, among UI Supplies, Inc. ("Buyer"), a New York Corporation, and Summit Technologies, LLC, a New York Limited Liability Company having its principal office at Bohemia, New York ("Seller").

5.. Sale and Purchase of Assets

a. The Assets: Subject to the terms and conditions in this Agreement, Seller agrees to sell, assign, transfer, convey, and deliver to Buyer, and Buyer agrees to purchase, all of Seller's tangible and intangible property, wherever located, including all unknown and contingent rights, Seller's corporate name, goodwill, insurance and other contract benefits, intellectual property rights, phone numbers, internet domain names and registrations, software programs, such inventory as provided herein, equipment, furniture and machinery, and all other tangible assets used in Seller's business (collectively, the "**Acquired Assets**"), and a complete and accurate list of all of the Acquired Assets is contained and listed in Exhibit A attached. Expressly excluded from the Acquired Assets purchased by Buyer under this Agreement are all accounts receivable of Seller (the "**Accounts Receivable**").

b. Collection of Accounts Receivable: Upon the closing of the sale of the Acquired Assets (the "**Closing**"), Seller shall retain all Accounts Receivable. Both Buyer and Seller acknowledge that after the Closing, Buyer will be selling to customers (each, an "**Account Debtor Customer**") who, as of the day of Closing (the "**Closing Date**"), will continue to owe Seller monies against Accounts Receivable. Buyer agrees that all monies collected from an Account Debtor Customer shall go to the Seller first, until such Account Debtor Customer's liability to Seller is satisfied. In the event that any payment received by Buyer from an Account Debtor Customer exceeds the unpaid balance of the Account Receivable owed by the customer to Seller, the entire payment shall be deposited in Buyer's account, and, within three (3) business days of clearance of said funds, Buyer shall deposit the portion due to Seller to Seller's designated account. Upon payment in full of all monies due from an Account Debtor Customer to Seller, all subsequent payments by such customer shall be deposited into Buyer's account. Buyer shall have the obligation to collect and deposit into Seller's account monies received from Seller's Account Debtor Customers for the first 100 days after the Closing Date (the "**Collection Period**"). During the Collection Period, Buyer shall deliver to Seller weekly written reports to Seller accounting for all monies received by Buyer from each Account Debtor Customer of Seller and the amount deposited in Buyer's designated account. On or before the 110th day after the Closing Date, Buyer shall give written notice to Seller of the outstanding balance due on all Accounts Receivable of Seller, as of the 100th day after the Closing Date (the "**100 Day**

Report"). Until the later of: (i) the 110th day after the Closing Date, (ii) the date on which Seller receives notice that Buyer does not elect to purchase the Accounts Receivable, and (iii) the closing of Buyer's purchase of the Accounts Receivable, Seller shall have the right, with not less than 24 hours notice to Buyer, to inspect Buyer's books and records regarding the Accounts Receivable and payment history of Seller's Account Debtor Customers. If, after the 100th day after the Closing Date, a balance is still owed to Seller, by any customer of Seller, Buyer shall not make any further sales of product to such customer, until the later of: (i) the Accounts Receivable due to Seller from said customer have been paid in full; and (ii) the closing of the sale of such Accounts Receivable to Buyer, as provided herein. Commencing on the 111th day after the Closing Date, Seller shall have the right to pursue collection of any Account Receivable owed to Seller by any customer of Seller whose accounts are not purchased by Buyer, pursuant to this Agreement. For the three month period following the 110th day after the Closing Date, Buyer, and any of its affiliates, subsidiaries or divisions shall not sell any products to any customer of Seller from whom an Account Receivable balance is owed to Seller, unless such balance is paid in full prior to the expiration of said three month period. If Buyer deems not to extend credit to any customer of Seller, Buyer may not sell any products to such customer for a period of three years from any of Buyer's branches. **The parties may enter into separate agreements on specific accounts which will then not fall under the terms of this section.** Failure to comply with this provision shall be deemed a material default under this Agreement.

c. **Purchase of Accounts Receivable:** Within ten (10) days after the 100 Day Report is due to be delivered to Seller under Article 1.2, Buyer shall notify Seller of its intent to purchase any or all of the remaining Accounts Receivable of Seller, and shall specify the name of each account being purchased, and the outstanding balance of each such account. The purchase price for each account shall be the unpaid balance of the Account Receivable of the Seller at the time of the Purchase, unless agreed otherwise by Seller and Buyer. Payment for all Accounts Receivable being purchased by Buyer from Seller shall be made in full within ten (10) days after Buyer's statement of intent to purchase the Accounts Receivable. Upon payment in full for any Account Receivable of Seller, Seller shall no longer have the right to collect said account, and Buyer shall have the exclusive right to collect said Account Receivable. Buyer shall have no recourse against Seller for the unpaid balance of any Account Receivable sold by Seller to Buyer or for any expenses of collection. Seller makes no representation as to the collectability of any Accounts Receivable of Seller. Buyer shall hold harmless and indemnify Seller from and against all liabilities, claims, causes of action, costs and expenses, including reasonable attorneys fees, arising from the collection of any Account Receivable sold by Seller to Buyer.

d. Returns

6.. Purchase Price and Payment for Acquired Assets

a. **Non-Inventory Acquired Assets:** In consideration for the sale and transfer of the Acquired Assets, exclusive of Seller's inventory, including work in process, if any (collectively, the "**Inventory**"), Buyer hereby agrees to pay Seller an aggregate of $250,000 as follows:

i. On the Closing Date, Buyer will pay by wire transfer to Seller, the sum of $50,000;

ii. On the Closing Date, Buyer will deliver to Seller a duly executed promissory note (in the form attached as Exhibit B), dated as of the Closing Date, in the principal amount of $200,000 payable in four payments of $50,000 (the "**Note**"); first payment to be made 60 days after the Closing Date; second payment to be made 90 days after the Closing Date; third payment to be made 360 days after the Closing Date; and last payment to be made 720 days after the Closing Date.

b. **Allocation of Non-Inventory Purchase Price:** The purchase price for the non-Inventory Acquired Assets shall be allocated as follows:

i. Good will and intangible Acquired Assets – $150,000;

ii. Manufacturing equipment – $80,000; and

iii. Other tangible Acquired Assets – $20,000.

c. **Inventory Purchase:** Buyer shall purchase certain of Seller's Inventory on the Closing Date under the following terms and conditions:

i. Seller has provided the Buyer with a current list of Seller's Inventory. Buyer has indicated those items that he deems are not current Inventory (the "**Excluded Inventory**"), and the Excluded Inventory shall not be part of the Acquired Assets. Buyer agrees to provide Seller with suitable warehouse space for the Excluded Inventory for six (6) months after the Closing Date, at no cost to Seller. Buyer shall allow Seller access to the Excluded Inventory during regular business hours.

ii. The remaining Inventory (the "**Sold Inventory**") shall be valued at Seller's cost as of the Closing Date, and shall be purchased by Buyer. The purchase price of the Sold Inventory shall be 90% of said value. The Buyer shall transfer this amount by wire transfer into Seller's designated account on the Closing Date.

d. **Default on Note Payments:** If any payment due under the Note is not made timely, then, upon ten (10) days written notice from Seller to Buyer of such default, and the balance due under the Note shall immediately be deemed to be due and payable in full, together with interest thereon from the date of default at the rate of nine (9%) percent per annum.

Seller shall be entitled to immediately take any action against Buyer, or Guarantor without further notice.

e. **Event of Default:** A failure by Buyer to timely make any payment due under the Note shall be deemed an event of default under this Agreement (**"Event of Default"**). A failure by Buyer to timely perform any obligation under this Agreement, other than timely payment of the Note, and any other agreements entered into by Buyer in connection with this Agreement, which default remains uncured after ten (10) days notice from Seller to Buyer, shall be deemed an Event of Default. Upon the occurrence of an Event of Default, the balance then due under the Note shall be due and payable in full, together with interest thereon at the rate of nine (9%) percent per annum, from the date of the Event of Default

7.. Liabilities and Sales Tax

a. It is understood that, except as otherwise expressly provided in this Agreement, Buyer is not assuming any of Seller's liabilities or obligations. Provided Buyer performs all of its obligations under this Agreement, Seller agrees to pay any sales or use taxes arising from the sale of Acquired Assets and sold Accounts Receivable under this Agreement.

b. Specifically, Buyer expressly excludes (1) any taxes, including income, sales, and use taxes imposed on Seller because of the sale of its assets and business; (2) any liabilities or expenses Seller incurred in negotiating and carrying out its obligations, or its dissolution and liquidation, under this Agreement (including attorney fees or accountant fees); (3) any obligations of Seller under any employee agreement or any other agreements relating to employee benefits that Seller has with any of its employees; (4) any obligations incurred by Seller prior to the Closing Date; (5) any liabilities or obligations incurred by Seller in violation of, or as a result of Seller's violation of, this Agreement; (6) any obligations or liabilities of Seller under any environmental laws; and (7) any obligations or liabilities of Seller for, or arising out of, any proceeding pending against Seller, or any tortious, unlawful fraudulent conduct on the part of Seller (collectively, the **"Excluded Obligations"**).

c. Buyer shall have the right to withhold from the purchase price any amounts necessary to provide for the payment of any sales or use taxes arising from the sale of the Acquired Assets or sold Accounts Receivable that Seller does not pay and for which Buyer has become legally obligated to make such payments. Within five (5) days after delivery to Buyer of proof of payment by Seller, for such obligations, or delivery to Buyer of a duly executed release or satisfaction of such legal obligation of Buyer, Buyer shall deliver to Seller all amounts withheld from the purchase price under this Article 3.3.

d. Seller will pay all sales, use, and similar taxes arising from the transfer of the Acquired Assets (other than taxes on a party's income). Buyer will not be responsible for any business, occupation, withholding, or similar tax, or any taxes of any kind incurred by Seller related to any period before the Closing Date.

e. Seller agrees to indemnify and hold Buyer harmless from and against the Excluded Obligations, all liabilities for any taxes for which Seller is responsible under this Agreement, and all liabilities, claims, causes of action, costs and expenses, including reasonable

attorneys fees, arising from the Excluded Obligations and any taxes for which Seller is responsible under this Agreement.

f. Accounts Payable: Seller shall remain responsible for all accounts payable due to vendors from Seller as of the Closing Date. Effective on the Closing Date, Buyer shall change the format of purchase orders coming from the Summit and Laserstar facilities to clearly indicate that the purchase is being made by an entity other than Seller or Summit Laser Products, Inc. ("Laser")

8.. Lease

a. Buyer and Seller acknowledge that Seller's existing use and occupancy of its premises, located at 95 Orville Dr, Bohemia, NY 11716 (the "Premises"), is under a lease (the "Lease"), dated 12/12/2000, from Reckson FS Limited Partnership ("Landlord"), as landlord, to Laser, as tenant, an accurate and complete copy of which has been supplied to Buyer, and the Lease will be assigned by Laser, and assumed by, Buyer, effective as of, and for all liabilities and obligations arising as of and after, the Closing Date, subject to landlord's consent. Buyer and Seller shall use best efforts to obtain Landlord's written consent for said assignment and assumption, provided however, that Seller and Laser shall not be required to incur any cost in obtaining said consent. Any security deposit available shall inure to the benefit of the Buyer.

b. Buyer hereby agrees to hold harmless and indemnify Seller from and against all liabilities, claims, causes of action, costs and expenses, including reasonable attorneys fees, incurred after the Closing Date in connection with and/or arising from the Lease, any obligations due under the Lease, and/or use, occupancy, and/or possession of the Premises by Buyer and/or any other person or entity prior to the date of Closing Date.

