**ASSET PURCHASE AGREEMENT**

This Asset Purchase Agreement (“Agreement”) is made as of the date entered below (the “Effective Date”) by and among West Coast Career Services, LLC, a Washington limited liability company (“Buyer”), West Coast Careers, Inc., a Washington corporation (“Seller”) and Edward Beaulieu and Christopher Shablak (each an “Owner” and collectively, the “Owners”).

**RECITALS**

WHEREAS, subject to the terms and conditions set forth herein, Buyer desires to purchase from Seller, and Seller desires to sell, transfer, and assign to Buyer, all assets of Seller used in connection with and relating to that business known as West Coast Careers (hereinafter, the “Business”) for the consideration specified herein;

NOW, THEREFORE, in order to consummate the purchase and sale of the Purchased Assets, as defined below, and in consideration of the mutual agreements and covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

**AGREEMENT**

1. **Purchased Assets**. Seller agrees to sell, transfer, assign, convey, set over, grant and deliver to Buyer; and Buyer agrees to purchase from Seller all the tangible and intangible assets of Seller and the Business including all customer lists, customer files, customer contracts, furniture, fixtures, email addresses, websites and URLs, books, records, data files or other information used by Seller and relating, directly or indirectly to the Business including any historic records, marketing materials, telephone and fax numbers, social media accounts (to the extent owned and transferable to Seller), all intellectual property (including trade names, trade secrets, copyrights and trademarks), software (to the extent owned), all work and contracts in process relating to the Business, all accounts receivable of the Business as of Closing, and all other assets of the Business whether or not they appear on the Seller’s balance sheet, provided however, the Purchased Assets shall not include any cash or cash equivalents of the Company (collectively the “Purchased Assets”). The Purchased Assets are to be delivered free and clear of any and all security interests, mortgages, liens or other encumbrances, except as otherwise agreed among the parties.
2. **Excluded Assets**. Purchased Assets will not include, and Seller shall retain those assets which are personal to the Owners and which are further described in “Schedule 2” (“Excluded Assets”). Seller’s and Owners have exempted out certain accounts receivables as part of the Excluded Assets. Seller and Owners are entitled to use the West Coast Careers name, telephone numbers, e-mail addresses for the limited purposes of collecting on these excluded accounts receivables.
3. **No Assumption of Liabilities**. All liabilities and obligations of Seller of any kind, including but not limited to, Seller’s (i) contractual obligations; (ii) accounts payable accrued and debts incurred prior to the Closing Date; (iii) obligations and liabilities with respect to employee relationships; (iv) liability for violation of any laws, rules, regulations, permits, approvals or orders; and (v) taxes and related obligations are not assumed by Buyer and remain the responsibility of Seller unless otherwise described in “Schedule 3”. Should Buyer desire to assume certain contracts of Seller, Seller agrees to assist Buyer in obtaining any required consents and assignments.
4. **Purchase Price**. The Purchase Price for the Purchased Assets will be **$532,500.00** plus all Working Capital (as defined below) paid as follows:
   1. **Cash**. **$426,000.00** (subject to the Hold Back described below) shall be paid by Buyer to Seller in cash at Closing.
   2. **Seller’s Note**. Buyer shall execute a secured promissory note (“Seller Note”) in the amount of **$106,500.00** with simple interest at the rate of 6% per annum in the form substantially similar to the form attached hereto as Exhibit A which shall be subordinated to Buyer’s lender’s (“Lender”) loan and subject to the terms of a subordination agreement between Buyer, Lender and Seller. The Seller Note shall be fully amortized over five (5) years. Buyer will make equal monthly installments of principal and interest for the balance of the term of the Seller Note, and Buyer shall make a balloon payment of all remaining principal and accrued interest on the date which is sixty (60) months following Closing.
   3. **Working Capital**. The Purchase Price will be adjusted within ninety (90) days after Closing by the amount of Working Capital of the Business. “Working Capital” shall be calculated as Seller’s Current Accounts Receivable as of the Closing Date. “Current Accounts Receivable” shall mean Seller’s accounts receivable at Closing *less* (i) commissions owing to Seller’s employees, *less* (ii) all payroll taxes and withholdings allocable to the Seller’s accounts receivable, *less* (iii) fees which are not paid if a candidate is still not employed through the 60 or 90 day guarantee period, as applicable pursuant to agreements between Seller and Seller’s client, *less* (iv) accounts receivables not collectible in the ordinary course of business. “Target Working Capital” as of Closing shall be Forty Eight Thousand Three Hundred Sixty One and 74/100 Dollars ($48,361.74). In the event that Working Capital is less than Target Working Capital, then Seller shall pay Buyer an amount of any shortfall in cash. In the event that Working Capital exceeds the Target Working Capital, Buyer shall pay Seller the amount of excess working capital in cash. All payments shall be made within three (3) days of the final determination of the shortfall or excess.
      1. Within 90 days after Closing, the Buyer shall prepare and deliver to the Seller a statement (the “Statement”) setting forth the amount of the Working Capital, its calculation of the Working Capital, and a certificate of the Buyer that the Closing Working Capital Statement was prepared and applied on a consistent basis in accordance with Seller’s historical practices.
      2. After receipt of the Statement, Seller shall have thirty (30) days (“Review Period”) to review the Statement. During the Review Period, the Seller and Seller’s accountants shall have full access to books and records of the Buyer, the personnel of and work papers prepared by Buyer and Buyer’s accountants to the extent such work papers relate to the Statement, and to such historical information (to the extent in the Buyer’s possession) related to the Statement as Seller may reasonably request for purposes of reviewing the Statement and to prepare any Objections.
