

Buyer is willing to offer \$78 million in consideration of the terms contained in the Asset Purchase Agreement ("APA"). Buyer's issues are as follows.¹

Issue 1: Indemnification

- Survival
 - Excluding the Fundamental Representations, all representations and warranties contained in the APA shall survive the Closing and remain in full force and effect for two years from the Closing Date (and thereafter if notice of a claim is given by such two-year anniversary).
- Indemnifications & Limitations
 - Buyer shall indemnify Seller under Section 8.03 if Seller's claims exceed a basket of 0.5% of the Purchase Price (\$390,000 based on a \$78 million Purchase Price), provided that it is a deductible basket.
 - Buyer shall be indemnified for all Losses associated with the HM Supply Agreement Dispute, and pursuant to Section 8.05(a) Buyer will retain the right to defend or direct the defense of such dispute.
 - Buyer shall be fully indemnified up to the Purchase Price for any inaccuracy in or breach of Seller's Fundamental Representations.
 - Buyer shall be indemnified up to 30% of the Purchase Price for any inaccuracy in or breach of Seller's other representations and warranties.
 - Buyer will agree to a basket in the amount of 0.5% of the Purchase Price (\$390,000 based on a \$78 million Purchase Price) for any Losses in connection with Section 8.02(a), provided that it is a tipping basket.
 - Any inaccuracy in or breach of any of Seller's representations or warranty and the calculation of Losses in the event of such a breach shall be determined without regard to any materiality or Material Adverse Effect (a "double scrape").
- Funding the Indemnity: Holdback
 - Buyer will Holdback 15% of the total Purchase Price for thirty-six months after closing to satisfy Seller's post-closing obligations.
 - Schiv Roye shall execute a Guaranty Agreement, to be included in the Ancillary Documents, in which she will personally guarantee any post-closing obligations of the Seller not satisfied by the Holdback.
 - "Fraud" shall have its common law meaning under Delaware law. "Losses" shall be defined in a less restrictive manner.

Issue 2: Employment Matters

- Employees and Employee Benefits
 - Connor Roye shall execute an Employment Agreement, to be included in the Ancillary Documents, in which he will agree to take all reasonable actions to

¹ Our positions assume that Section 4.03 of the Disclosure Schedules includes PACCAR's consent.

- transition and maintain Seller's current employees, especially service technicians, for two years from the Closing Date at just compensation.
- Tom Lambskins, Jerry Kellman, and Greg Hirsche shall execute individual Consulting Agreements, to be included in the Ancillary Documents, in which they will agree to take all reasonable actions to transition the business, for four months from the Closing Date at just compensation. To the extent execution of the Consulting Agreements requires additional payment, Seller shall assume the additional cost, excluding the consulting fee under the Consulting Agreements, arising from the execution of such agreements.
 - Seller shall put in place before the Closing Date a Retention Plan, reasonably satisfactory to Buyer, for key employees to remain employed by Buyer for at least four months post-Closing. Seller shall bear the cost of such plan.
 - Non-Compete; Non-Solicitation
 - The definition of "Territory" should be expanded to include Texas, Oklahoma and every other state in which Buyer transacts business.
 - Seller, its stockholders, and its affiliates shall not compete or otherwise interfere, directly or indirectly, with Buyer or its business in the Territory for five years from the Closing Date.
 - Seller, its stockholders, and its affiliates shall not solicit any current or former employees of Seller or Buyer for four years from the Closing Date, provided that Seller may only solicit a former employee after one year from the date of termination.
 - Seller shall not encourage any actual vendor, supplier, customer, or client to modify or terminate, or deter the formation of a relationship with Buyer for four years from the Closing Date.
 - Seller shall not discourage any prospective vendor, supplier, customer, or client from establishing a relationship with Buyer for four years from the Closing Date.
 - Seller, its stockholders, and its affiliates shall not disparage the Buyer or any of its officers, directors, or employees for four years from the Closing Date.
 - Seller's stockholders shall execute individual Non-Compete and Non-Solicitation Agreements that will ensure compliance by them and their affiliates with the above bullet points.
 - Tom Lambskins, Jerry Kellman, and Greg Hirsche shall execute individual Non-Compete and Non-Solicitation Agreements that will ensure compliance with the above bullet points, but limited to one year from the Closing Date.
 - Non-Compete and Non-Solicitation Agreements shall be included in the Ancillary Documents.

Issue 3: Right to Terminate

- Termination
 - Buyer reserves the right to terminate the APA upon the receipt of any information under Section 6.02 or Schedule Supplement under Section 6.03 the Buyer deems, in its sole discretion, unacceptable for Buyer's purposes.
 - Buyer shall pay a Termination Fee of \$1.5 million in the event Buyer exercises its right to terminate due to the above bullet point.