9.. Other Obligations

a. Attached as Exhibit C is a list of Seller's insurance policies, carriers, types of insurance, account numbers, coverage, and premiums. There shall be an adjustment at Closing for all insurance premiums paid by Seller for the period after the Closing Date. Buyer also agrees to assume and discharge, in due course, the following obligations as may arise and become due on and after the date of this Agreement: (1) premiums payable on Seller's insurance policies, listed in Exhibit E, for coverage on and after the date of this Agreement, and (2) the employment of, and salaries and compensation due (consistent with prior rates and practices) to, all employees of Seller. It is understood that Seller and Buyer have prorated all of the expenses attributable to said obligations and have adjusted the purchase price of the Acquired Assets purchased in this Agreement accordingly.

b. Buyer hereby agrees to indemnify and hold Seller harmless from and against all liabilities, claims, causes of action, costs and expenses, including reasonable attorneys fees, arising from any obligation assumed by Buyer under Article 5.1, and/or any failure of Buyer to timely pay any obligation assumed by Buyer under Article 5.1.

10.. Seller's Representations, Warranties, and Covenants: Seller represents, warrants, and covenants to Buyer as follows:

a. **Approval, Authority, and Ownership:** All member approvals required for Seller to enter into this Agreement and sell the Acquired Assets have been duly obtained, and Seller has full power, authority, and ownership to enter into this Agreement and to effectuate all of the transactions contemplated, without any conflict with any other restrictions or limitations, whether imposed by or contained in Seller's management agreement or by or in any law, legal requirement, agreement, or otherwise;

b. **Absence of Changes in Seller's Business:** Except for payroll, Since Jan 1, 2007, there has not been, to Seller's knowledge, any:

i. Transaction by Seller except in the ordinary course of its business as conducted on that date;

ii. Material adverse change in the financial condition, liabilities, assets, business, or results of operations, or prospects of Seller;

iii. Destruction, damage, or loss of any asset of Seller (insured or uninsured) that materially and adversely affects the financial condition, business, results of operations, or prospects of Seller;

iv. Revaluation or write-down by Seller of any of its assets; except for inventory.

v. As of March 1,2007 there has been no increase in the salary or other compensation payable or to become payable by Seller to any of its officers, directors, or employees or declaration, payment, or obligation of any kind for payment, by Seller, of a bonus or other additional salary or compensation to any such person;

vi. Sale or transfer of any asset of Seller, except in the ordinary course of business;

vii. Amendment or termination of, or any release or waiver granted with respect to any contract, agreement, or license to which Seller is a party, except in the ordinary course of business;

viii. Loan or advance by Seller to any person other than ordinary advances to employees for travel expenses made in the ordinary course of business, or any guaranty by Seller of any loan, debt, or other obligations of another person;

ix. Encumbrance of any asset or property of Seller;

x. Waiver or release of any right or claim of Seller, except in the ordinary course of business;

xi. Commencement of, or notice or threat of commencement of, any Proceeding against Seller or the business, assets, or affairs of Seller;

xii. Union organizing efforts, labor strike, other labor trouble, or claim of wrongful discharge, employment discrimination, sexual harassment, retaliatory termination, or other unlawful labor practice or action;

xiii. Agreement by Seller to do any of the things described in the preceding clauses (a) through (l); or

xiv. Other event or condition of any character that has or might reasonably have a material adverse effect on the financial condition, business, results of operation, assets, liabilities, or prospects of Seller.

c. **Condition of Acquired Assets:** All of the fixed assets and equipment transferred under this Agreement are being sold "as is", "where is", subject to normal wear and tear, with no representation or warranty as to their condition or fitness for any particular purchase. All of Seller's intangible rights, to Seller's knowledge as of the date of this Agreement, are solely and exclusively owned by Seller without any infringement on any rights of others.

d. **Existing Relationships:** Seller does not know of any plan or intention of any of Seller's employees, material suppliers, or customers to sever relationships or existing contracts with Seller or to take any other action that would adversely affect the business of Seller.

e. **Distributions and Compensation Payments:** Since March 1, 2007, Seller has not increased, or agreed to any increase in, any salaries or compensations paid or payable to any of its directors, employees, or consultants.

f. **Claims and Litigation:** There are no lawsuits, threats of litigation, claims, or other demands affecting or involving Seller or its business, known to Seller as of the date of this Agreement, arising or accruing before the date of this Agreement, except the action entitled "ACM Technologies v. Summit Technologies LLC".

g. **Seller's Knowledge and Disclosure:** Seller does not know, or have reason to know, of any matters, occurrences, or other information that has not been disclosed to Buyer and that would materially and adversely affect the Acquired Assets purchased by Buyer or its conduct of the business involving such Acquired Assets. Moreover, no representation or warranty by Seller in this Agreement, or any documents furnished to Buyer by Seller, contains or will contain any untrue statement of a material fact, or omit to state a material fact necessary to make the statements contained in these sources accurate.

h. **Rent:** The obligations of Laser under the Lease, shall be paid in full for the period through and including the Closing Date.

i. **Tax Returns and Audits/Books and Records:**

i. **Tax Filings.** As of the Closing Date, within the times and in the manner prescribed by law, Seller shall have filed all federal, state, and local tax returns required by law and have paid in full all taxes, assessments, penalties, and interest due and payable, including all sales, use, and similar taxes, and all payroll and withholding taxes or similar payments then required to be withheld and paid by Seller to any tax authority. There are no present disputes about taxes of any nature between Seller on the one hand, and any tax authority, on the other. Neither the Internal Revenue Service nor any other tax authority has audited, or is in currently auditing, any tax return of Seller. No state or other jurisdiction (including any

local governmental authority) with which Seller has not filed tax returns has asserted that Seller is subject to taxation by such jurisdiction. No tax authority has imposed or asserted any encumbrances on any of the assets or properties of Seller, other than liens on real property for taxes that are not yet due.

ii. **Books and Records of Seller.** Buyer agrees to hold Seller's books and records (the "Records"), at the Premises, at no cost to Seller, until the earlier of: (i) seven (7) years after the Closing Date, and (ii) the date that Buyer vacates the Premises. Buyer will maintain the Records in the same order and manner as presently maintained by Seller and shall allow Seller access to said Records during regular business hours. Buyer shall give Seller 30 days written notice and an opportunity to retrieve the Records, prior to removal of any such Records from the Premises or destruction of such Records.

11.. Seller Cooperation / Non-Compete: Seller agrees and covenants as follows:

a. **Name Change:** Seller warrants that it has granted to Buyer the exclusive right in perpetuity to use its name, "Summit Technologies", as part of Buyer's name for and in connection with all business of whatever kind and character conducted previously by Seller, that it has not granted and will not grant to any other person the right to use, and that it will not itself in the future use the name Summit Technologies as part of any trade name. On Buyer's request, Seller will undertake to change its corporate name to a dissimilar name, and agrees to provide Buyer, if Buyer so requests, the Certificate of Amendment to affect such name change in order to permit Buyer to substitute that name for its own by a simultaneous filing with the New York Secretary of State or by other protective actions.

b. **Cooperation:** Seller agrees to cooperate with Buyer, and on Buyer's reasonable request, to execute all documents and take all actions as are reasonably necessary to perfect and implement Buyer's full ownership of the Acquired Assets purchased under this Agreement, to protect the good will transferred, and to prevent any disruption of Buyer's business relating to any of Seller's employees, suppliers, customers, or other business relationships, provided that Seller shall have no obligation to commence or prosecute or defend any litigation, arbitration or proceeding, and shall not be obligated to incur expenses in excess of $5000 in compliance with this Article 7.2. The parties expressly agree that the Seller shall have no obligation to Buyer for any claims arising out of Intellectual Property, including but not limited to Copyright, Trademark, or Patents actions made against the Buyer or Seller after the date of closing.

c. **Non-competition:** Seller will not, for a five (5) year period from the Closing Date, directly or indirectly, engage in or perform for, or permit its name to be used in connection with, or carry on, or own any part of any business similar to the activities, operations, and business involving the assets sold under this Agreement, as conducted by Seller as of the date hereof.

d. **Title to Acquired Assets:** Seller has good and marketable title in and to all of the Acquired Assets free and clear of all encumbrances, except as set forth in Exhibit F attached.

e. **Customers and Sales:** Exhibit D attached is a correct and current list of all customers of Seller, as of the date of Closing,, together with summaries of the sales made to each

customer during Seller's most recent fiscal year. Except as indicated in Exhibit G, Seller's officers, directors, and shareholders have no information, and are not aware of any facts, indicating that any of these customers intends to cease doing business with Seller or materially alter the amount of the business such customer is presently doing with Seller.

f. **Employment Contracts and Benefits:** Exhibit E attached is a list of all of Seller's employment contracts, collective bargaining agreements, and pension, bonus, profit-sharing, stock option plans, or other agreements providing for employee remuneration or benefits. To the best of Seller's knowledge, as of the date of this Agreement, Seller is not in default under any of these agreements, nor has any event occurred that with notice, lapse of time, or both, would constitute a default by Seller of any of these agreements. Seller's obligations under these agreements shall cease as of the Closing Date, and Seller makes no representation as to the assignability of such agreements.

g. **Insurance Policies:** As of the date of this Agreement, Seller is not in default with respect to payment of premiums on any policy of insurance listed on Exhibit C attached, and there is no claim pending under any such policies, as of the date of this Agreement.

h. **Compliance with Laws:** To Seller's knowledge, Seller has complied in all material respects with all federal, state, and local statutes, laws, and regulations (including any applicable building, zoning, environmental laws, or other law, ordinance, or regulation) affecting the business or properties of Seller or the operation of its business. Seller has not received any notice asserting any violation of any statute, law, or regulation that has not been remedied before the date of this Agreement.

i. **Agreement Will Not Cause Breach or Violation:** The execution, delivery, and performance of this Agreement by Seller and the consummation of the transactions contemplated by this Agreement will not result in or constitute any of the following: (a) a default or an event that, with notice, lapse of time, or both, would be a default, breach, or violation of the management agreement of Seller or any lease, license, promissory note, conditional sales contract, commitment, indenture, or other agreement, instrument, or arrangement to which Seller is a party or by which any of them or any assets or properties of any of them is bound; (b) an event that would permit any party to terminate any agreement to which Seller is a party or is bound or to which any of Seller's assets is subject or to accelerate the maturity of any indebtedness or other obligation of Seller; or (c) the creation or imposition of any encumbrance on any of the properties of Seller.

j. **Authority and Consents:** Seller has the right, power, legal capacity, and authority to enter into and perform its obligations under this agreement (including the sale of the Acquired Assets to Buyer), and no approvals or consents of any persons other than Seller is necessary in connection with the sale of the Acquired Assets to Buyer and the performance by Seller of its obligations under this Agreement. The execution, delivery, and performance of this Agreement by Seller and the consummation of the transactions contemplated have been duly authorized by all necessary action on the part of Seller.

k. **Personnel:** Exhibit F attached is a list of the names and addresses of all employees, agents, and manufacturer's representatives of Seller, as of the date of this Agreement, stating the rates of compensation payable to each.

l. **Full Disclosure:** To the best of Seller's knowledge, none of the representations and warranties made by Seller in this Agreement, or in any certificate or memorandum furnished or to be furnished, contains or will contain any untrue statement of a material fact, or omits to state a material fact necessary to prevent the statements from being misleading.