      3. On or prior to the last day of the Review Period, the Seller may object to the Statement by delivering to Buyer a written statement setting forth Seller’s objections in reasonable detail, indicating each disputed item or amount and the basis for the Seller’s disagreement with the Statement (“Objections”). If Seller fails to deliver the Objections before the expiration of the Review Period, the Statement shall be deemed to have been accepted by Seller and shall be final, conclusive and non-appealable. If Seller delivers the Objections before the expiration of the Review Period, the Buyer and Seller shall negotiate in good faith to resolve such Objections within ten (10) days after delivery of the Objections (“Resolution Period”) and, if the same are so resolved within the Resolution Period, the Statement, with such changes as may have been previously agreed to by Buyer and Seller, shall be final, conclusive and non-appealable.
      4. If the Buyer and Seller fail to reach an agreement with respect to all matters set forth in the Objections before the expiration of the Resolution Period, then any amounts remaining in dispute (“Disputed Amounts”) shall be submitted for resolution to Moss Adams LLP or such other regional accounting firm selected by agreement between Buyer and Seller (“Independent Accountants”) who acting as experts and not arbitrators, shall resolve the Disputed Amounts only and make any adjustments to the Statement, provided that the Independent Accounts shall not assign a value to any item greater than the greatest value of such item claimed by either party. Buyer and Seller acknowledge and agree that the determination of the Independent Accountants shall be final, conclusive and non-appealable. Cost and fees of the Independent Accountants shall be shared equally between Buyer and Seller.
   4. **Hold Back**. The parties agree to retain Twenty Eight Thousand Two Hundred and No/100 Dollars ($28,200.00) (the “Hold Back”) for a period of up to ninety (90) days following the Closing Date (the “Hold Back Period”) pursuant to the terms of an Escrow Agreement in the form substantially similar to the form attached hereto as Exhibit E. Upon expiration of the guarantee period set under any such client agreement, the parties shall jointly instruct Escrow Agent to disburse to Seller the amounts associated with such candidate. In the event that any recruitment placement with a client of the Seller does not last beyond the guarantee period set under any such client agreement, within the Hold Back Period, an amount equal to the credit for such client shall be disbursed to Buyer. At the conclusion of the Hold Back Period, any funds not disbursed to Buyer shall be released to Seller.
5. **Allocation of Purchase Price**. The allocation of the Purchase Price will be as agreed by the parties and as documented in “Schedule 5”. The parties agree that all tax returns filed by Buyer and Seller with respect to the transaction contemplated by this Agreement shall be consistent with said allocation. Should there be any adjustments to the Purchase Price those adjustments will also adjust the appropriate asset category of such allocation. For avoidance of doubt, the allocation shall not be deemed evidence of the amount of liability in the case of any breach of this Agreement or any of the associated transaction documents.
6. **Closing**. The closing of the transaction contemplated by this Agreement will occur on March 8, 2019 (the “Closing Date”), unless otherwise extended or accelerated as agreed in writing between the parties. Closing will be handled by Schneider Law and Escrow PLLC, 520 Kirkland Way, Suite 400, Kirkland, Washington 98033, (“Escrow Agent”) who is a neutral party to this transaction. Buyer and Seller shall, immediately on demand, deposit with Escrow Agent all instruments and monies required to complete the purchase and sale in accordance with this Agreement. “Closing” shall be deemed to have occurred when all documents required to close are delivered to Escrow Agent and the sale proceeds are available to Seller. Seller and Buyer shall each pay one-half of the Escrow Agent’s fees and expenses. Any recording fees are the sole expense of Buyer. Except as may otherwise be expressly provided in this Agreement or by other written agreement between the parties, personal property taxes payable in the year of Closing, rents and other payments under assumed contracts or leases, utilities, phone company charges, advertising fees, and other operating expenses shall be pro-rated as of the Closing and such reconciliation shall occur no later than thirty (30) days following the Closing Date. Simultaneously with the Closing, Buyer shall be put into full possession and enjoyment of the Purchased Assets.
   1. **Closing Deliverables**.
      1. **Seller Deliverables**. At Closing, Seller shall deliver to Buyer the following documents and instruments:
         1. Seller Note. Seller executed Seller Note substantially in the form attached as Exhibit A;
         2. Security Agreement. Seller executed the Security Agreement granting Seller a security interest in all of the Purchased Assets as collateral for payment of the Seller Note, substantially in the form attached as Exhibit A-1;
         3. Bill of Sale, Assignment and Assumption Agreement. Seller executed Bill of Sale for the Purchased Assets substantially in the form attached as Exhibit B;
         4. Non-Competition Agreement. Owners executed Non-Competition Agreements substantially in the form attached as Exhibit C;
         5. Escrow Agreement. Seller executed Escrow Agreement in the form attached as Exhibit D;
         6. Consulting Agreement. Owners executed Consulting Agreements substantially in the form attached as Exhibit E;
         7. Payoffs and UCC Terminations. Payoff Letters from any of Seller’s creditors holding a security interest in the Purchased Assets, and UCC-3 termination statements that will release such security interests;
