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FEB 28 2011

FCC Mail Room

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USAC  
Letter of Appeal  
Schools of Libraries Division – Correspondence Unit  
100 S. Jefferson Rd  
PO Box 902  
Whippany, NJ 07981

FCC Office of the Secretary  
445 12<sup>th</sup> Street SW  
Washington DC 20554

RE: Docket No 02-6

This letter is our formal appeal in the Notification of Improperly Disbursed Funds Recover Letter for the funding year 2006: July 1, 2006 – June 30, 2007.

The letter references;  
SPIN: 143030644  
Form 471 Application Number: 530479  
Applicant Name: Multi-Cultural Academy Charter School  
Billed Entity Number: 221994

As per the attached information and previous correspondence, we did not own Spiderweb until November 29, 2007. Which is long after the distribution of funds was completed. All liability for this transaction was retained by J. Wayne Block as highlighted in the attached pages of the Sellers Indemnification.

J. Wayne Block can be reached at 3890 Ridgewood Road, York Pennsylvania 17402.

Sincerely;



Michael G. Starner  
President  
Access Fiber Solutions  
717-903-1110  
mstarner@brinjac.com

cc: File; J. Wayne Block

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Schools & Libraries Division

Notification of Improperly Disbursed Funds Recovery Letter  
Funding Year 2006: July 1, 2006 - June 30, 2007

February 7, 2011

Jonathan Maley

Access Fiber Solutions, Inc

114 North 2nd Street PO BOX 1051

Harrisburg, PA 17108-1051

Re: SPIN: 143030644  
Form 471 Application Number: 530479  
Funding Year: 2006  
FCC Registration Number:  
Applicant Name: MULTI-CULTURAL ACADEMY CHARTER SCHOOL  
Billed Entity Number: 221994  
Applicant Contact Person: LeQuyen Vu

Our routine review of Schools and Libraries Program (Program) funding commitments has revealed certain applications where funds were disbursed in violation of Program rules.

In order to be sure that no funds are used in violation of Program rules, the Universal Service Administrative Company (USAC) must now recover these improper disbursements. The purpose of this letter is to inform you of the recoveries as required by Program rules, and to give you an opportunity to appeal this decision. USAC has determined the service provider is responsible for all or some of the Program rule violations. Therefore, the service provider is responsible to repay all or some of the funds disbursed in error.

This is NOT a bill. The next step in the recovery of improperly disbursed funds process is for USAC to issue you a Demand Payment Letter. The balance of the debt will be due within 30 days of that letter. Failure to pay the debt within 30 days from the date of the Demand Payment Letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." The FCC's Red Light Rule requires USAC to dismiss pending FCC Form 471 applications if the entity responsible for paying the outstanding debt has not paid the debt, or otherwise made satisfactory arrangements to pay the debt within 30 days of the notice provided by USAC. For more information on the Red Light Rule, please see "Red Light Frequently Asked Questions (FAQs)" posted on the FCC website at [http://www.fcc.gov/debt\\_collection/faq.html](http://www.fcc.gov/debt_collection/faq.html).

Schools and Libraries Division - Correspondence Unit  
100 South Jefferson Road, P.O. Box 902, Whippany, NJ 07981  
Visit us online at: [www.usac.org/sl](http://www.usac.org/sl)

**TO APPEAL THIS DECISION:**

You have the option of filing an appeal with USAC or directly with the Federal Communications Commission (FCC).

If you wish to appeal the Notification of Improperly Disbursed Funds decision indicated in this letter to USAC your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and email address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify the date of the Notification of Improperly Disbursed Funds Recovery Letter and the Funding Request Number(s) (FRN) you are appealing. Your letter of appeal must include the
  - Billed Entity Name,
  - Form 471 Application Number,
  - Billed Entity Number, and
  - FCC Registration Number (FCC RN) from the top of your letter.
3. When explaining your appeal, copy the language or text from the Funding Disbursement Recovery Report included with this letter that is the subject of your appeal to allow USAC to more readily understand your appeal and respond appropriately. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep a copy of your entire appeal including any correspondence and documentation.
4. If you are an applicant, please provide a copy of your appeal to the service provider(s) affected by USAC's decision. If you are a service provider, please provide a copy of your appeal to the applicant(s) affected by USAC's decision.
5. Provide an authorized signature on your letter of appeal. To submit your appeal to USAC by email, email your appeal to [appeals@sl.universalservice.org](mailto:appeals@sl.universalservice.org). USAC will automatically reply to incoming emails to confirm receipt.