12.. Buyer's Representations, Warranties, and Covenants. Buyer represents and warrants to Seller as follows:

a. **Statements Correct and Complete:** All statements contained in this Article 8 are correct and complete as of the date of this Agreement, and will be correct and complete as of the Closing Date (as though made then and as though the Closing Date were substituted for the date of this Agreement throughout this Article 8).

b. **Organization of Buyer:** Buyer is a corporation, duly organized, validly existing, and in good standing under the laws of the State of New York.

c. **Authorization of Transaction:** Buyer has full power and authority to execute and deliver this Agreement and the other documents in connection with the transaction contemplated hereunder and to perform its obligations hereunder and thereunder. This Agreement and the other documents constitute valid and legally binding obligations of Buyer, enforceable in accordance with their terms and conditions.

d. **Future Performance:** Buyer will make all payments and perform all such actions as required of it by this Agreement and the other documents.

e. **Non-Contravention:** Neither the execution nor the delivery of this Agreement or any of the other documents or the consummation of the transactions contemplated hereby or thereby will (a) violate any constitution, law, statute, regulation, order or other restriction of any governmental entity to which Buyer is subject or any provision of the certificate of incorporation, bylaws or other organizational documents of Buyer or (b) (i) conflict with or result in a breach of the terms, conditions or provisions of, (ii) constitute a default under, (iii) result in the creation of any lien or encumbrance upon Buyer's assets pursuant to, (iv) given any third party the right to modify, terminate or accelerate any obligation under, (v) result in a violation of or under, or (vi) require any notice under any contract to which Buyer is a party or by which it is bound or to which any of its assets is subject (or will result in the imposition of any lien or encumbrance upon any of its assets).

f. **Broker:** No broker, finder or other person acting under Buyer's authority (or the authority of any affiliate of Buyer) is entitled to any broker's commission or other fee in connection with the transactions contemplated by this Agreement for which Seller could be responsible.

g. **Disclosure:** The representations and warranties contained in this Article 8 do not contain any untrue statement of the facts or omit to state any fact necessary in order to make the statements and information contained in this Article 8 not misleading.

h. **Sufficient Funds:** Buyer has available to it sufficient funds to consummate the transactions contemplated hereby, and reasonably expects to have sufficient funds available to it to make all payments due to Seller under this Agreement after the Closing Date.

i. **Due Diligence:** Buyer has fully investigated the existence and condition, as of the date of this Agreement, of the Acquired Assets, and has had full access to the Acquired Assets to perform all due diligence that it deems appropriate in connection with the transactions contemplated by this Agreement, and Buyer acknowledges that it is purchasing the Acquired Assets "as is" and "where is", subject to normal wear and tear, without representation or warranty as to the condition and/or fitness of the Acquired Assets for any particular purpose.

j. **Retirement Benefits:** Buyer and Seller both acknowledge that Madalyn Helfstein owns 100% of Summit Laser Products, Inc, which in turn owns 65% of Seller and has control of the Seller. As an inducement to conclude this transaction, the Buyer agrees to continue the Insurance benefits that Madalyn Helfstein has received from the Seller, including Medical Insurance, until such time as she becomes eligible for Medicare benefits.

13.. Closing

a. The Closing will take place at the offices of P&M, 675 Old Country Road, Westbury, New York 11590, at 10:00 a.m. local time, on March 30, 2007, or at such other time and place as Buyer and Seller may agree in writing.

b. At the Closing, Seller must deliver or cause to be delivered to Buyer:

i. Assignments of all personal property leases of Seller, as lessee, properly executed and acknowledged by Seller;

ii. An assignment to Buyer of the Lease, duly executed by Laser;

iii. A bill of sale for the Acquired Assets, duly executed by Seller;

iv. Certified resolutions of Seller, in form satisfactory to counsel for Buyer, authorizing the execution and performance of this Agreement and all actions to be taken by Seller under this Agreement;

v. A certificate executed by the managing member of Seller, certifying that all Seller's representations and warranties under this Agreement are true as of the Closing Date, as though each of those representation and warranties had been made on that date; and

vi. An opinion of Seller's counsel, dated as of the Closing Date, as provided for in this Agreement.

c. Simultaneously with the consummation of the transfer, Seller through its officers, agents, and employees, will put Buyer into full possession and enjoyment of all Acquired Assets to be conveyed and transferred under this Agreement.

d. At the Closing, adjustments shall be made to the purchase price for: (i) all insurance premiums paid by Seller for the period after the Closing Date, and (ii) all rent,

additional rent, and utilities paid by Seller and/or Laser, in connection with the Lease of the Premises, for the period after the Closing Date.

c. At the Closing, Buyer must deliver or cause to be delivered to Seller the following:

i. A wire transfer, to such account as Seller shall designate, in the amount of $50,000;

ii. Buyer's duly executed promissory note, dated as of the Closing Date, in the principal amount of $200,000, in the form of Exhibit B hereto;

iii. A wire transfer, to such account as Seller shall designate, in an amount equal to the purchase price for the Sold Inventory;

iv. An opinion of Buyer's counsel, dated as of the Closing Date, as provided for in this Agreement;

v. Certified resolutions of Buyer's board of directors and shareholders, in form satisfactory to counsel for Seller, authorizing the execution and performance of this Agreement and all actions to be taken by Buyer under this Agreement and any other documents to be delivered in connection with this Agreement (the "**Transaction Documents**");

vi. A certificate duly executed by Buyer's President, certifying that all Buyer's representations and warranties under this Agreement are true as of the Closing Date, as though each of those representations and warranties had been made on that date; and

vii. The Corporate Guranty executed by Uninet Imaging, Inc. in the form of Exhibit G attached,

14.. Conditions Precedent To Buyer's Performance

a. The obligations of Buyer to purchase the Acquired Assets under this Agreement are subject to the satisfaction, at or before the Closing, of all the conditions set out below in this Article 10.

b. All representations and warranties by Seller in this Agreement, or in any written statement that will be delivered to Buyer by Seller under this Agreement are, to the best of Sellers knowledge, true and correct in all material respects on and as of the Closing Date, as though such representations and warranties were made on and as of that date.

c. On or before the Closing Date, Seller will have performed, satisfied, and complied in all material respects with all covenants, agreements, and conditions that it is required by this Agreement to perform, comply with, or satisfy, before or at the Closing.

d. During the period from the execution of this Agreement to the Closing Date, there will not have been any material adverse change in the financial condition or the results of operations of Seller, and Seller will not have sustained any material loss or damage to its insured

or uninsured assets that materially affects its ability to conduct its business or the value of the Acquired Assets to be purchased by Buyer under this Agreement at the Closing.

e. Buyer will have received from Seller's counsel, an opinion dated as of the Closing Date, in form and substance satisfactory to Buyer and its counsel, that:

i. Seller is a limited liability company duly formed, validly existing, and in good standing under the laws of New York, and has all requisite power to own its properties as now owned and operate its business and has the power and authority to execute, deliver, and perform its obligations under this Agreement and to consummate the transactions contemplated.

ii. The Agreement has been duly and validly authorized, executed, and delivered by Seller, and is valid and binding against it and is enforceable against Seller in accordance with its terms, except as limited by bankruptcy and insolvency laws and by other laws and equitable principles affecting the rights of creditors generally.

iii. Neither the execution or delivery of this Agreement nor the consummation of the transactions contemplated by this Agreement will constitute a default or an event that would—with notice, lapse of time, or both—constitute a default under, or violation or breach of, Seller's membership agreement or bylaws, or, to the best of counsel's knowledge, of any indenture, license, lease, franchise, encumbrance, instrument, or other agreement to which Seller is a party or by which it may be bound.

f. No proceeding before any governmental authority pertaining to the transactions contemplated by this Agreement or to its consummation, or that could reasonably be expected to have a material adverse effect on Seller, any of its businesses, assets, or financial conditions, or the Acquired Assets will have been instituted or threatened before the Closing Date.

g. The execution, delivery, and performance of this Agreement by Seller, and the consummation of the transactions contemplated will have been duly authorized, and Buyer will have received copies of all resolutions of the members of Seller, and minutes pertaining to that authorization, certified by their respective secretaries.

h. All necessary agreements and consents of any parties to the consummation of the transactions contemplated in this Agreement, or otherwise pertaining to the matters covered by it, will have been obtained by Seller and delivered to Buyer.

i. Seller shall have delivered to Buyer all Transaction Documents and taken all actions required to be delivered or taken by Seller under this Agreement, as of the Closing Date. The form and substance of all certificates, instruments, opinions, and other Transaction Documents delivered to Buyer under this Agreement must be satisfactory in all reasonable respects to Buyer and its counsel.

15.. **Conditions Precedent to Seller's Performance**

a. The obligations of Seller to sell and deliver the Acquired Assets under this Agreement are subject to the satisfaction, at or before the Closing, of all the conditions set out below in this Article 11.

b. All representations and warranties by Buyer in this Agreement or in any written statement that will be delivered to Seller by Buyer under this Agreement must be true and correct in all material respects on and as of the Closing Date, as though such representations and warranties were made on and as of that date.

c. On or before the Closing Date, Buyer will have performed, satisfied, and complied in all material respects with all covenants, agreements, and conditions that it is required by this Agreement to perform, comply with or satisfy, before or at the Closing.

d. During the period from the execution of this Agreement to the Closing Date, there will not have been any material adverse change in the financial condition or the results of operations of Buyer, and Buyer will not have sustained any material loss or damage to its assets that materially effects its ability to fully perform its obligations under this Agreement at the Closing and thereafter.

e. Seller will have received from Buyer's counsel an opinion, dated as of the Closing Date, in form and substance satisfactory to Seller and its counsel, that:

i. Buyer is a corporation duly formed, validly existing, and in good standing under the laws of the State of New York, and has all requisite corporate power and authority to execute, deliver, and perform its obligations under this Agreement, and to consummate the transactions contemplated.

ii. The Agreement has been duly and validly authorized, executed, and delivered by Buyer, and is valid and binding against it and is enforceable against Buyer in accordance with its terms, except as limited by bankruptcy and insolvency laws and by other laws and equitable principles affecting the rights of creditors generally.

iii. Neither the execution nor delivery of this Agreement, nor the consummation of the transactions contemplated by this Agreement will constitute a default or an event that would–with notice, lapse of time or both–constitute a default under, or violation or breach of, buyer's articles of incorporation or bylaws, or, to the best of counsel's knowledge, of any indenture, license, lease, franchise, encumbrance, instrument or other agreement to which Buyer is a party or by which it may be bound.

f. No proceeding, before any governmental authority pertaining to the transactions contemplated by this Agreement or to its consummation, or that could reasonably be expected to have a material adverse effect on Buyer, any of its businesses, assets or financial conditions, will have been instituted or threatened before the Closing Date.

g. The executions, delivery, and performance of this Agreement by Buyer, and the consummation of the transactions contemplated will have been duly authorized, and Seller will

have received copies of all resolutions of the board of directors of Buyer, and minutes pertaining to that authorization, certified by their respective secretaries.

h. All necessary agreements and consents of any parties to the consummation of the transactions contemplated in this Agreement, or otherwise pertaining to the matters covered by it, will have been obtained by Buyer and delivered to Seller.

i. Buyer shall deliver to Seller all Transaction Documents and have taken all actions required to be delivered or taken by Buyer under this Agreement, as of the Closing Date. The form and substance of all certificates, instruments, opinions, and other Transaction Documents delivered to Seller under this Agreement must be satisfactory in all reasonable respects to Seller and its counsel.

16.. Arbitration

a. Any controversy or claim arising out of or relating to this Agreement, or its breach, shall be settled by binding arbitration in accordance with the commercial rules of the American Arbitration Association, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction. The venue of any arbitration shall be Nassau County, New York.