         8. Books and Records. Except for any Excluded Assets, Seller’s books and records, keys, combinations, codes, passwords and such other information in Seller’s possession required by Buyer to operate the Business;
         9. Third Party Consents. All third-party consents required to transfer personal property and contracts to be assigned to Buyer at Closing.
      2. **Buyer Deliverables**. At Closing, Buyer shall deliver to Seller the following:
         1. Cash. The cash portion of the Purchase Price;
         2. Agreement Counterparts. Counterparts to those documents listed in Section 6.1.1 which require Buyer’s signature.
7. **Employees**. As of the Closing Date, Seller shall terminate its employees working in the Business and be obligated to pay to all employees all amounts owed to any and all such employees up through midnight of the business day immediately prior to the Closing Date including, but not limited to, wages, bonuses, and other compensation. Amounts potentially due and owing employees shall include any compensation up through midnight of the last business day prior to the Closing Date and any bonuses to which they are entitled. Buyer shall be responsible for any vacation or sick time accruals due to employees terminated by Seller and subsequently rehired by Buyer. At Closing, Seller shall refund to Buyer an amount equal to the accrued liabilities for vacation and sick leave for its employees other than the President and CEO, and only to the extent such employees are hired by Buyer. Buyer will not communicate in any way with Seller’s employees without Seller’s prior approval. Buyer shall be permitted, but not obligated, to offer employment to any of the employees of the Seller on compensation and terms satisfactory to Buyer in its sole discretion. Seller shall use its best efforts to assist Buyer with such employment activities.
8. **Expenses**.
   1. The operation of the Business and related income and expenses up to the close of business on the Closing Date will be for the account of Seller and thereafter for the account of Buyer. Seller will pay all of its own operating expenses, including but not limited to utilities, personal property taxes, rents, lease payments, real property taxes, income taxes, business excise taxes, sales and use taxes, Washington business and occupation taxes, wages, vacation or paid sick time, payroll taxes, and fringe benefits of employees of Seller up to and including the Closing Date and Buyer will be responsible for all such expenses accruing after the Closing Date..
   2. Except as provided herein, each of the parties will bear its own costs and expenses (including legal fees, broker fees, and expenses) incurred in connection with this Agreement and the transactions contemplated hereby.
   3. Buyer shall be responsible for any and all sales, use and excise tax in connection with its purchase of the Purchased Assets.
   4. Rent, utilities and other similar items of expense normally prorated as of Closing shall be prorated at Closing.
   5. Immediately upon Closing, Seller shall provide Buyer access to the principal place of the Business.
9. **Consulting**. Each Owner agrees to provide consulting, training, customer transition assistance and support (“Consulting Services”) to Buyer for three (3) months following the Closing Date (“Consulting Period”) onsite at the principal location of the Business during normal working hours of the Business at the request of Buyer in its sole discretion pursuant to the terms of a Consulting Agreement in the form substantially similar to the form attached hereto as Exhibit E. The provision of Consulting Services is subject to (i) the Owners’ planned vacations (Chris Shablak from March 18 through March 26 and for Ed Beulieu from March 11 through March 15) or (ii) illness or sickness which makes an Owner unavailable for work. The Owners may also spend a commercially reasonable amount of time during the Consulting Period and to use the Purchased Assets (such as the name West Coast Careers and the telephones, telephone numbers and e-mail addresses) to collect on the accounts receivables exempted from the Purchased Assets. Following the Consulting Period, the Owners’ obligations to provide Consulting Services under this Agreement and the Consulting Agreements shall cease, *provided however*, Owners may provide additional Consulting Services after the Consulting Period on terms mutually agreeable between Buyer and each Owner.
10. **Contingencies**. The sale is contingent upon the following events occurring before or on the Closing Date:
    1. **Due Diligence**. Buyer’s receipt of all requested documents and information requested for purposes of due diligence and Buyer’s acceptance of the results of such due diligence, which acceptance is at Buyer’s sole discretion; Seller shall make available such information and documentation requested regarding the Business to Buyer and provide Buyer access to the Seller and its assets at reasonable times and upon reasonable notice for inspection thereof so Buyer may perform its due diligence.
    2. **Inspection**. Buyer’s inspection and acceptance of the Purchased Assets and assurance that the Purchased Assets shall be delivered free and clear of all liens and other encumbrances.
    3. **Transaction Documents**. Approval by Buyer and Seller of all transaction documents in connection with this Agreement (the “Transaction Documents”) and including the terms of this Agreement and those documents required to be delivered by Seller at Closing.
    4. **Assignment of Contracts**. Assignment of each contract and lease listed in Schedule 3 has been accepted by the contractual parties thereof.
    5. **Lease**. Buyers receipt of an assignment for the lease for the principal place of business for the Business under terms acceptable to Buyer and Lender in their sole discretion.
    6. **Approval**. Approval of the transaction by the board of directors and shareholders of Seller.
    7. **Financing**. Buyer’s receipt of financing from a commercial lender under terms acceptable to Buyer, the lender and the Small Business Administration.
    8. **No Change**. Maintenance of the Seller’s business in the ordinary course, and the absence of any material adverse change in the Seller’s business of financial condition or material changed in the conduct of its business from the date of the mutually executed letter of intent or term sheet, until the date of Closing.