To submit your appeal to us by fax, fax your appeal to (973) 599-6542.

To submit your appeal to us on paper, send your appeal to:

Letter of Appeal  
Schools and Libraries Division - Correspondence Unit  
100 S. Jefferson Rd.  
P. O. Box 902  
Whippany, NJ 07981

For more information on submitting an appeal to USAC, please see the "Appeals Procedure" posted on our website.

If you wish to appeal a decision in this letter to the FCC, you should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received by the FCC or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. We strongly recommend that you use the electronic filing options described in the "Appeals Procedure" posted on our website. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554.

FUNDING DISBURSEMENT RECOVERY REPORT

On the pages following this letter, we have provided a Funding Disbursement Recovery Report (Report) for the Form 471 application cited above. The enclosed Report includes the Funding Request Number(s) from the application for which recovery is necessary. See the "Guide to USAC Letter Reports" posted at <http://usac.org/sl/tools/reference/guide-usac-letter-reports.aspx> for more information on each of the fields in the Report. USAC is also sending this information to the applicant for informational purposes. If USAC has determined the applicant is also responsible for any rule violation on these FRN(s), a separate letter will be sent to the applicant detailing the necessary applicant action. The Report explains the exact amount the service provider is responsible for repaying.

Schools and Libraries Division  
Universal Services Administrative Company

cc: LeQuyen Vu  
MULTI-CULTURAL ACADEMY CHARTER SCHOOL

Funding Disbursement Recovery Report  
for Form 471 Application Number: 530479

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Funding Request Number: 1463667  
Contract Number: T  
Services Ordered: TELCOMM SERVICES  
Billing Account Number:  
Funding Commitment: \$20,520.00  
Funds Disbursed to Date: \$18,810.00  
Funds to be Recovered from Service Provider: \$4,218.75

Disbursed Funds Recovery Explanation:

After a thorough investigation, it has been determined that funds were improperly disbursed on this funding request. During the course of an audit it was determined that funding was disbursed for products and/or services delivered outside of the relevant funding year. The service provider invoiced USAC for recurring services provided to the Applicant after the close of the Funding Year. The service provider invoiced USAC for a Distance Learning Circuit from July 1, 2007 through September 13, 2007, which was after the close of Funding Year 2006. FCC rules require applicants to use recurring services within the relevant funding year, and to implement non-recurring services by the applicable deadline established by the Commission. While these requirements are placed on applicants, when service providers seek support, via a SPI, for services provided outside of the funding year, they violate these rules. Accordingly, USAC is seeking recovery of the \$4,218.75 that was improperly disbursed for services delivered outside of the funding year.

Jonathan Maley  
Access Fiber Solutions, Inc  
114 North 2nd Street PO BOX 1051  
Harrisburg, PA 17108-1051

August 31, 2010

Christopher Lenhardt, CFE  
Lead Internal Auditor  
USAC

Mr. Lenhardt

As discussed this morning via phone we cannot provide you any information regarding the 2006 Funding Year of the applicant or SpiderWeb Communications. During this period of time Access Fiber Solutions Inc did not own or control SpiderWeb Communications.

Our asset purchase of SpiderWeb Communications took place after this period of time. Please see the attached agreement dated November 29<sup>th</sup>, 2007. Along with page 2 section 2.2 Assumption of Liabilities and page 10 section 8.1 Sellers Indemnification. You will also find on page 10 section 10.5 Notices the listing of Wayne Block (seller) for any needed contact. I have also included the Assignment, Assumption and Consent agreement dated the same day.

This should provide USAC enough information and details as we discussed. Please let me know if this is anything needed in addition.