17.. Notices

a. All notices, demands or other communications to be given or delivered under this Agreement shall be in writing and shall be personally delivered or, if mailed, sent to the following relevant address or to such other address as the recipient party may have indicated to the sending party in notice given pursuant to this Article 13.1:

i. IF TO SELLER:
Lewis Helfstein
10 Meadowgate East
St. James, NY 11780

with a copy to:

Pryor & Mandelup, L.L.P.
675 Old Country Road
Westbury, New York 11590
Attn: A. Scott Mandelup, Esq.
Fax: (516) 333-7333

ii. IF TO BUYER:
UI Supplies, Inc.
95 Orville Drive
Bohemia, New York 11716
Fax: _____

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iii. IF TO UNINET:

Uninet Imaging, Inc.
11124 Washington Boulevard
Culver City, Cal. 90232

b. Any such notice shall be deemed given as of the date it is personally delivered or sent by fax or e-mail to the recipient, or one (1) business day after being sent to the recipient by reputable overnight courier service (charges prepaid), or four (4) business days after being mailed to the recipient by certified or registered mail, return receipt requested, and postage prepaid. If any time period for giving notice or taking action expires on a day which is a Saturday, Sunday or legal holiday in the State of New York (any other day being a "business day"), such time period shall automatically be extended to the next business day immediately following such Saturday, Sunday or legal holiday.

18.. Construction

a. Except as otherwise provided herein:

i. **Entire Agreement.** This Agreement covers the entire understandings of Buyer and Seller regarding its subject matter, and supersedes all prior agreements and understandings, and no modification or amendment of its terms or conditions shall be effective unless in writing and signed by Buyer and Seller;

ii. **Successors and Assigns.** This Agreement shall inure to the benefit of, and is binding on, the respective successors, assigns, distributees, heirs, and personal representatives of Buyer and Seller;

iii. **Headings.** This Agreement shall not be interpreted by reference to any of its titles or headings, which are inserted for purposes of convenience only;

iv. **Waiver and Release.** This Agreement is subject to the waiver and release of any of its requirements, as long as the waiver or release is in writing and signed by the party to be bound, but any such waiver or release shall be construed narrowly and shall not be considered a waiver or release of any further, similar, or related requirement or occurrence, unless expressly specified, and no waiver by any party of any default, misrepresentation or breach of warranty, covenant or agreement made or to be performed hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty, covenant or agreement made or to be performed hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence;

v. **Governing Law and Venue.** This Agreement is made in, and shall be construed under, the substantive laws of the State of New York, exclusive of choice of law principles. Nassau County, New York shall be the sole venue for any action or arbitration brought pursuant to this agreement

vi. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which, together, shall be deemed to constitute one and the same Agreement;

vii. **Severability.** Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or any other jurisdiction if such invalidity or unenforceability does not destroy the basis of the bargain between Buyer and Seller;

viii. **Expenses.** Except as provided herein, each of Buyer and Seller will bear their own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby;

ix. **Construction.** The parties have participated jointly in the negotiation and drafting of this Agreement, and in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Buyer and Seller, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement;

x. **Exceptions.** The word "including" shall mean "including without limitation", and nothing in any schedule or exhibit attached hereto shall be deemed adequate to disclose an exception to a representation or warranty made herein, unless such schedule or exhibit identifies the exception with particularity and describes the relevant facts in detail;

xi. **Incorporation of Exhibits.** The exhibits and any other documents annexed to this Agreement are incorporated herein by reference and made a part hereof;

xii. **WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVES ANY RIGHTS IT MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION BASED HEREON OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY EXHIBIT OR OTHER DOCUMENT ANNEXED HERETO, OR ANY COURSE OF CONDUCT, COURSE OF DEALING OR STATEMENTS (WHETHER VERBAL OR WRITTEN) RELATING TO THE FOREGOING, AND THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES HERETO TO ENTER INTO THIS AGREEMENT;**

xiii. **Termination of Covenants, Representations, and Warranties.** The covenants, representations, and warranties made by Seller and/or Buyer in Articles 6 and 7, shall terminate as of the Closing, and Buyer shall have no right to seek indemnification based on a breach of a representation and/or warranty

made by Seller herein or in any other document entered into by Seller in connection herewith; and

xiv. **No Impediment to Liquidation.** Nothing herein shall be deemed or construed so as to limit, restrict or impose any impediment to Seller's right to liquidate, dissolve, and wind up its affairs and to cease all business activities and operations at such time as Seller may determine following the Closing.

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

SELLER:

Dated: Bohemia, New York
March __, 2007

Summit Technologies LLC

By: _____
Lewis B. Helfstein, Managing Member

BUYER:

Dated: _____, New York
March ___, 2007

UI Supplies, Inc.

By: _____
Nestor Saporiti, President

EXHIBIT G

GUARANTEE of UNINET IMAGING, INC.

GUARANTEE, dated as of March 30, 2007, by UniNet Imaging, Inc., a California corporation having an office at 11124Washington Boulevard, Culver City, Cal. 90232 ("Guarantor"), to Summit Technologies LLC, a New York limited liability company, having an address at 10 Meadowgate East, St. James, New York 11780 ("Summit").

WITNESSETH:

WHEREAS, concurrently herewith, Summit is selling certain business assets to UI Supplies, Inc. ("UI"), having an address at 95 Orville Drive, Bohemia, New York 11716, pursuant to an Agreement for Purchase of Assets, dated as of March 30, 2007 between Summit, as seller, and UI, as buyer (the "Agreement"), and

WHEREAS, the sale of assets by Summit to UI under the Agreement is being closed concurrently herewith; and

WHEREAS, a portion of the purchase price under the Agreement is being paid by UI's delivery, concurrently herewith, to Summit's attorney, as escrow agent, of a promissory note (the "Note") payable to Summit, in the amount of $200,000; and

WHEREAS, in consideration of Summit's sale of assets to UI, UI has agreed to perform certain other obligations provided for in the Agreement, and has delivered, concurrently herewith, to Summit's attorney, as escrow agent, an affidavit of confession of judgment (the "Judgment"), in the amount of $100,000, as collateral security for UI's obligations under the Note; and

WHEREAS, in order to induce Summit to enter into and perform the Agreement, Guarantor has agreed to give this Guaranty of payment of the obligations of UI under the Agreement, the Note, and the Judgment;

NOW THEREFORE, in consideration of Ten Dollars, and other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, Guarantor agrees as follows:

1. Guarantor does hereby unconditionally guaranty to Summit the due and punctual payment of: (a) all principal and interest evidenced by the Agreement, all extensions, renewals or refinancings thereof, whenever due and payable, all expenses of collection of the amounts due under the Agreement; and of enforcement of the same and of this Guaranty, including reasonable attorneys' fees (each, an "Obligation", and collectively the "Obligations").

2. This Guaranty is irrevocable, continuing, indivisible and unconditional and, except as otherwise provided herein, may be proceeded upon immediately after failure by UI to pay any of the Obligations, and/or upon the occurrence of an "Event of Default", as defined in the Agreement, without any prior action or proceeding against UI. The Guarantor hereby consents to and waives notice of the following, none of which shall affect, change or discharge the liability of the Guarantor hereunder: (a) any change in the terms of any agreement between UI and Summit; and (b) the acceptance, alteration, release or substitution by Summit of any security for the Obligations, whether provided by the Guarantor or any other person.

3. Guarantor hereby expressly waives the following: (a) acceptance and notice of acceptance of this Guaranty by Summit; (b) notice of extension of time of the payment of, or renewal or alteration of the terms and conditions of, any Obligations; (c) notice of any demand for payment, (d) notice of default or nonpayment as to any Obligations; (e) all other notices to which the Guarantor might otherwise be entitled in connection with this Guaranty or the Obligations of UI hereby guarantied; and (f) trial by jury and the right thereto in any action or proceeding of any kind or nature, arising on, under or by reason of, or relating in any way to, this Guaranty or the Obligations.

4. Guarantor has not and will not set up or claim any defense, counterclaim, set-off or other objection of any kind to any suit, action or proceeding at law, in equity, or otherwise, or to any demand or claim that may be instituted or made under and by virtue of this Guaranty. All remedies of Summit by reason of or under this Guaranty are separate and cumulative remedies, and it is agreed that no one of such remedies shall be deemed in exclusion of any other remedies available to Summit.

5. Guarantor represents and warrants that the Guarantor has full power and authority to execute, deliver and perform this Guaranty, and that neither the execution, delivery nor performance of this Guaranty will violate any law or regulation, or any order or decree of any court or governmental authority, or will conflict with, or result in the breach of, or constitute a default under, any agreement or other instrument to which the Guarantor is a party or by which Guarantor may be bound, or will result in the creation or imposition of any lien, claim or encumbrance upon any property of Guarantor.

6. This Guaranty may not be changed or terminated orally. No modification or waiver of any provision of this Guaranty shall be effective unless such modification or waiver shall be in writing and signed by Summit, and the same shall then be effective only for the period and on the conditions and for the specific instances and purposes specified in such writing. No course of dealing between Guarantor and Summit in exercising any rights or remedies hereunder shall operate as a waiver or preclude the exercise of any other rights or remedies hereunder.

7. This Guaranty shall be construed in accordance with, and governed by, the substantive laws of the State of New York, exclusive of choice of law principles. No invalidity, irregularity, illegality or unenforceability of any Obligation shall affect, impair or be a defense to the enforceability of this Guaranty. Notwithstanding the invalidity, irregularity, illegality or

unenforceability of any Obligation of UI to Summit, this Guaranty shall remain in full force and effect and shall be binding in accordance with its terms upon Guarantor and the heirs, executors, administrators, successors and assigns of Guarantor.

8. This Guaranty shall be binding upon and inure to the benefit of Summit and its respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, Guarantor has given and executed this Guaranty as of the date first above written.

In the presence of:

UniNet Imaging, Inc.

IS000173

EXHIBIT 1

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CLERK OF THE COURT

NEO

JEFFREY R. ALBREGTS, ESQ./NBN 0066
jalbregts@nevadafirm.com
COTTON, DRIGGS, WALCH,
HOLLEY, WOLOSON & THOMPSON
400 South Fourth Street, Third Floor
Las Vegas, Nevada 89101
Telephone: (702) 791-0308
Facsimile: (702) 791-1912
Attorneys for Plaintiffs
Ira and Edythe Seaver Family Trust and
Circle Consulting Corporation

DISTRICT COURT

CLARK COUNTY, NEVADA

IRA AND EDYTHE SEAVER FAMILY TRUST, IRA SEAVER, CIRCLE CONSULTING CORPORATION, Plaintiffs, v. LEWIS HELFSTEIN, MADALYN HELFSTEIN, SUMMIT LASER PRODUCTS, INC., SUMMIT TECHNOLOGIES LLC, UI SUPPLIES, UNINET IMAGING, INC., NESTOR SAPORITI and DOES 1 through 20, and ROE entities 21 through 40, inclusive, Defendants. AND RELATED CLAIMS	Case No.: A587003 Dept. No.: XI **NOTICE OF ENTRY OF FINDINGS OF FACT AND CONCLUSIONS OF LAW**

PLEASE TAKE NOTICE that FINDINGS OF FACT AND CONCLUSIONS OF LAW in the above-entitled matter were filed and entered by the Clerk of the above-entitled Court on the 18th day of May, 2012, a copy of which is attached hereto.

DATED this 21 day of May, 2012.