    9. **No Bankruptcy**. The Seller not seeking or requesting any type of bankruptcy protection or bankruptcy procedure prior to Closing.
11. **Termination of this Agreement**. Unless extended pursuant to the terms herein, either party may terminate this Agreement if the transaction contemplated herein fails to close at any time following the Closing Date through no fault of the terminating party.
12. **Representations and Warranties of Seller and Owners**. Seller and the Owners (the “Seller Parties”) each represents and warrants to Buyer as of the Effective Date and surviving Closing that:
    1. Seller is a legal entity legally formed in Washington State with the full power, right and authority to execute this Agreement and to perform all its obligations under this Agreement and to execute and deliver all documents required by this Agreement including transfer of title to the Seller’s assets. The execution and consummation of this Agreement, and any agreement contemplated hereby, does not and will not violate, conflict with, or create a default or a lien under any agreement, document, charter, bylaws, court order, injunction, or judgment to which Seller or Owner is a party or by which it or its property is bound.
    2. The Owners are the sole and exclusive legal owners of all right, title and interest in and have good and marketable title to all the equity and voting rights of Seller free and clear of all liabilities, obligations, liens and encumbrances.
    3. Seller is the sole and exclusive legal owner of all right, title and interest in and has good and marketable title to all the Purchased Assets free and clear of all liabilities, obligations, liens and encumbrances. Seller has maintained the Purchased Assets subject to ordinary wear and tear, and there is no defect or deficiency in the Purchased Assets that will have a materially adverse effect on Buyer’s ability to continue to conduct the Business substantially in accordance with past practices of the Business.
    4. Unless otherwise provided herein or disclosed in writing to Buyer, the Seller Parties’ execution of this Agreement and performance and compliance with its terms will not (i) require consent of, notice to, filing with, or license or permit from any person or conflict with, or result in the breach of, or trigger or accelerate any right or obligation (including prepayment penalties), or constitute a default or an event of default or an occurrence, circumstance, act or failure to act that, with the passage of time, the giving of notice, or both, would become a default or (ii) result in the creation of any liens upon the Purchased Assets.
    5. All books, records, tax returns, balance sheets, financial statements, contracts and agreements provided to Buyer were true and accurate as of the date such information was provided and that as of Closing, there will be no material change in such information since the date it was provided to Buyer and further that there is no information that would be adverse to Buyer that has not been so disclosed. The financial statements provided to Buyer are true and complete, have been prepared consistently with Seller’s past business practices, and fairly present the income and expenses of Seller and the Business for the periods covered by such statements.
    6. Seller has conducted the Business in the ordinary course since the beginning of the prior calendar year, and will do so until Closing.
    7. Seller currently holds the right to use the trade names, trademarks and service marks under which the Seller conducts its business and names and marks substantially similar to them and all of the goodwill associated with such names and marks, free and clear of all claims and to the Owner’s actual knowledge (“Known” or “Knowledge”), there are no competing uses of such names or marks.
    8. Real property leases, if any, are in full force and effect; all rents and additional rents due to date on each lease have been paid and neither Seller nor any other party is in default under any lease nor has Seller taken any actions which would impact Buyer’s ability to assume such leases or exercise any options under any such leases.
    9. Personal property leases, if any, are in full force and effect; all rents and additional rents due to date on each lease have been paid and neither Seller nor any other party is in default under any lease.
    10. All property to be conveyed hereunder will be in good working order on the Closing Date. Known concerns of property to be conveyed have been disclosed in writing to Buyer.
    11. Seller has paid all debts and liabilities of the Business as they become due and payable, including but not limited to, rent, utilities, office supplies, insurance, lease assignment fees, and any and all state or federal obligations pertaining to employees, which are the responsibility of Seller up to and on the Closing Date.
    12. There is no litigation or other proceedings (pending or to Owner’s Knowledge, threatened), that could restrict Seller’s ability to perform hereunder or which could have a material adverse effect on Buyer’s operation the Business after the Closing Date.
    13. Seller has complied with all laws, rules, regulations, policies, rulings, zoning or other classifications, interpretations, guidelines, circulars, judgments, orders, decrees or other directives or advice of any kind of any governmental authority, agency or instrumentality (“Laws”) and has not been charged with, received any notice of or been under investigation with respect to, any alleged default under, violation of or nonconformity with any of Seller’s leases, contracts or policies, or any restriction, condition, covenant or commitment (“Restrictions”) relating to or concerning Seller, the Business or the Purchased Assets, including all Laws and Restrictions regarding (i) employment and employment practices, unemployment compensation, worker’s compensation, terms and conditions of employment and wages and hours, discrimination in employment, or unfair labor practices, (ii) employee benefit plans, policies, arrangements, commitments or agreements, including the delivery of all notices, reports, descriptions and other communications to participants required by such Laws, (iii) hazardous substances, materials or wastes, (iv) taxes of any nature, (v) corrupt practices, anti-bribery, and anti-kickback laws; and (vi) any other Laws in all material respects. Specifically, without limiting the foregoing, to Owners’ Knowledge, Seller has not stored, treated, spilled or disposed of any hazardous materials, except in compliance with all Laws.