Many thanks,



Access Fiber Solutions Inc.  
Michael G. Starner  
President  
717-903-1110

## ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this "Agreement") is made this 29<sup>th</sup> day of November, 2007, by and among Access Fiber Solutions, Inc., a Pennsylvania corporation (the "Buyer"), SpiderWeb Communications, Inc., a Pennsylvania corporation (the "Seller"), and Wayne Block, David Segal and Jonathan Maley (each a "Shareholder" and collectively "Shareholders").

### BACKGROUND

WHEREAS, Seller is engaged in the business as a reseller of software products developed by Digital Samba (the "Business") and owns the Purchased Assets (hereinafter defined).

WHEREAS, Seller desires to sell the Purchased Assets and Buyer desires to purchase the Purchased Assets under the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises and covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, intending to be legally bound, Buyer and Seller hereby agree as follows:

### ARTICLE 1 DEFINITION

As used in this Agreement, the following terms shall have the meanings herein specified, unless the context otherwise requires:

- 1.1. "Closing" shall have the meaning set forth in Article 6.1.
- 1.2. "Closing Date" shall have the meaning set forth in Article 6.1.
- 1.3. "Confidential Information" shall mean any and all: (a) trade secrets concerning the Business including, without limitation, product specifications, data, know-how, formulae, compositions, processes, designs, sketches, photographs, graphs, drawings, samples, creations, ideas, improvements, devices, discoveries, concepts, methods, customer lists, current and anticipated customer requirements, price lists, market studies, business plans, computer software and programs (including object code and source code), and any other information, however documented, that is a trade secret within the meaning of applicable state trade secret law; and (b) other information concerning the Business (which includes historical financial statements, financial projections and budgets, historical and projected sales, capital spending budgets and plans, the names and backgrounds of key personnel, personnel training and techniques and materials), however documented; and (c) notes, analyses, compilations, studies, summaries, and other material containing or based, in whole or in part, on any information included in the foregoing.
- 1.4. "Contract Counterparties" shall mean the parties, other than Seller, to the contracts which are Purchased Assets.

1.5. "Due Diligence" shall mean Buyer's due diligence of Seller's assets conducted during the Due Diligence Period, which includes Buyer's opportunity to inspect the Purchased Assets and to discuss the Purchased Assets with the relevant Contract Counterparties.

1.6. "Due Diligence Period" shall mean the period ending 15 days after the later to occur of (a) successful extension of Seller's Digital Samba exclusive representation agreements, or (b) execution of this Agreement.

1.7. "Full Purchase Price" shall have the meaning set forth in Article 3.1.

1.8. "Purchased Assets" shall mean all of Seller's operating assets (including fully-funded escrow accounts for maintenance contracts), property, rights, good-will and business, including, without limitation, the assets described on Schedule 1.8 attached hereto; but excluding the Excluded Assets. It is intended that the Purchased Assets constitute all of the assets, other than the Excluded Assets, necessary for the operation of the Business in the manner in which Seller is operating the Business on the date of this Agreement. ★

1.9. "Excluded Assets" shall mean cash, other working capital and the assets described on Schedule 1.9 attached hereto.

1.10. "Restricted Party" shall mean Seller and Wayne Block, and persons and entities that control, are controlled by, or are under common control with any of the foregoing, directly or indirectly.

1.11. "Restricted Period" shall mean the period commencing on the date of this Agreement and ending on the second anniversary of the Closing Date.

1.12. "Schedule" shall mean the Schedule attached to this Agreement.

## ARTICLE 2 ASSETS TO BE ACQUIRED

2.1. Agreement to Sell and Purchase Assets. Subject to the terms and conditions of this Agreement, Seller hereby agrees to sell, assign, transfer and deliver to Buyer, and Buyer hereby agrees to purchase and acquire from Seller, the Purchased Assets.

2.2. Assumption of Liabilities. (a) On the terms and subject to the conditions of this Agreement, Buyer will, at the Closing, assume and thereafter in due course pay, perform and discharge the following, and only the following, liabilities and obligations of Seller (the "Assumed Liabilities") and only in the manner expressly set forth below:

2.2.1. The obligations of Seller arising after Closing under that certain Dealer Agreement by and between Seller and Digital Samba and companion Escrow Agreement;

2.2.2. The obligations of Seller arising after Closing under that certain agreement between the Seller and Library Video Company;

2.2.3. The obligations of Seller arising after Closing under that certain Value Added Reseller Agreement dated August 25, 2005, as amended by Addendum to VAR Agreement dated March 1, 2007 by and between Seller and iLinc Communications, Inc.;

2.2.4. Teaming Agreement dated May 25, 2007 by and between U-Combination Technology USA, Inc. and Seller; and

2.2.5. In addition to the obligations enumerated in 2.2.1 through 2.2.4 inclusive, the obligations of Seller arising after Closing under any other contracts which are Purchased Assets.