COTTON, DRIGGS, WALCH,
HOLLEY, WOLOSON & THOMPSON

JEFFREY R. ALBREGTS, ESQ./NBN 0066
400 South Fourth Street, Third Floor
Las Vegas, Nevada 89101
Attorneys for Plaintiffs
Ira and Edythe Seaver Family Trust and
Circle Consulting Corporation

07650-03/889105

CERTIFICATE OF MAILING

I HEREBY CERTIFY that, on the 21st day of May, 2012 and pursuant to NRCP 5(b), I deposited for mailing in the U.S. Mail a true and correct copy of the foregoing **NOTICE OF ENTRY OF FINDINGS OF FACT AND CONCLUSIONS OF LAW,** postage prepaid and addressed to:

Michael Lee, Esq.
LAW OFFICE OF MICHAEL B. LEE
2000 South Eastern Avenue
Las Vegas, NV 89104
Attorneys for Defendants

Mr. Ira Seaver
2407 Ping Drive
Henderson, NV 89074
In Proper Person

Karen H. Harrison
An employee of COTTON, DRIGGS, WALCH, HOLLEY, WOLOSON & THOMPSON

07650-03/889105

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CLERK OF THE COURT

DISTRICT COURT

CLARK COUNTY, NEVADA

IRA AND EDYTHE SEAVER FAMILY TRUST, IRA SEAVER, CIRCLE CONSULTING CORPORATION, Plaintiff, vs. UI SUPPLIES, UI TECHNOLOGIES, UNINET IMAGING, INC., NESTOR SAPORITI and DOES 1 through 20, and ROE entities 21 through 40, inclusive; DOES I through X, inclusive; and ROE BUSINESS ENTITIES I through X, inclusive, Defendants.	Case No.: 09 A 587003 Dept. No.: XI **FINDINGS OF FACT AND CONCLUSIONS OF LAW** Date of Trial: March 19, 2012 Time of Trial: 1:00 p.m.

This cause came on regularly for a bench trial beginning on March 19, 2012 and continuing day to day, based upon the availability of the Court and Counsel, until its completion on April 25, 2012; Plaintiff IRA SEAVER ("Seaver") appearing in proper person; Plaintiffs IRA AND EDYTHE SEAVER FAMILY TRUST ("Trust"), and CIRCLE CONSULTING CORPORATION ("Circle") by and through Jeffrey R. Albregts, Esq. (Trust, Seaver, and Circle are sometimes collectively referred to as "the Plaintiffs") and Defendants UI SUPPLIES, UI TECHNOLOGIES,[1] UNINET IMAGING, INC. ("UniNet"), NESTOR SAPORITI ("Saporiti") appearing by and through their attorneys Michael Lee, Esq. and Gary Schnitzer, Esq.; (UI Supplies, UI Technologies, UniNet and Saporiti are sometimes collectively referred to as "the UI

[1] The Court granted a motion to add UI Technologies as a defendant during trial.

Defendants").[2] Plaintiffs Complaint[3] asserts ten causes of action: (1) Breach of Circle Consulting Contract (against all Defendants); (2) Breach of Summit Technologies Formation Agreement (against Helfstein Defendants Only); (3) Breach of Summit Technologies Operating Agreement (against Helfstein Defendants and Summit Only); (4) Breach of Fiduciary Duty (against Helfstein Defendants Only)[4]; (5) Promissory Estoppel (against UniNet Defendants Only); (6) Unjust Enrichment (against UniNet Defendants Only); (7) Accounting (against Summit and Helfstein Defendants Only)[5]; (8) Declaratory Relief (against All Defendants); (9) Breach of Implied Covenant of Good Faith and Fair Dealing (against All Defendants)[6]; and (10) Alter Ego (against All Defendants)[7]. During trial the Court permitted amendment to add a claim for breach of fiduciary duty against the UI Defendants.

The Court having read the pleadings filed by the parties, listened to the testimony of the witnesses, reviewed the evidence introduced during the trial, considered the oral and written arguments of counsel, and with the intent of deciding all claims before the Court pursuant to NRCP 52(a) and 58. The Court makes the following findings of fact and conclusions of law:

FINDINGS OF FACT

1. On or about August 12, 2004, Lewis Helfstein ("Helfstein")[8] on behalf of Summit

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[2] The Court dismissed the Counterclaim at the close of the counterclaimants' case, as no evidence of damages was presented.

[3] No ruling in this case is intended to be determinative of any issue related to the Helfstein Defendants, as they did not participate in this trial. The Helfstein Defendants include LEWIS HELFSTEIN, MADALYN HELFSTEIN, and SUMMIT TECHNOLOGIES LLC.

[4] The court permitted amendment of this claim during trial to include the UI Defendants.

[5] The Court granted an NRCP 52c motion on this issue as the accounting was accomplished through discovery as part of these proceedings.

[6] The Court granted dismissal of the tortuous claims for breach of the covenant of good faith and fair dealing.

[7] The Court granted dismissal of this claim against the UI Defendants and UniNet.

[8] On November 23, 2009, Plaintiffs executed a voluntary dismissal of the Helfstein Defendants after reaching a settlement of $60,000. While Plaintiff and the Helfstein Defendants have resolved their claims in this matter, but Plaintiff rescinded their Settlement Agreement with them on or about January 20, 2011, because of information Mr. Conant discovered. Based on the

Laser Products, Inc. and Ira and Edythe Family Trust entered into an operating agreement to form Summit Technologies ("Summit") with the Helfstein Defendants maintaining management and control of it but requiring them to also obtain Seaver's approval for decisions regarding its capital structure of Summit.

2. The Operating Agreement with the Plaintiffs for the operation of Summit as a New York limited liability company which provided, among other things, that it would maintain records and provide accountings to its members including providing quarterly reports; that 75% of the members' consent would be necessary to change its capital structure; for distribution of profits and net cash flow of 65% to Summit Laser Products and 35% to the Seaver Trust; and for health insurance.

3. In September 2004, Summit entered into a Technology License Agreement with LaserStar Distribution Corporation, another entity controlled by the Plaintiffs, for the "codes and programs for laser cartridge chips." The license period was for 10 years.

4. In September, 2004, a consulting, noncompetition and confidentiality agreement was entered into by Helfstein on behalf of Summit, and Seaver individually and as president of Circle. Seaver, by way of Circle, and Helfstein, by way of LBH Enterprises agreed to consulting agreements in lieu of salary. The Consulting Agreement contained obligations related to nondisclosure of confidential information and an agreement not to aid competition. It also contained a specific term as to assignment stating that "[t]his Agreement may not be assigned by any party hereto." ("Anti-Assignment Clause")[9]

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stipulation of the parties, this trial concerns only the monies due and owing from the UI Defendants to the Plaintiffs. The claims of the UI Defendants against the Helfstein Defendants are stayed by Nevada Supreme Court entered on 10/19/2010 in Case no. 56383.

[9] That agreement provides in pertinent part:

6. Disclosure of Information.

Consultant recognizes and acknowledges that trade secrets of the Company and its affiliates and their proprietary information and procedures, as they may exist from time to time, are valuable, special and unique assets of the Company's business, access to and knowledge of which are essential to performance of the Consultant's duties hereunder.. . . Consultant will not at any time during the term of this Agreement disclose in whole or in part, such secrets, information or

5. Among other things, the Circle Consulting Agreement provided for payments of $125,000 per year on a monthly basis with annual $5,000 increases; reimbursement of expenses; and payments based on sale of laser printer chips.

6. Seaver was required to exclusively perform services at the request of Summit as well as comply with the noncompete, nondisclosure and confidentiality provisions of that agreement.

7. On or about August 1, 2005, Helfstein, as the managing member of Summit, notified Seaver he was suspending the consulting fee payments for the Circle Consulting Agreement based on Summit's insufficient cash flow.

8. After Helfstein suspended the consulting fee payments, Seaver stopped performing consulting services.

9. In late 2006, Seaver suffered an injury that required surgery which prevented him from consulting for an extended period.

10. In late 2006, Helfstein and Steven Hecht, the Chief Financial Officer and President of Summit ("Hecht"), began soliciting offers to sell Summit or Summit's assets. Summit had a large bank loan and various creditors that Summit could not afford to pay.

11. Sometime in October 2006, Helfstein approached Saporiti about purchasing

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processes to any person, firm corporation, association or other entity for any reason or purpose whatsoever, nor shall they make use of any such property for their own purposes of (sic) benefit of any firm person or corporation, or other entity (except the Company) under any circumstances during the term of this Agreement; provided that these restrictions shall not apply to such secrets, information, and processes which are (the) in public domain. . .

7. Agreement not to Aid Competition

7.1 Consultant acknowledges and agrees that during the term of this Agreement, it will not in any way, directly or indirectly, . . . engage in represent, furnish consulting services to, be employed by, or have any interest in . . . any business which manufactures, sells or distributes parts and supplies for the remanufacturing of business machine toner cartridges in competition with the Company or refills business machine toner cartridges.

* * *

7.2 The Consultant is exempt with regards to this paragraph for the following activity:

Consulting with Tangerine Express, so long as their activity remains on the retail level, Raven Industries...

Summit's assets after unsuccessfully approaching approximately three or four other buyers.

12. After some exchange of information and discussions with key personnel, in early February 2007, Saporiti indicated that he would form UI Technologies and UI Supplies to purchase the assets of Summit

13. Saporiti informed Hecht and Helfstein that he did not want to assume the current Circle Consulting Agreement.

14. At some point in time Seaver became aware that the UI Defendants did not want to assume the current Circle Consulting Agreement.

15. Helfstein attempted to negotiate a new global agreement for Seaver and himself. This called for Seaver to receive approximately 35% of whatever Helfstein negotiated for himself through LBH Enterprises.

16. Seaver was aware of the attempt to negotiate a separate consulting and non-competition agreement, but his relationship and the trust between Seaver and Helfstein had deteriorated.

17. Seaver was concerned that the payments would flow through Helfstein, which could have been usurped by Helfstein's estate in the event of Helfstein's death.

18. As a result, Seaver asked the UI Defendants for a consulting agreement separate from Helfstein's.

19. Saporiti stated that he was interested in working with Seaver.

20. Hecht attempted to negotiate language that was acceptable to Seaver in terms of both compensation and the scope of the non-competition provision.

21. Eventually, Saporiti's newly created companies, UI Technologies and UI Supplies, entered into a transaction that was characterized as an Asset Purchase of Summit. As part of the transaction no specific intellectual property rights that were being transferred or being assigned were identified. Certain accounts receivable, contracts and cash were not transferred as part of the transaction.

22. The Helfstein Defendants also entered into an agreement with UI Technologies, Inc. for the purchase of all of the assets of LaserStar Distribution Corporation. As part of the

transaction no specific intellectual property rights that were being transferred or being assigned were identified.

23. After agreeing to the initial terms, Helfstein drafted the Asset Purchase Agreement which was reviewed by counsel for the UI Defendants.

24. Hecht negotiated portions of the agreement on behalf of the UI Defendants prior to the closing of the transaction.[10]

25. Ultimately, Seaver refused to enter into the offered replacement consulting agreement because it did not have a sufficient "carve out" to the non-compete that would allow him to operate pre-existing ventures (Tangerine Express[11] Raven Industries[12], etc.[13]), and it had insufficient compensation with a payout over three years.

26. None of the pre-existing ventures as performed during the period of the Circle Consulting agreement prior to the acquisition by UI Technologies and UI Supplies are a violation of the noncompetition provisions of that agreement.