    14. The Owners have not made any untrue statements of material fact or omitted to state any material fact in order to make the statements and information contained in such items not misleading to Buyer and the Seller Parties have, as of the date of this Agreement.
    15. Seller has or will pay as due all applicable taxes of the Business including but not limited to income taxes, sales taxes, use taxes, Washington business and occupation taxes, payroll taxes, social security taxes, unemployment taxes, or any other applicable tax incurred in the operation of the Business prior to the Closing Date and has filed or will file all tax returns required to be filed with respect to the Purchased Assets and the Business as of the Effective Date.
    16. Seller has all licenses, permits, approvals and other authorizations necessary to enable it to own and conduct the Business as it is currently being conducted.
    17. Seller will transfer (or close at Buyer’s discretion), Seller’s rights to and interest in all Business web sites, licenses to web content, domain names, telephone and facsimile numbers, and access to any other accounts, including social media sites, associated with the Business and Purchased Assets within thirty (30) days following the Closing Date to the extent transferable or closeable. Seller will cooperate with Buyer and promptly respond to any requests from Buyer with respect to the transfer any such accounts.
    18. As promptly as reasonably practicable following Closing, but in any event within thirty (30) days following the Closing Date, Seller shall change the name of its corporation from its current name to another name that is dissimilar to any trade name or trade mark used in connection with the Business or the Purchased Assets and file in all jurisdictions in which it is qualified to do business all documents necessary to reflect such change of name.
    19. As promptly as reasonably practicable following Closing, but in any event within thirty (30) days following the Closing Date, the Owners shall cause West Coast Careers Partners L.L.C., to change its name to another name that is dissimilar to any trade name or trade mark used in connection with the Business or the Purchased Assets and file in all jurisdictions in which it is qualified to do business all documents necessary to reflect such change of name.
    20. Following the Closing Date, Seller shall cause all inquiries of any kind regarding the Business received by it or any of its owners, officers, employees, affiliates, parents, or subsidiaries however received to be directed to Buyer.
    21. There are no written employment or independent contractor contracts to which Seller is a party or by which it is bound which are not terminable at will without payment or severance or other amounts. Seller employs no other persons other than the Owners and employees listed on the Seller’s payroll as of Closing. All independent contractors of the Business are properly classified as such and meet the definitions provided under federal and state law. Seller is not a party to, nor is it bound by any oral employment contracts, arrangements or understandings except as disclosed in writing to Buyer. There is no pending or to Owners’ Knowledge threatened dispute, controversy (including any representation question), strike, work stoppage or grievance affecting or relating to any employee or group of employees (in each case, whether union or nonunion) of Seller. There are no material employee benefit plans in place for any employees of the Business which have not been disclosed to Buyer in writing. The Closing of this Agreement will not entitle any employee of Seller to severance pay or any other payment or increase the amount of compensation due to any employee.
    22. Seller maintains policies of liability, theft, fire, workers' compensation and other forms of insurance and surety bonds insuring Seller, its directors, officers, employees, the Purchased Assets, and Business reasonable and adequate for a business of the type operated by Seller. To Owner’s Knowledge, all such policies are in full force and effect and Seller has provided Buyer with true and accurate copies of all such policies. Seller has not failed to give any notice or to present any claim under any such policy or binder explicitly requested in writing by Buyer in a due or timely fashion.
    23. The Seller Parties have not taken any action that will result in any liability of or claim against Buyer for a broker’s commission, finder’s fee or other like payment related to the transactions contemplated by this Agreement and the Seller shall be responsible for any such liability or claims.
    24. There is no employment agreement, non-competition agreement or similar restrictive covenant agreement between Seller and the shareholders of the Seller.
    25. All of the representations and warranties of the Seller Parties contained in this Section are true and correct on the date of this Agreement and will survive the Closing. In the event that the Seller Parties are required to provide a written disclosure regarding any exceptions to the above, such disclosures shall be arranged on schedules attached to this Agreement and labeled so as to correspond to the numbered sections and subsections contained in this Agreement.
13. **Representations and Warranties of Buyer**. Buyer represents and warrants to Seller as of the Effective Date and surviving Closing:
    1. Buyer is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Washington..
    2. Buyer has the full power, right and authority to execute this Agreement and to perform all its obligations under this Agreement and to execute and deliver all documents required by this Agreement.