Buyer does not and will not at Closing assume or succeed to any other debt, liability or obligation (including, but not limited to, any environmental liabilities) of Seller, whether arising in connection with the ownership or operation of the Business or the Assets or otherwise, which debts, liabilities and obligations Seller expressly retains. Buyer may pay or perform any liability or obligation of Seller which is not an Assumed Liability; Seller and Shareholders, jointly and severally, shall reimburse Buyer for all expenses paid or incurred by Buyer in paying or performing any such liability or obligation of Seller.

### ARTICLE 3 PURCHASE PRICE

3.1. Consideration. As full consideration for the Purchased Assets being purchased pursuant to this Agreement, Buyer shall pay to Seller the following amount (the "Full Purchase Price") in the following manner:

3.1.1. At the Closing, Buyer shall pay the sum [REDACTED] subject to prorations as hereinafter set forth, in cash (the "Closing Portion of the Purchase Price").

(a) The Closing Portion of the Purchase Price shall be paid first to the creditors of Seller in satisfaction of all obligations, liabilities and indebtedness of Seller arising before Closing (other than indebtedness to Wayne Block, which shall not be paid).

(b) After payment to the creditors pursuant to paragraph (a) above (other than Wayne Block) in full, on the Closing Date, David Segal shall sell and Wayne Block shall purchase all of the issued and outstanding shares of the Seller held in the name of David Segal free and clear of all liens, encumbrances and third party interests for and in consideration of the sum of [REDACTED] Dollars, payable in cash on the Closing Date.

(c) After payment to the creditors pursuant to paragraph (a) above (other than Wayne Block) in full, on the Closing Date, Jonathan Maley shall sell and Wayne Block shall purchase all of the issued and outstanding shares of the Seller held in the name of Jonathan Maley free and clear of all liens, encumbrances and third party interests for and in consideration of the sum of [REDACTED] Dollars payable in cash on the Closing Date.

(d) Upon sale and purchase of shares as provided in paragraphs (b) and (c) above, all shares of the Seller will be held by Wayne Block, and Wayne Block will be the only remaining creditor of the Seller. Except for the remaining shares and indebtedness of Seller held by Wayne Block, (i) all Shareholders and employees shall execute mutual releases with the Seller and each other, and (ii) shall waive and release all claims against Buyer.

(e) After payment to the creditors pursuant to paragraph (a) above (other than Wayne Block) in full, and after the sale and purchase of shares as provided in paragraphs (b) and (c) above, on the Closing Date, Seller shall pay the balance of the Closing Portion of the Purchase Price, subject to adjustment as provided herein, to Seller. All amounts prepaid to Seller under any contract which is a Purchased Asset, for any period which includes the period after Closing, shall be prorated at Closing, and Buyer shall receive a credit against the Closing Portion of the Purchase Price for the portion of the prepayment attributable to the period after Closing. All amounts prepaid by Seller under any contract which is a Purchased Asset, for any period which includes the period after Closing, shall be prorated at Closing, and the portion of the prepayment attributable to the period after Closing shall be added to the Closing Portion of the Purchase Price.

3.1.2. An amount up to [REDACTED] shall be payable in the form of a contingent unsecured promissory note in the aggregate initial principal amount up to said amount in the form attached hereto marked Exhibit A attached hereto (the "Earn-Out Note"). Following the Closing, Seller may elect to assign the Earn-Out Note to Wayne Block without the prior written consent of Buyer.

#### ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF SELLER

Seller and Shareholders represent and warrant to Buyer as follows:

4.1. Power and Authority. Seller is a corporation duly organized, validly existing, subsisting or in good standing under the law of the jurisdiction of its incorporation and has the power and authority to execute, deliver and perform this Agreement.