27. Seaver received notice regarding a meeting about the sale proceeding on March 27, 2007, for a meeting that same day. The Notice of Meeting of Members specifically stated that a special meeting would be held on March 27, 2007 for the purpose of: (1) Authorizing the Company to enter into and perform the Agreement for Purchase and Sale of Assets By and Between UI Supplies, Inc. and Summit Technologies, LLC, dated as of March 30, 2007, for sale of substantially all of the assets of the company (the "Sales Agreement"); and (2) Authorizing Summit Laser Products, Inc., as member and manager of the Company, by its president, Helfstein, or any other office thereof, to execute and deliver any and all documents and to take such further action as may be desirable, from time to time, in furtherance of the Sales

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[10] It is unclear from the testimony and the evidence admitted during trial when the transaction closed. The dates on documents admitted in evidence, where dated, are inconsistent.

[11] Tangerine is an office supply business operated by Seaver's wife, Edythe.

[12] Seaver sold his interest in Raven, a toner manufacturer, in 1999. He had a 5-year nondisclosure agreement and an 8-year payout from the sale.

[13] Seaver also rents space to Static Control on a month-to-month basis in Camarillo, CA.

Agreement.

28. On or about March 27, 2007, Helfstein called Seaver and informed him that Summit was lucky that UI wanted to purchase its assets because the company was haemorrhaging money, putting pressure on Seaver to agree to a replacement consulting agreement.

29. Seaver still refused because he did not like the terms of the new consulting agreement.

30. When Seaver refused to negotiate or execute a replacement consulting agreement, Helfstein decided to go forward with the sale.

31. Helfstein represented to Saporiti that Summit did not need Seaver's approval to execute the Asset Purchase Agreement, and he would personally indemnify the UI Defendants for any judgment Seaver might receive as it related to the sale.

32. Seaver was not involved with the decision or subsequent negotiations for the sale of Summit's assets.

33. Saporiti relied upon Helfstein to document the transaction.

34. In late March or early April, 2007, UI and Summit entered into the Asset Purchase Agreement. Helfstein informed UI that he was the majority owner of Summit with authority to enter into the Asset Purchase Agreement for Summit.

35. The UI Defendants never formally assumed the Circle Consulting Agreement. The Asset Purchase Agreement was not conditioned on the UI Defendants having consulting agreements with either Helfstein or Seaver.

36. At some point in time, Seaver was informed that the Circle Consulting Agreement terminated after the execution of the Asset Purchase Agreement. However, inconsistent information was provided to Seaver on issues related to his health insurance and the UI Defendants' position on his continuing obligations under the Circle Consulting Agreement.

37. Seaver's acquiescence to comply with the terms of the Circle Consulting Agreement based upon the representations by the UI Defendants of his continuing obligation to not compete was his consent to the assumption of that agreement.

38. Prior to April 2007, Seaver received health insurance benefits through the Consulting Agreement from Summit. However, after the closing of the Asset Purchase Agreement, those benefits terminated. Prior to terminating his benefits, UI extended the term of those benefits and permitted Seaver to remain on its health insurance until Seaver obtained replacement coverage through Tangerine, with Seaver reimbursing the UI Defendants for those costs.

39. After April 2007, Hecht who was the former President of Summit and became a director of UI Technologies and General Manager of Summit Technologies a division of UniNet Imaging[14] asked Seaver not to contact any UI and/or former Summit employees working for UI because of his lack of a non-compete/confidentiality agreement. Seaver acknowledged that he was not allowed to interfere with UI's business by communicating with its employees.

40. Joseph Cachia, former VP of Operations of Summit who became a director of UI Technologies and VP of Operations of UI Supplies, informed Seaver that the former employees were forbidden to speak with him about UI business, as he did not have a non-compete agreement. Seaver acknowledged that he understood this instruction.

41. Representatives of the UI Defendants made representations to Seaver that the UI Defendants held and owned the rights to the Circle Consulting Agreement and that Seaver was bound by it to the extent of the nondisclosure and noncompetition provisions.

42. While UniNet characterized the transactions as an Asset Purchase, it represented the transaction to the industry as a merger in a press release, which also appeared on the UI Defendant's website for most of the trial.[15]

43. UniNet began invoicing for Summit Technologies prior to the effective date of the transaction. The invoices on several occasions identified the invoicer as "Summit Technologies, a division of UniNet".

44. Summit's business continued after the transaction as a "division of UniNet".

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[14] Ex. 227

[15] The press release was removed from the UI Defendants company website during the trial.

45. The UI Defendants, as successors-in-interest to Summit, also assumed certain other contractual obligations and rights of Summit, but claim those obligations due and owing from Summit to Seaver were not included.

46. Helfstein claims he drafted Exhibit "E" to address the two consulting agreements that Helfstein and Seaver had with Summit after Seaver refused to agree to a replacement consulting agreement. Exhibit "E" of the Asset Purchase Agreement specifically set forth that "CONSULTING AGREEMENTS WITH IRA SEAVER AND LEWIS HELFSTEIN NOT BEING ASSUMED." Helfstein claims to have created Exhibit "E" as a part of the original Asset Purchase Agreement to insure that the previous consulting contracts would not be enforced against UI.

47. While the UI Defendants claim that an Exhibit "E" disclaiming responsibility for the consulting agreement with Seaver was included as part of the transaction the evidence supporting this contention lacks credibility.[16]

48. The subsequent conduct and actions of the UI and Helfstein Defendants, however, do not correspond or support the assertion on their part that the Circle Consulting Agreement was not assumed because the UI Defendants made representations to Seaver that they held and owned the rights to the Circle Consulting Agreement and that he was bound by it insofar as he could not compete with them nor disclose any information they deemed confidential.

49. Seaver on behalf of Circle sent invoices and statements to the UI Defendants for the monies due to them under the Circle Consulting Agreement to which the UI Defendants did not respond.

50. The UI Defendants touted and publicized their purchase of Summit along with its intellectual property technology and other proprietary information which it possessed as a result of the past efforts and work of Seaver, and continued to do so until shortly before the conclusion

[16] During the original motion to dismiss, it came to the Court's attention that there were significant issues about the existence of the proffered Exhibit "E". Trial Exhibit 207, documents an additional occasion where the agreement was not provided. The testimony and evidence taken together leads the Court to the conclusion that Exhibit "E" was not created and executed at the time of the closing of the transaction.

of trial.

51. Seaver and Circle honored their obligations under the Circle Consulting Agreement with Summit—irrespective of the UI Defendants' claims that they did not assume the same—by not competing with the UI Defendants as well as keeping all information they deemed confidential, confidential.[17]

52. Seaver and Circle detrimentally relied on the representations related to the obligations under the Circle Consulting Agreement in not competing with the UI or Helfstein Defendants although they did not receive compensation for such.

53. Seaver testified that counsel for the UI Defendants informed him that he could not engage in a business venture with Static Control; as a result of that position Seaver did not accept the position with Static Control and suffered a financial loss.

54. Plaintiff's expert, Rodney Conant testified, based upon his review of the books and records of Summit show that Seaver, as a consequence of honoring the Circle Consulting Agreement with Summit Technologies, lost income (along with his family Trust and Circle Consulting) in the total amount of $3,792,570.00.

55. No expert damages testimony was presented by the UI Defendants.

56. There is not a special relationship between Plaintiffs, individually or collectively, and the UI Defendants, individually or collectively, requiring the UI Defendants to protect Plaintiffs.

57. If any findings of fact are properly conclusions of law, they shall be treated as if appropriately identified and designated.

CONCLUSIONS OF LAW

1. Seaver did not breach his obligations under the Circle Consulting Agreement. Seaver did not compete with Summit although he had a relationship with Tangerine Express, received payments from a prior sale of an interest in Raven Industries, and rented space to Static

[17] Seaver testified he originally was informed by Hecht that he could not compete with the UI Defendants because of his prior agreement. He was later informed he could not take a position with Static Controls by counsel for the UI Defendants.

Control.

2. Given the representations by representatives of UI Technologies and UI Supplies, including counsel, the UI Defendants are estopped form arguing that the Circle Consulting Agreement was not assumed as a result of the transaction.

3. Four elements comprise the theory of promissory estoppel: (1) the party to be estopped must be apprised of the true facts; (2) he must intend that his conduct be acted upon, or must act so that the other party asserting estoppel has the right to believe it was so intended; (3) the party asserting the estoppel must be ignorant of the true state of facts; and (4) he must have relied to his detriment on the conduct of the party to be estopped. *Pink v. Busch*, 100 Nev. 684, 689, 691 P.2d 456, 459 (1984) (citation omitted). The doctrine of promissory estoppel also requires reliance that is foreseeable and reasonable. *American Sav. & Loan Ass'n v. Stanton-Cudahy Lumber Co.*, 85 Nev. 350, 359, 455 P.2d 39, 41 (1969).

4. The facts here support a claim for promissory estoppel. Here, Plaintiffs justifiably relied upon the representations of the UI Defendants of the obligations remaining under the Circle Consulting Agreement including the obligations not to compete, and not to disclose confidential information. Plaintiffs have established that the UI Defendants made false or misleading misrepresentations regarding the continuation of the Consulting Agreement.

5. The Court finds for Plaintiffs, and against the UI Defendants on the claim for promissory estoppel.

6. Seaver was not involved with the negotiations and lacks any personal knowledge to offer an opinion on these negotiations. While Helfstein, Hecht, and Saporiti are the persons qualified to provide "extrinsic evidence to determine the parties' intent, explain ambiguities, and supply omissions," *Ringle v. Bruton*, 120 Nev. 82, 93, 86 P.3d 1032, 1039 (2004), their statements when taken with the inconclusive documentary evidence are not credible. Given the lack of credibility of Helfstein and Hecht, the Court does not find the explanation related to the Exhibit "E" provided by those persons of assistance in making this determination.

7. A *de facto* merger occurs where the parties have essentially achieved the result of a merger although they do not meet the statutory requirements for *de jure* merger. Village

Builders v. US Laboratories, 121 Nev. 261 (2005). The factors to be weighed by the court in determining whether a *de facto* merger exists are: (1) whether there is a continuation of the enterprise; (2) whether there is a continuity of shareholders; (3) whether the seller corporation ceased its ordinary business operations; and (4) whether the purchasing corporation assumed the seller's obligations. Here after weighing the factors, the Court concludes that UI's acquisition of Summit is a *de facto* merger.

8. After Seaver refused to enter into a new consulting agreement, Helfstein unilaterally decided to proceed with the Asset Purchase Agreement without an agreement in place for Seaver. Helfstein communicated to Saporiti that he did not need Seaver's consent to the sale since Summit's operating agreement provided him with authority to sell as the managing member.

9. As the Court has found that the acquisition of Summit's assets was a *de facto* merger on the facts of this case, the Court finds in favor of Plaintiffs on the first cause of action for Breach of Circle Consulting Contract and finds against the UI Defendants.

10. The UI Defendants' representations to Seaver that he could not work for a competitor is evidence of a breach of the implied covenant of good faith and fair dealing. The Court finds for Plaintiffs on the claim for breach of the implied covenant of good faith and fair dealing against the UI Defendants.

11. " 'The doctrine of unjust enrichment or recovery in quasi contract applies to situations where there is no legal contract but where the person sought to be charged is in possession of money or property which in good conscience and justice he should not retain but should deliver to another [or should pay for].' " *Leasepartners Corp. v. Robert L. Brooks Trust Dated Nov. 12, 1975*, 113 Nev. 747, 942 P.2d 182, 187 (1997) (quoting 66 Am.Jur.2d Restitution § 11 (1973)). An unjust enrichment claim is "not available when there is an express, written contract, because no agreement can be implied when there is an express agreement." *Id.*

12. Here, given the Court's determinations on the other claims, Plaintiffs cannot prevail on the alternative claim for unjust enrichment.