    3. The execution, delivery and performance by the Buyer of this Agreement and the Transaction Documents to which it is a party, and the consummation of the transactions contemplated by this Agreement, do not and will not: (i) conflict with or result in a violation or breach of any provision of any Law or governmental order applicable to the Buyer; or (ii) require the consent, notice or other action by any person under any contract to which the Buyer is a party.
    4. All the representations and warranties of Buyer contained in this Section are true and correct on the date of this Agreement and will survive the Closing.
    5. Buyer has no liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement for which the Seller Parties could become liable or obligated.
14. **Conduct of Seller Pending Closing**. Seller agrees that from the date hereof until the Closing Date, unless otherwise consented to by Buyer in writing (i) Seller will take such action as may be necessary to maintain, preserve, renew and keep in full force and effect the existence, rights, licenses, permits and authorizations of the Business; (ii) Seller will use its best efforts to preserve and maintain the business organization of the Business, and to preserve for Buyer the present relationships of the Business with its employees, customers, contractors, and others having business relationships with it, (iii) Seller will duly comply with all laws applicable to the conduct of the Business and all laws compliance with which is required for the valid consummation of the transactions contemplated by this Agreement; and (iv) Seller shall not, and agrees to instruct any broker it may have engaged, to not, solicit any other potential buyers or accept any other offers for the Purchased Assets.
15. **Indemnification**.
    1. **Seller Indemnification**. The Seller Parties each jointly and severally agree to indemnify and hold Buyer harmless from all claims of state, federal or local governments, as well as those of employees and third parties pertaining to the Purchased Assets or Seller’s business operations, prior to and through the Closing Date, including, but not limited to, claims arising out of any breach of any representation or warranty of the Seller Parties made hereunder or any breach by the Seller Parties of any covenant or other agreement contained in this Agreement or related agreement. The Seller Parties further agree to jointly and severally indemnify and hold Buyer harmless from all claims of third parties, which may arise as a result of acts or omissions of the Seller Parties or Seller’s employees or agents as related to the Business prior to the Closing Date.
    2. **Buyer Indemnification**. Buyer agrees to indemnify and hold Seller harmless from all claims of state, federal or local governments, as well as those of employees and third parties pertaining to the Purchased Assets, or Buyer’s business operations, after the Closing Date, including, but not limited to, claims made in respect to representations of Buyer hereunder and any claims related to the liabilities assumed by Buyer under Schedule 3. Buyer agrees to defend against all such claims on behalf of Seller and to pay the reasonable attorneys’ fees and costs of Seller attributable to the defense of any such claims, if any action is brought against the Seller, whether legal or administrative in order to enforce any such claims.
    3. **Limitations on Indemnity Obligations**. The representations and warranties of the Buyer and Seller Parties shall survive the Closing Date and the consummation of the transactions contemplated by this Agreement for a period of twelve (12) months following the Closing Date. In no event shall the aggregate liability of Seller Parties under this Agreement exceed the Purchase Price.
    4. **Exclusive Remedies**. The Buyer and Seller Parties acknowledge and agree that their sole and exclusive remedy with respect to any and all claims (other than claims arising from fraud, criminal activity, or willful misconduct on the part of a party hereto in connection with the transactions contemplated by this Agreement) for any breach of any representation, warranty, covenant, agreement, or obligation set forth herein or otherwise relating to the subject matter of this Agreement, shall be pursuant to the indemnification provisions set forth in this Section 15. Nothing in this Section 15.4 shall limit any person’s right to seek and obtain any equitable relief to which any person shall be entitled or to seek any remedy on account of any party’s fraudulent, criminal, or intentional misconduct. Neither Seller nor the Owners shall be liable under this Section 15 for any indemnity obligation based upon or arising out of any inaccuracy in or breach of any of the representations or warranties of Seller or the Owners or for any other claims arising prior to this Agreement if Buyer had knowledge of such inaccuracy or breach of the representations or warranties or of such other claims prior to the Closing.
    5. **Setoff Procedure**. In the event of default by the Seller Parties in the payment when due of any indemnification obligation of the Seller Parties to Buyer pursuant to this Section, Buyer may, in its discretion, offset the amount of such defaulted payment against the amounts due to Seller from time-to-time under the Seller Note or compensation from any other agreement between Buyer and Seller. In the event Buyer exercises its rights (the “Setoff”) under this Section, Buyer shall give at least ten (10) business days’ prior written notice of such Setoff to Seller. In the event Seller fails to dispute Buyer’s claim underlying such Setoff within the ten (10) business day period immediately following the date such notice is given by providing a written objection to Buyer, Buyer shall be entitled to the Setoff as follows:
       1. Buyer shall reduce the principal balance of the Seller Note in the aggregate amount of the loss.
       2. If the defaulted payment exceeds the principal balance on the Seller Note, Buyer shall setoff any defaulted payments in excess of the principal balance of the Seller Note against any compensation owed under any other agreement between Buyer and Seller.