4.2. Validity of Contemplated Transaction. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not contravene any provision of Seller's formation document (articles or certificate of incorporation, certificate of limited partnership, certificate of formation or similar document) and operating documents (bylaws, limited partnership agreement, operating agreement or similar document), all as amended to date, or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to it.

4.3. Good Title to Purchased Assets. Seller has good, valid, marketable and undivided title to all of the Purchased Assets, free and clear of any pledge, security interest, lien, charge, reservation, exception, condition, restriction, lease or other similar title exception or encumbrance, except for liens and security interests securing monetary obligations which will be satisfied at or before Closing, subject, however, excepting therefrom such Purchased Assets to

which Seller is a licensee, in which event Seller shall assign such rights to Buyer, with the consent of the licensor in the event such consent is required by the licensor to effectuate such assignment.

4.4. Compliance with Laws. The Purchased Assets are in all material respects in compliance with all applicable laws, rules, regulations, ordinances and standards of all governmental authorities (federal, state, local and otherwise).

4.5. Taxes. Seller has filed all tax returns and paid all taxes required by law.

4.6. Employee Benefits. There are no former employees of Seller (or dependents or former dependents of such former employees) who are currently receiving COBRA benefits. Seller does not have and has never had any pension plans.

4.7. Contracts. All contracts which are Purchased Assets are identified on the Schedule. The Schedule identifies all amendments, modifications and waivers of provisions of each such contract. All such contracts are in full force and effect. No rights of any party to any such contract have been assigned to another, and no obligations of any party to any such contract have been assumed by or delegated to another. Seller has not breached or violated any of its representations, warranties or covenants contained in any such contract, and no default or event of default by Seller has occurred under any such contract. To the best of Seller's knowledge, no Contract Counterparty contract has breached or violated any of its representations, warranties or covenants contained in any such contract, and no default or event of default by any Contract Counterparty has occurred under any such contract.

4.8. Veracity of Statements. No representation, warranty or covenant by Seller or any Shareholder contained in this Agreement, and no statement contained in any certificate, schedule or other document or instrument furnished to Buyer pursuant to this Agreement or in connection with the transactions contemplated by this Agreement, contains any untrue statement of a material fact or omits to state a material fact necessary to make it not misleading or necessary to provide Buyer with proper information as to Seller.

## ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Seller as follows:

5.1. Power and Authority. Buyer is a corporation duly organized, validly existing, subsisting or in good standing under the law of the jurisdiction of its incorporation and has the power and authority to execute, deliver and perform this Agreement.

5.2. Validity of Contemplated Transaction. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not contravene any provision of Buyer's formation document (articles or certificate of incorporation, certificate of limited partnership, certificate of formation or similar document) and operating documents (bylaws, limited partnership agreement, operating agreement or similar document), all as amended to date, or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to it.

5.3. Veracity of Statements. No representation, warranty or covenant by Buyer contained in this Agreement, and no statement contained in any certificate, schedule or other document or instrument furnished to Seller pursuant to this Agreement or in connection with the transactions contemplated by this Agreement, contains any untrue statement of a material fact or omits to state a material fact necessary to make it not misleading or necessary to provide Seller with proper information as to Buyer.

5.4. Disclosure of Information. Buyer acknowledges that it or its representatives have been furnished with all information regarding the Purchased Assets that Buyer has requested. Buyer further represents that it has had an opportunity to access to the Seller's principal place of business, to make such inspections as Buyer has desired, to ask questions of and receive answers from the Seller and its representatives regarding the Seller, the Purchased Assets and the Business (including the Businesses and the Assumed Contracts), assets (including the Assets), results of operations, and financial condition (including the Assumed Liabilities). Buyer acknowledges that, except as expressly set forth in this Agreement, Seller has made no representation or warranty as to the Seller, the Business, the Purchased Assets, results of operations or financial condition of the Businesses, Assets, Assumed Contracts or Assumed Liabilities. All representations and warranties express or implied, of Seller that are not expressly set forth in this Agreement are hereby waived and released by Buyer.