13. The Court does not find that Plaintiffs have unclean hands in this matter by

pursuit of this lawsuit against the UI Defendants. While the UI Defendants argue that certain evidence illustrates that Plaintiffs attempted to manufacture evidence to bolster this action, the Court does not find this, taken in conjunction with the evidence presented at trial, as credible.

14. District courts have the discretion to determine if the alter ego doctrine applies in a case. *LFC Mktg. Group, Inc. v. Loomis*, 116 Nev. 896, 904, 8 P.3d 841, 846 (2000). The requirements for finding alter ego, which must be established by a preponderance of the evidence, are: (1) The corporation must be influenced and governed by the person asserted to be its alter ego; (2) There must be such unity of interest and ownership that one is inseparable from the other; and (3) The facts must be such that adherence to the fiction of separate entity would, under the circumstances, sanction a fraud or promote injustice. *Ecklund v. Nevada Wholesale Lumber Co.*, 93 Nev. 196, 197, 562 P.2d 479, 479-80 (1977) (citations omitted). However, that " '[t]he corporate cloak is not lightly thrown aside' and that the alter ego doctrine is an exception to the general rule recognizing corporate independence." *Loomis*, 116 Nev. at 903-04, 8 P.3d at 846 (quoting *Baer v. Amos J. Walker, Inc.*, 85 Nev. 219, 220, 452 P.2d 916, 916 (1969)).

15. Here, Saporiti complied with all of the corporate formalities in forming UI Supplies and UI Technologies to purchase the assets of Summit. There is no evidence that Saporiti, UniNet, UI Technologies and UI Supplies, in any combination, are inseparable. Furthermore, there is no evidence that the recognizing UI Technologies and UI Supplies as separate legal entities would have any promotion of fraud or injustice. Saporiti legally formed UI Supplies and UI Technologies to purchase the assets of Summit. He signed the Asset Purchase Agreement on behalf of UI Supplies and UI Technologies.

16. Despite the intertwining of the operations of the UI Defendants, Plaintiffs have not provided sufficient evidence to demonstrate that UI Supplies and UI Technologies were an alter ego of either Saporiti or UniNet.

17. While the UI Defendants assumed the Circle Consulting Agreement through their action and accomplished a *de facto* merger of Summit with UI Technologies and UI Supplies, the UI Defendants did not have a special duty to protect Plaintiffs from Helfstein, Hecht, or Summit. Under the common law, there is no duty to control the conduct of a third party to prevent him

from causing harm to another person, unless a special relationship exists.

18. Here, there was not a special relationship between Plaintiffs and the UI Defendants as recognized by the common law.

19. Two categories of damages which the Court believes are appropriate for award consistent with this decision are:

Lost Opportunity[18]	$469,450.92
Loss of Health Insurance Premiums[19]	$ 96,146.52
TOTAL	$565,597.44

20. If any conclusions of law are properly findings of fact, they shall be treated as if appropriately identified and designated.

JUDGMENT IS ENTERED AS FOLLOWS: Plaintiffs take judgment in the sum of $565,597.44 on the claims for breach of contract, breach of the covenant of good faith and fair dealing and promissory estoppel;

...

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[18] The Court has used Mr. Conant's figures but has made an adjustment. His figures on Exhibit "BB" show Due 4/1/07 through 12/31/10 $ 353,135.74
Due 1/1/11 through 12/31/14 328,419.34
$ 681,555.08
The Court only awards Lost Opportunity damages in the amount of $469,450.92 through 5/31/12 ($353,135.74 + $116,315.18) as the remainder of the damages have not yet been incurred and may be sought if a continuing breach of the agreement occurs.

[19] The Court has used Mr. Conant's figures but has made an adjustment. His figures on Exhibit "L" show Due 4/1/07 through 12/31/10 $ 74,865.00
Due 1/1/11 through 12/31/14 60,089.00
$ 134,954.00
The Court only awards Loss of Health Insurance Premiums as damages in the amount of $96,146.52 through 5/31/12 ($74,865.00 + $21,281.52) as the remainder of the damages have not yet been incurred and may be sought if a continuing breach of the agreement occurs.

JUDGMENT IS FURTHER ENTERED AS FOLLOWS: Plaintiffs may make a motion for attorneys' fees, if appropriate, and demand costs as provided for under the Nevada Rules of Civil Procedure, the Nevada Revised Statutes, and any other application rule, statute, or contract.

Dated this 17th day of May, 2012.

Elizabeth Gonzalez
District Court Judge

Certificate of Service

I hereby certify that on or about the date filed, this document was copied through e-mail, or a copy of this Order was placed in the attorney's folder in the Clerk's Office or mailed to the proper party as follows:

Jeffrey R. Albregts, Esq. (Cotton, Driggs, et al)

Michael B Lee, Esq.

Gary E Schnitzer, Esq. (Kravitz Schnitzer, et al)

Mr. Ira Seaver
2407 Ping Drive
Henderson, Nevada 89074

Dan Kutinac

IN THE SUPREME COURT OF THE STATE OF NEVADA

UI SUPPLIES; AND UI TECHNOLOGIES, Appellants, vs. IRA AND EDYTHE SEAVER FAMILY TRUST; IRA SEAVER; AND CIRCLE CONSULTING CORPORATION, Respondents.	**Supreme Court Case No. 61090** District Court Case No. A587003

DOCKETING STATEMENT
CIVIL APPEALS

GENERAL INFORMATION

All appellants not in proper person must complete this docketing statement. NRAP 14(a). The purpose of the docketing statement is to assist the Supreme Court in screening jurisdiction, classifying cases for en banc, panel, or expedited treatment, compiling statistical information and identifying parties and their counsel.

WARNING

This statement must be completed fully, accurately and on time. NRAP 14(c). The Supreme Court may impose sanctions on counsel or appellant if it appears that the information provided is incomplete or inaccurate. *Id.* Failure to attach documents as requested in this statement, completely fill out the statement, or to fail to file it in a timely manner, will constitute grounds for the imposition of sanctions, including a fine and/or dismissal of the appeal.

This court has noted that when attorneys do not take seriously their obligations under NRAP 14 to complete the docketing statement properly and conscientiously, they waste the valuable judicial resources of this court, making the imposition of sanctions appropriate. *See Moran v. Bonneville Square Assocs.*, 117 Nev. 525, 25 P.3d 898 (2001); *KDI Sylvan Pools v. Workman*, 107 Nev. 340, 810 P.2d 1217 (1991). Please use tab dividers to separate any attached documents.

1. Judicial District Eighth Department XI
   County Clark Judge Elizabeth Gonzalez
   District Ct. Case No. A587003

2. **Attorney filing this docket statement:**

   Attorney Jeff Silvestri, Esq. and Seth T. Floyd, Esq. Telephone 702-873-4100
   Firm McDonald Carano Wilson LLP
   Address 2300 W. Sahara Avenue, Suite 1000, Las Vegas, Nevada 89102
   Client(s) UI Supplies and UI Technologies

Attorney Michael B. Lee, Esq. Telephone 702-477-7030
Firm Michael B. Lee, P.C.
Address 2000 So. Eastern Avenue, Las Vegas, NV. 89104
Client(s) UI Supplies and UI Technologies

Attorney Gary E. Schnitzer, Esq. Telephone 702-362-6666
Firm Kravitz, Schnitzer, Sloane, & Johnson, Chtd.
Address 8985 So. Eastern Avenue, Suite 200
Client(s) UI Supplies and UI Technologies

If this is a joint statement completed on behalf of multiple appellants, add the names and addresses of other counsel and the names of their clients on an additional sheet accompanied by a certification that they concur in the filing of this statement.

3. **Attorney(s) representing respondent(s):**

Attorney Jeffrey R. Albregts, Esq. Telephone (702) 791-0308
Firm Cotton, Driggs, Walch, Holley, Woloson & Thompson
Address 400 South Fourth Street, Third Floor, Las Vegas, NV 89101
Client(s) Ira and Edythe Seaver Family Trust; Ira Seaver; and Circle Consulting Corporation

4. **Nature of disposition below (check all that apply):**

- ☒ Judgment after bench trial
- ☐ Judgment after jury verdict
- ☐ Summary judgment
- ☐ Default Judgment
- ☐ Dismissal
- ☐ Lack of jurisdiction
- ☐ Failure to state a claim
- ☐ Failure to prosecute
- ☐ Other (specify)
- ☐ Grant/Denial of NRCP 60(b) relief
- ☐ Grant/Denial of injunction
- ☐ Grant/Denial of declaratory relief
- ☐ Review of agency determination
- ☐ Divorce decree:
- ☐ Original ☐ Modification
- ☐ Other disposition (specify):

Order Granting Summary Eviction

5. **Does this appeal raise issues concerning any of the following:** No.

- ☐ Child custody
- ☐ Venue
- ☐ Adoption
- ☐ Termination of parental rights
- ☐ Grant/denial of injunction or TRO
- ☐ Juvenile matters

6. **Pending and prior proceedings in this court.** List the case name and docket number of all appeals or original proceedings presently or previously pending before this court which are related to this appeal:

Helfstein v. UI Supplies, Case No. 56383

7. **Pending and prior proceedings in other courts.** List the case name, number and court of all pending and prior proceedings in other courts which are related to this appeal (*e.g.*, bankruptcy, consolidated or bifurcated proceedings) and their dates of disposition:

N/A.

8. **Nature of action.** Briefly describe the nature of the action, including a list of the causes of action pleaded, and the result below:

This action arises out of a dispute related to a consulting agreement between Circle Consulting Corp. and Summit Technologies in 2004. In 2007, Summit sold substantially all of its assets to UI Technologies ("UIT") and UI Supplies ("UIS"), but a dispute arose over whether the consulting agreement was included in the sale.

On April 3, 2009, Ira and Edythe Seaver Family Trust, Ira Seaver, and Circle Consulting Corporation ("Plaintiffs") filed a Complaint against the Helfstein Defendants and the UI Defendants, asserting ten causes of action: (1) Breach of the Circle Consulting Contract (against all Defendants); (2) Breach of Summit Technologies Operating Agreement (against Helfstein Defendants only); (3) Breach of Summit Technologies Operating Agreement (against Helfstein Defendants and Summit Only); (4) Breach of Fiduciary Duty (against Helfstein Defendants only – amended at trial to include UI Defendants); (5) Promissory Estoppel (against UniNet Defendants only); (6) Unjust Enrichment (against UniNet Defendants only); (7) Accounting (against Summit and Helfstein Defendants only – dismissed at the close of Plaintiffs' case); (8) Declaratory Relief (against All Defendants); (9) Breach of Implied Covenant of Good Faith and Fair Dealing (against all Defendants – tortious breach of the covenant of good faith and fair dealing dismissed at the close of Plaintiffs' case); and (10) Alter Ego (against all Defendants – dismissed as to UI Defendants at the close of Plaintiffs' case).

On May 21, 2012, the District Court entered findings of fact and conclusions of law, finding in favor of Plaintiffs on the claims for promissory estoppel, breach of contract, and breach of the implied covenant of good faith and fair dealing for damages, as of May 31, 2012, of $565,597.44. Defendants then filed a Motion to Alter or Amend or, in the Alternative, For Satisfaction of Judgment Based on Settlement With Summit Technologies ("Motion to Alter or Amend") based on a prior settlement agreement. In the motion, Defendants contended that a prior settlement agreement entered into by UIS's and UIT's predecessor-in-interest necessarily satisfied the judgment in light of the court's finding that UIS and UIT merged with its predecessor. The district court heard the motion on July 10, 2012, and determined that an evidentiary hearing would be necessary to resolve the dispute. Accordingly, the court granted the parties additional discovery and set an evidentiary hearing for a date to be determined in the future. A status check on the readiness of the issue is set for September 20, 2012.