       3. In the event Seller disputes Buyer’s claim underlying the Setoff (or any portion thereof) within the ten (10) business day period immediately following the date such notice is given by providing a written objection to Buyer, Buyer shall reduce the next periodic payment(s) under the Seller Note and any unpaid compensation due the Seller under any other agreement, by the disputed amount and shall pay such disputed amount to an independent escrow agent mutually agreed upon by the parties who shall hold such funds for the benefit of the parties until such time as the dispute is resolved.
16. **Intellectual Property**. Seller relinquishes any rights Seller has to intellectual property such as patents, copyrights, trademarks, trade names, copyrights, and trade secrets solely associated with the Business or Purchased Assets and Seller assigns all such rights to Buyer. Seller will execute and deliver to Buyer any documents deemed necessary or appropriate by Buyer in its discretion to perfect, maintain, protect, or enforce Buyer’s rights in the intellectual property.
17. **Risk of Loss**. The risk of loss, damage, or destruction to any of the Purchased Assets to be conveyed to Buyer under this Agreement will be borne by Seller through close of business on the Closing Date. In the event of such loss, damage, or destruction, Seller, to the extent reasonable, will replace the lost property or repair or cause to repair the damaged property to its condition before the damage. If replacement, repairs, or restorations are not completed before the Closing Date, then the Purchase Price will be adjusted by an amount agreed upon by Buyer and Seller that will be required to complete the replacement, repair, or restoration following Closing. If Buyer and Seller are unable to agree, then Buyer, at its sole option and notwithstanding any other provision of this Agreement, upon notice to Seller, may rescind this Agreement and declare it to be of no further force and effect, in which event there will be no closing of the transaction contemplated by this Agreement and all the terms and provisions of this Agreement will be deemed null and void except that Buyer shall be entitled to a full refund of any monies paid to Seller under this Agreement.
18. **Confidentiality**. The Seller Parties each understands and acknowledges that the Purchased Assets contain proprietary information and trade secrets of the Business and that the disclosure of such proprietary information and trade secrets would irreparably harm Buyer and the Business. The Seller Parties each agrees to maintain confidentiality and not to disclose to any third party for any reason any and all proprietary information and trade secrets relating to the Purchased Assets or the Business including the terms of this Agreement. The Buyer and Seller may prepare and communicate a joint announcement of the sale to Seller’s employees, customers, suppliers and vendors where applicable.
19. **Non-Competition**. Seller agrees to not, within the State of Washington, for a period of five (5) years following the Closing Date, without the Buyer’s prior written consent, either directly or indirectly, whether as consultant, employee, proprietor, principal, officer, agent, member, partner, joint venture, director, shareholder, consultant, supplier, independent contractor or through any partnership, corporation, unincorporated joint venture or otherwise in connection with any person or entity, carry on or be engaged and/or have any financial interest in or be otherwise commercially involved in a direct competitor of the Business, Buyer or any of its affiliates, or in any other capacity of any establishment or entity offering similar products or services as the Business. This Section shall survive termination or expiration of this Agreement if the transaction contemplated herein successfully closes.
20. **Non-Solicitation**. Seller agrees for a period of five (5) years from the Closing Date not to solicit, influence or entice, or attempt to solicit, influence or entice, any customer, employee or consultant of Buyer to cease his or her relationship with Buyer or hire any person who was an employee, consultant, or representative of Buyer or to solicit, influence, entice or in any way divert any customer, prospective customer, distributor, partner, shareholder, employee, joint venture, vendor or supplier of Buyer to associate, in any way, with any competitor of Buyer or the Business without prior written approval of Buyer. This Section shall survive termination or expiration of this Agreement if the transaction contemplated herein successfully closes.
21. **Remedies**. Seller acknowledges that the breach or threatened breach of the covenants of Confidentiality, Non-Competition and Non-Solicitation herein will cause irreparable harm to Buyer and would not be adequately compensable in monetary damages. Accordingly, Buyer may seek and obtain injunctive relief, without the necessity of posting a bond or proving actual damages, for any such breach or threatened breach of these requirements or covenants in addition to any other legal remedies which may be available. Seller further acknowledges, agrees, and stipulates that the covenants and agreements contained herein are necessary for the protection of Buyer’s legitimate business interest and are reasonable in scope and content. In the event that Buyer obtains temporary restraining orders, injunctions, or other equitable relief from a court, then Seller shall pay Buyer’s reasonable attorneys’ fees and legal costs. Injunctive relief, whether permanent or temporary, will be in addition to and not in lieu of damages or any other available remedy, whether in law or equity. This Section shall survive termination of this Agreement.
22. **Miscellaneous Provisions**.
    1. **Time**. Time is of the essence of this Agreement and all of the terms, conditions and provisions hereof.
    2. **Notices**. All notices given under this Agreement will be in writing and will be deemed received (i) upon delivery if given in person; (ii) upon receipt if given by generally recognized overnight courier service which can provide delivery confirmation; or (iii) forty-eight hours after deposit with the United States Postal Service, certified or registered mail, return receipt requested, postage prepaid. Each party will bear the responsibility for timely notification to the other party in writing of any change in address. Notices to the parties shall be delivered to the following addresses:

**If to Buyer at**:

West Coast Career Services, LLC

4100 194th Street SW, Suite #225

Lynnwood, WA 98036

Attn: Luke Zimmeran

With a copy, which shall not constitute notice, to:

Reed Pruett Walters Larsen PLLC

11120 NE 2nd Street, Suite 200

Bellevue, WA 98004

Attn: Keil A. Larsen, Esq.

**If to Seller and Owners at**:

West Coast Careers, Inc.

14 Stable Lane

Bellingham, WA 98229

Attn: Edward Beaulieu

And to

West Coast Careers, Inc.

18703 NE 133rd St

Woodinville, WA 98072

Attn: Chris Shablak

With a copy, which shall not constitute notice, to:

Peterson Russell Kelly, PLLC

10900 NE 4th Street, Ste. 1850

Bellevue, WA 98004

Attn: Donald S. Lam

* 1. **Choice of Law; Venue**. This Agreement will be interpreted and construed according to the laws of the State of Washington. Venue for all purposes will be in Snohomish County, Washington.
  2. **Dispute Resolution**. Buyer and Seller shall attempt to settle any and all disputes, controversies or claims arising out of or relating to this Agreement between them through consultation and negotiation in good faith and with a spirit of mutual cooperation. If the matter is not resolved through good faith negotiation, and provided such matter is not a breach or threatened breach of the covenants of confidentiality, non-competition or non-solicitation, as provided above, such disputes, controversies or claims shall be settled as follows: The parties shall first notify the other party in writing of the dispute and attempt in good faith to resolve the matter informally. If the parties are not able to resolve the dispute within 60-days of the notice to the other, it is agreed that the dispute shall be resolved using binding arbitration with a single arbitrator, and hereby appoint Judicial Dispute Resolution, LLC to serve as the arbitrator (“JDR”) and agree to use JDR’s then current Arbitration Rules for the arbitration. If the parties cannot agree on the arbitrator, the then current managing member of JDR shall appoint the mediator. The parties further agree that the arbitration hearing shall be held no later than 90 days from the date of the demand for arbitration. Each party shall pay 50% of the mediation and arbitration fees and costs. The prevailing party in arbitration is entitled to recovery of its actual attorney fees and cost incurred, including reimbursement of their share of the arbitration fees and costs. This Section shall survive termination of this Agreement.
  3. **Assignment**. This Agreement and all the provisions hereof will be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither this Agreement nor any rights, benefits or obligations set forth herein may be assigned by any of the parties hereto without the written approval of the other parties, except that Buyer and its permitted assigns may assign this Agreement and any of the provisions hereof without the written consent of the other parties to any assignee in connection with the sale of Buyer, the Business or all or substantially all of the Purchased Assets, or for security interests purposes to any lender providing financing to Buyer.
  4. **Severability**. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable laws, but if any provision of this Agreement is held to be prohibited by or invalid under any applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.
  5. **Headings**. The headings used in this Agreement are for convenience of reference only and do not constitute a part of this Agreement and will not be deemed to limit, characterize or in any way affect any provision of this Agreement, and all provisions of this Agreement will be enforced and construed as if no caption had been used in this Agreement.
  6. **Incorporation of Exhibits and Schedules**. The exhibits and schedules identified in this Agreement are incorporated herein by reference and made a part hereof.
  7. **Integration**. This Agreement, including any exhibits or schedules, and any ancillary documents or agreements referenced herein and therein contain the entire agreement between the parties concerning the sale of the Purchased Assets and the Business and supersede any prior understandings, agreements, or representations by or between the parties, written or oral, which may relate to the subject matter herein.
  8. **Amendment**. This Agreement may not be amended, altered or modified unless except in writing signed by all the parties. No course of dealing between the parties or any person having an interest in this Agreement, or action taken by such party, will be deemed to modify, amend or discharge any part of this Agreement or any rights or obligations of any party.
  9. **Waiver**. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver.
  10. **Counterparts**. This Agreement may be executed in one or more counterparts, any one of which may be by facsimile or digital imaging device (i.e., pdf format) and which may be transmitted by electronic delivery, and all counterparts together will constitute one and the same instrument.
  11. **No Third Party Beneficiaries**. Except as expressly set forth in this Agreement, nothing herein expressed or implied is intended or shall be construed to confer upon or give to any person or entity, other than the parties hereto and their respective permitted successors and assigns, any rights or remedies under or by reason of this Agreement, including any employees or creditors of Seller.
  12. **Independent Counsel & Advice**. Each of the parties acknowledges to the other parties that it has been represented by independent legal counsel and tax advisors of its own choice throughout all of the negotiations which preceded the execution of this Agreement. Each of the parties has executed this Agreement with the consent and on the advice of such independent legal counsel and tax advice.
  13. **Further Assurances.** Each of the parties agrees that, upon the written request of any other party, he, she, or it will, at no cost to the party receiving the request, do, or cause to be done, all such acts and execute, or cause to be executed, all such further documents, conveyances, deeds, assignments, transfers and the like, as the other party may from time to time reasonably request be done and/or executed in order to consummate the transactions contemplated under this Agreement or as may be necessary or desirable to effect the purpose of this Agreement or any document, agreement or instrument delivered under this Agreement and to carry out their provisions or to better or more properly or fully evidence or give effect to the transactions contemplated under this Agreement, whether before or after the Closing.
  14. **Authorized Signatures**. Each person executing this Agreement on behalf of any other person or entity covenants and warrants that he or she is duly authorized to execute this Agreement on behalf of that person or entity and that further approval by or on behalf of that person or entity is not required.

**ACCEPTANCE OF AGREEMENT**. Signatures below indicate that both parties fully understand and accept the terms of this Agreement as of the date last entered below.

<<< ***SIGNATURE PAGE FOLLOWS*** >>>

**[Signature Page to Asset Purchase Agreement]**

**WEST COAST CAREERS**

**BUYER**: **West Coast Career Services, LLC; by:**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Luke Zimmerman, Manager Date

**SELLER**: **West Coast Careers, Inc.; by:**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Edward Beaulieu, President Date

**OWNERS**:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Edward Beaulieu, individually Date

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Christopher Shablak, individually Date

**EXHIBIT A**

**[Form of Seller Note]**

**EXHIBIT A-1**

**[Form of Security Agreement]**

**EXHIBIT B**

**[Form of Bill of Sale, Assignment and Assumption Agreement]**

**EXHIBIT C**

**[Form of Non-Competition Agreement]**

**EXHIBIT D**

**[Form of Escrow Agreement]**

**EXHIBIT E**

**[Form of Consulting Agreement]**