## ARTICLE 6 THE CLOSING

6.1. Time and Place. The closing of the transactions contemplated by this Agreement (the "Closing") shall occur no later than thirty (30) days expiration of the Due Diligence Period (the "Closing Date"). Closing shall take place at the offices of Pepper Hamilton LLP, 200 One Keystone Plaza, North Front and Market Streets, P.O. Box 1181, Harrisburg, PA 17108-1181, or such other place as is mutually acceptable to the parties.

6.2. Deliveries. On the Closing Date and as a condition to Closing, all transactions contemplated by this Agreement shall be consummated as follows:

6.2.1. Seller (and Shareholders, if applicable) will deliver to Buyer:

(a) A certificate dated the Closing Date, signed by Seller's President or Chairman or other authorized person, and each Shareholder, certifying that the representations and warranties contained in Article 4 are true and correct in all material respects as of the Closing Date;

(b) One or more executed bills of sale and one or more assignment agreements in order to effect the sale, assignment and transfer of the Purchased Assets; and

(c) Such other documents and instruments as are reasonably required to be delivered by Seller to Buyer in order to effect the transactions contemplated by this Agreement.

6.2.2. Buyer will deliver to Seller:

(a) A certificate dated the Closing Date, signed by Buyer's President or Chairman or other authorized person, certifying that the representations and warranties contained in Article 5 are true and correct in all material respects as of the Closing Date;

(b) The Closing Portion of the Purchase Price, by multiple company checks payable to the parties set forth in Article 3; and

(c) Such other documents and instruments as are reasonably required to be delivered by Buyer to Seller in order to effect the transactions contemplated by this Agreement.

6.2.3. Buyer and David Segal shall execute a 2-year employment agreement, in the form attached to this Agreement.

6.2.4. Buyer and Jonathan Maley shall execute a 2-year employment agreement, in the form attached to this Agreement.

6.3. Conditions Precedent to Buyer's Obligations. The obligation of Buyer to close the transactions pursuant to this Agreement is subject to the following conditions:

6.3.1. Buyer shall have been reasonably satisfied with Buyer's Due Diligence.

6.3.2. Buyer shall have received final financial statements for Seller for the 2006 fiscal year that are consistent with the draft reviewed by Buyer.

6.3.3. Seller shall have extended the Digital Samba exclusive representation agreements for a term ending not earlier than August 31, 2012.

6.3.4. The minimum license fee requirement, in effect as of the Closing Date, under section 3.2.9 of the agreement between Seller and Library Video Company shall have been satisfied.

6.4. Condition Precedent to both Parties' Obligations. The obligations of Seller and Buyer to close the transactions pursuant to this Agreement are subject to the condition that Seller shall have obtained the consent of all Contract Counterparties to the extent required by contracts which are Purchased Assets, including but not limited to the following:

6.4.1. Escrow Agreement dated September 25, 2007 by and between Digital Samba, SL and Seller and Seller's legal counsel, the law firm of Morris & Vedder, which Escrow Agreement has not been executed by Morris & Vedder but with the consent of Digital Samba, SL, Morris & Vedder shall be removed as a party to the Escrow Agreement and an alternate escrow agent shall be designated and confirmed simultaneously with the Closing.

6.4.2. Teaming Agreement dated May 25, 2007 by and between U-Combination Technology USA, Inc. and Seller;

6.5. Failure to Satisfy Conditions Precedent under Section 6.3 and Section 6.4. If Closing does not occur due to failure to satisfy any of the conditions precedent under Section 6.3 or Section 6.4 of this Agreement, then neither party shall have any further obligation or liability to the other under this Agreement except as expressly provided herein.

6.6. Specific Performance. If Closing does not occur due to Seller's breach of this Agreement, Buyer shall be entitled to the remedy of specific performance (the parties agreeing that the Purchased Assets are unique and that legal remedies shall be inadequate to compensate Buyer for such breach).

## ARTICLE 7 RESTRICTIVE COVENANTS

### 7.1. Non-Disclosure Covenant.

7.1.1. Each Restricted Party acknowledges that (1) the Restricted Party has had access to Confidential Information; (2) public disclosure of such Confidential Information could have an adverse effect on Buyer and the Business; (3) upon the Closing, Buyer will be entitled to exclusive ownership of such Confidential Information, and Buyer will be at a substantial competitive disadvantage if it fails to acquire exclusive ownership of such Confidential Information; (4) Buyer has required that each Restricted Party make the covenants set forth in this Section 7.1 as a condition to Closing under this Agreement; and (5) the provisions of this Section 7.1 are reasonable and necessary to prevent the improper use or disclosure of Confidential Information and to provide Buyer with exclusive ownership of all Confidential Information.