Prior to the July 10 hearing, Plaintiffs attempted to execute against accounts held by parties that Defendants claim are not included in the findings of fact and conclusions of law. Accordingly, Defendants filed claims of exemption pursuant to NRS 21.112 and a Motion (1) For Order Clarifying that UniNet and Nestor Saporiti Have no Liability Pursuant to this Court's Findings of Fact and Conclusions of Law, (2) to Strike Writs of Execution and Garnishment, and (3) For Order Returning Funds to UniNet and UI Supplies ("Motion to Clarify"). A hearing on this motion is currently scheduled for August 30, 2012.

9. **Issues on appeal.** State concisely the principal issue(s) in this appeal:

In light of the ongoing post-judgment activity in this case, it is difficult to identify the issues on appeal. The Notice of Appeal concerns the May 21, 2012 findings of fact and conclusions of law, from which Appellants filed post-judgment motions that are still pending, including the Motion to Clarify the judgment and an evidentiary hearing stemming from the Motion to Alter or Amend. As to the findings, Appellants contend that two of the parties (UniNet and Mr. Saporiti) are not judgment debtors pursuant to a determination by the court that no alter ego theory allowed Respondents to claim liability against the aforementioned defendants. Appellants also believe there is an issue regarding whether a prior settlement satisfied the judgment. As the district court has not yet decided those issues, they form the basis of Appellants' appeal. A determination on those issues during one of the upcoming hearings could significantly alter the relevant issues before this court.

10. **Pending proceedings in this court raising the same or similar issues.** If you are aware of any proceeding presently pending before this court which raises the same or similar issues raised in this appeal, list the case name and docket number and identify the same or similar issues raised:

None.

11. **Constitutional issues.** If this appeal challenges the constitutionality of any statue, and the state, any state agency, or any officer or employee thereof is not a party to this appeal, have you notified the clerk of this court and the attorney general in accordance with NRAP 44 and NRS 30.130?

N/A ___X___ Yes _____ No _____

12. **Other issues.** Does this appeal involve any of the following issues? No.

Reversal of well-settled Nevada precedent (on an attachment, identify the case(s))
An issue arising under the United States and/or Nevada Constitutions
A substantial issue of first-impression
An issue of public policy
An issue where en banc consideration is necessary to maintain uniformity of this court's decisions
A ballot question

13. **Trial.** If this action proceeded to trial, how many days did the trial last? 6
Was it a bench or jury trial? Bench trial

14. **Judicial disqualification.** Do you intend to file a motion to disqualify or have a justice recuse him/herself from participation in this appeal. If so, which Justice? No

15. **Date of entry of written judgment or order appealed from** 05/21/12. *See* **Exhibit 1.** Attach a copy. If more than one judgment or order is appealed from, attach copies of each judgment or order from which an appeal is taken

    (a) If no written judgment or order was filed in the district court, explain the basis for seeking appellate review:
    N/A

16. **Date written notice of entry of judgment or order served** 5/21/12. *See* **Exhibit 1** above. Attach a copy, including proof of service, for each order or judgment appealed from.

    (a) Was service by delivery _____ or by mail/electronic/fax X (specify).

17. **If the time for filing the notice of appeal was tolled by a post-judgment motion (NRCP 50(b), 52(b), or 59),**

    (a) Specify the type of motion, and the date and method of service of the motion, and the date of filing. N/A.

    NRCP 50(b)_____ Date served_____ By delivery___ or by mail__ Date of filing_____
    NRCP 52(b)_____ Date served_____ By delivery___ or by mail__ Date of filing_____
    NRCP 59_____ Date served _____By delivery___or by mail__ Date of filing _____

18. **Date notice of appeal was filed** 06/15/12.

    (a) If more than one party has appealed from the judgment or order, list the date each notice of appeal was filed and identify by name the party filing the notice of appeal:

19. **Specify statue or rule governing the time limit for filing the notice of appeal, *e.g.*, NRAP 4(a), NRS 155.190, or other** NRAP 4(a).

20. **Specify the statute or other authority granting this court jurisdiction to review the judgment or order appealed from:**

    NRAP 3A(b)(1) X NRS 155.190_____ (specify subsection) _____
    NRAP 3A(b)(2)_____ NRS 38.205_____ (specify subsection) _____
    NRAP 3A(b)(3)_____ NRS 703.376_____
    Other (specify)_____

    Explain how each authority provides a basis for appeal from the judgment or order:

a. "An appeal may be taken from the following judgments and orders of a district court in a civil action:
(1) A final judgment entered in an action or proceeding commenced in the court in which the judgment is rendered."

21. **List all parties involved in the action in the district court:**

Plaintiffs: Ira and Edythe Seaver Family Trust, Ira Seaver, Circle Consulting Corporation

Defendants: UI Supplies, UI Technologies, UniNet Imaging, Inc., and Nestor Saporiti

Defendants Voluntarily Dismissed by Plaintiffs and Stayed Third Party/Crossclaim Defendants: Lewis Helfstein, Madalyn Helfstein, Summit Laser Products, Inc., and Summit Technologies, LLC

22. **Give a brief description (3 to 5 words) of each party's separate claims, counterclaims, cross-claims or third-party claims, and the trial court's disposition of each claim, and how each claim was resolved (*i.e.*, order, judgment, stipulation), and the date of disposition of each claim. Attach a copy of each disposition.**

Plaintiffs' Claims

(1) Breach of Circle Consulting Contract (against all Defendants)

Judgment for Plaintiffs by way of de facto merger.

(2) Breach of Summit Technologies Formation Agreement (against Helfstein Defendants Only)

Judgment for Defendants.

(3) Breach of Summit Technologies Operating Agreement (against Helfstein Defendants and Summit Only)

Not considered.

(4) Breach of Fiduciary Duty (against Helfstein Defendants Only – amended at trial to include UI Defendants)

Judgment for UI Defendants; no findings as to Helfstein Defendants.

(5) Promissory Estoppel (against UniNet Defendants Only)

Judgment for Plaintiffs.

(6) Unjust Enrichment (against UniNet Defendants Only)

Judgment for UniNet Defendants based on finding that a written contract existed.

(7) Accounting (against Summit and Helfstein Defendants Only – dismissed at the close of Plaintiffs' case)

Judgment for Defendants pursuant to NRCP 52(c) after close of Plaintiffs' case in chief.

(8) Declaratory Relief (against All Defendants)

No findings.

(9) Breach of Implied Covenant of Good Faith and Fair Dealing (against All Defendants)

Dismissal of tortious breach of the covenant of good faith and faith dealing after close of Plaintiffs' case in chief.

(10) Alter Ego (against All Defendants)

Judgment for Defendants.

UI Defendants' Counterclaims

(1) Breach of Contract

Dismissal of breach of contract counterclaim after close of Defendants' case in chief.

(2) Breach of Covenant of Good Faith and Fair Dealing

Dismissal of breach of contract counterclaim after close of Defendants' case in chief.

(3) Unjust Enrichment

Dismissal of breach of contract counterclaim after close of Defendants' case in chief.

UI Defendants' Cross-Claims

(1) Breach of Contract

Stayed and shifted to arbitration in New York.

(2) Breach of the Covenant of Good Faith and Fair Dealings

Stayed and shifted to arbitration in New York.

(3) Unjust Enrichment

Stayed and shifted to arbitration in New York.

(4) Fraud

Stayed and shifted to arbitration in New York.

(5) Fraudulent Misrepresentation

Stayed and shifted to arbitration in New York.

(6) Intentional Misrepresentation

Stayed and shifted to arbitration in New York.

(7) Negligent Misrepresentation

Stayed and shifted to arbitration in New York.

(8) Breach of Expressed and Implied Warranties

Stayed and shifted to arbitration in New York.

(9) Implied Indemnity

Stayed and shifted to arbitration in New York.

(10) Equitable Indemnity

Stayed and shifted to arbitration in New York.

(11) Apportionment

Stayed and shifted to arbitration in New York.

(12) Equitable Estoppel

Stayed and shifted to arbitration in New York.

23. **Did the judgment or order appealed from adjudicate ALL the claims alleged below and the right and liability of ALL the parties to the action below:**

Yes X No _____

24. **If you answered "No" to the immediately previous question, complete the following:**

(a) Specify the claims remaining pending below:

(b) Specify the parties remaining below:

(c) Did the district court certify the judgment or order appealed from as a final judgment pursuant to NRCP 54(b):

Yes _____ No __X____

(d) Did the district court make an express determination, pursuant to NRCP 54(b), that there is not just reason for delay and an express direction for the entry of judgment:

Yes _____ No __X____

25. **If you answered "No" to any part of question 25, explain the basis for seeking appellate review (*e.g.*, order is independently appealable under NRAP 3A(b)):**

Although the district court did not specifically certify its May 21, 2012 findings of fact and conclusions of law as final, the findings appear to constitute a final appealable determination. However, there are pending post-trial motions such that the appealable issues are currently in limbo. Those motions are the Motion (1) For Order Clarifying that UniNet and Nestor Saporiti Have no Liability Pursuant to this Court's Findings of Fact and Conclusions of Law, (2) to Strike Writs of Execution and Garnishment, and (3) For Order Returning Funds to UniNet and UI Supplies, and the Motion to Alter or Amend or, in the Alternative, For Satisfaction of Judgment Based on Settlement With Summit Technologies based on Plaintiffs' settlement with Summit Technologies, LLC. Because the district court found that UI Supplies, Inc. and UI Technologies, Inc. were the successors-in-interest of Summit Technologies, LLC and Summit Laser Products, the settlement agreement and the voluntary dismissal inured to the benefit of UI Supplies, Inc. and UI Technologies, Inc. under the plain language of the settlement documents.

As such, the outcome of the evidentiary hearing related to the rescission of the Summit Settlement could potentially raise additional appellate issues that the UI Defendants will need to clarify in the future. Currently, the UI Defendants assert that the district court made several errors in both findings of fact and the application of law in the underlying trial. The findings of fact by the district court contain several incongruous findings that conflict with the basis for judgment.

26. **Attach file-stamped copies of the following documents:**

- The latest-filed complaint, counterclaims, cross-claims, and third-party claims
- Any tolling motion(s) and order(s) resolving tolling motion(s)
- Orders of NRCP 41(a) dismissals formally resolving each claim, counterclaims, cross-claims and/or third-party claims asserted in the action or consolidated action below, even if not at issue on appeal
- Any other order challenged on appeal
- Notices of entry for each attached order

See attached **Exhibits 2-4**.

VERIFICATION

I declare under penalty of perjury that I have read this docketing statement, that the information provided in this docketing statement is true and complete to the best of my knowledge, information and belief, and that I have attached all required documents to this docketing statement.

UI Supplies and UI Technologies	Jeffrey A. Silvestri, Seth T. Floyd, Michael B. Lee, and Gary E. Schnitzer
Name of Appellant	Name of counsel of record
August 15, 2012	/s/Seth T. Floyd
Date	Signature of counsel of record

Clark County, Nevada
State and county where signed

CERTIFICATE OF SERVICE

I certify that on the 15th day of August, 2012, I served a copy of this completed docketing statement upon all counsel of record:

By personally serving it upon him/her; or

☑ By mailing it by first class mail with sufficient postage prepaid to the following address:

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/s/ Della Sampson
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