7.1.2. In consideration of the compensation and benefits to be paid or provided to each Restricted Party by Buyer under this Agreement, each Restricted Party covenants as follows:

(a) During the Restricted Period and thereafter, each Restricted Party will hold in confidence the Confidential Information and will not disclose it to any person except with the specific prior written consent of Buyer.

(b) Any trade secrets of Buyer will be entitled to all of the protections and benefits under applicable state trade secret law and any other applicable law. If any information that Buyer deems to be a trade secret is found by a court of competent jurisdiction not to be a trade secret for purposes of this Agreement, such information will, nevertheless, be considered Confidential Information for purposes of this Agreement. Each Restricted Party hereby waives any requirement that Buyer submit proof of the economic value of any trade secret or post a bond or other security.

(c) None of the foregoing obligations and restrictions applies to any part of the Confidential Information that each Restricted Party demonstrates was or became generally available to the public other than as a result of a disclosure by each Restricted Party.

(d) Each Restricted Party will not remove from Buyer's or Seller's premises any document, record, notebook, plan, model, component, device, or computer software or code, whether embodied in a disk or in any other form, containing any Confidential Information.

7.1.3. Each Restricted Party recognizes that should a dispute or controversy arising from or relating to this Agreement be submitted for adjudication to any court, arbitration panel, or other third party, the preservation of the secrecy of Confidential Information may be jeopardized. All pleadings, documents, testimony, and records relating to any such adjudication will be maintained in secrecy and will be available for inspection by Buyer, each Restricted Party, and their respective attorneys and experts, who will agree, in advance and in writing, to receive and maintain all such information in secrecy, except as may be limited by them in writing.

7.2. Non-Competition and Non-Interference.

7.2.1. Each Restricted Party acknowledges that: (1) the Business is regularly marketed throughout the United States (the "Market Region"); (2) upon the Closing, Buyer will operate the Business in competition with other businesses that are or could be located in any part of Market Region; (3) Buyer has required that each Restricted Party make the covenants set forth in this Section 7.2 as a condition to Closing under this Agreement; and (4) the provisions of this Section 7.2 are reasonable and necessary to protect the Business which Buyer will acquire pursuant to this Agreement.

7.2.2. In consideration of the acknowledgments by each Restricted Party, and in consideration of the compensation and benefits to be paid or provided to each Restricted Party by Buyer, each Restricted Party covenants that he will not, directly or indirectly:

(a) During the Restricted Period, engage or invest in, own, manage, operate, finance, control, or participate in the ownership, management, operation, financing, or control of, be employed by, associated with, or in any manner connected with, lend his name or any similar name to, lend his credit to, or render services or advice to, any business that competes with the Business anywhere in the Market Region; provided, however, that Restricted Party may purchase or otherwise acquire up to (but not more than) one percent of any class of securities of any enterprise (but without otherwise participating in the activities of such enterprise) if such securities are listed on any national or regional securities exchange or have been registered under Section 12(g) of the Securities Exchange Act of 1934;

(b) Whether for the Restricted Party's own account or for the account of any other person, at any time during the Restricted Period, solicit business of the same or similar type as the Business, from any person known by such Restricted Party to be a customer of Buyer, whether or not each Restricted Party had personal contact with such person during and by reason of each Restricted Party's affiliate with Seller;

(c) Whether for the Restricted Party's own account or the account of any other person (i) at any time during the Restricted Period, solicit, employ, or otherwise engage as an employee, independent contractor, or otherwise, any person who is or was an employee of Seller before Closing or Buyer during the Restricted Period, or in any manner induce or attempt to induce any such person to terminate his employment or contractual relationship with Buyer; or (ii) at any time during the Restricted Period, interfere with Buyer's relationship with any person, including any person who was an employee, contractor, supplier, or customer of Seller before Closing or Buyer during the Restricted Period; or

(d) At any time during or after the Restricted Period, disparage Buyer or any of its shareholders, directors, officers, employees, or agents.

7.2.3. If any covenant in this Section 7.2 is held to be unreasonable, arbitrary, or against public policy, such covenant will be considered to be divisible with respect to scope, time, and geographic area, and such lesser scope, time, or geographic area, or all of them, as a court of competent jurisdiction may determine to be reasonable, not arbitrary, and not against public policy, will be effective, binding, and enforceable against each Restricted Party.

7.2.4. The period of time applicable to any covenant in this Section 7.2 will be extended by the duration of any violation by each Restricted Party of such covenant.

7.2.5. Each Restricted Party will, while the covenant under this Section 7.2 is in effect, give notice to Buyer, within ten days after accepting any other employment, of the identity of such Restricted Party's new employer. Buyer may notify such employer that the Restricted Party is bound by this Agreement and, at Buyer's election, furnish such employer with a copy of this Agreement or relevant portions thereof.

## ARTICLE 8 INDEMNIFICATION

### 8.1. Seller's Indemnification.

8.1.1. Seller and Shareholders, jointly and severally, agree to indemnify, defend and hold harmless Buyer from and against all third-party claims, actions, demands, liabilities, losses, damages, judgments, settlements, costs and expenses (including reasonable attorneys' fees) which may be asserted against, imposed upon or required by law, order or judgment applicable to Buyer, directly or indirectly, arising prior to Closing, under or in connection with any of the Purchased Assets including, without limitation, any claim for taxes accruing before Closing and any claim arising out of Seller's failure to deliver bulk sales clearance certificates at Closing as required by law. No claim will be made for indemnification under this paragraph unless the aggregate of all amounts subject to indemnification exceeds \$2,500.00, except that this limitation shall not apply to any claim for taxes accruing before Closing or any claim arising out of Seller's failure to deliver bulk sales clearance certificates at Closing.

8.1.2. At the Closing, the Shareholders agree to enter into a Cross Indemnification Agreement, the form of which is attached hereto.

8.2. Buyer's Indemnification. Buyer agrees to indemnify, defend and hold harmless Seller from and against all third-party claims, actions, demands, liabilities, losses, damages, judgments, settlements, costs and expenses (including reasonable attorneys' fees) which may be asserted against, imposed upon or required by law, order or judgment applicable to Seller, directly or indirectly, arising subsequent to Closing, under or in connection with any of the Purchased Assets. No claim will be made for indemnification under this paragraph unless the aggregate of all amounts subject to indemnification exceeds \$2,500.00.

#### ARTICLE 9 ADDITIONAL AGREEMENTS AND COVENANTS

9.1. Other Items Received. Seller shall promptly pay or transfer to Buyer, if and when received, any amounts or other items which shall be received by Seller after the Closing in respect of the Purchased Assets transferred and assigned to Buyer.

9.2. Further Assurances. Each party shall at the request of the other party do and perform or cause to be done and performed all such further acts and furnish, execute and deliver such other documents, instruments, certificates, notices or other further assurances as counsel for the requesting party may reasonably request, from time to time after the Closing, to consummate more effectively the transactions contemplated by this Agreement or to vest in Buyer all of Seller's right, title and interest in the Purchased Assets.

9.3. Expenses; Sales and Other Transfer Taxes. Except as otherwise provided in this Agreement, each party will pay all fees and expenses incurred by it in connection with this Agreement and the transactions contemplated hereby; provided, however, that all sales, transfer and similar taxes and fees incurred in connection with this Agreement and the transactions contemplated hereby, if any, shall be borne equally by Buyer and Seller, and Buyer shall file all necessary documentation with respect to such taxes.

#### ARTICLE 10 MISCELLANEOUS

10.1. Entire Agreement; Amendments. This Agreement constitutes the entire understanding among the parties hereto with respect to the subject matter contained herein and supersedes any prior understandings and agreements among them respecting such subject matter. This Agreement may be amended, supplemented and terminated only by a written instrument duly executed by Buyer, Seller and all Shareholders.

10.2. Headings; Gender; Number. The headings in this Agreement are for convenience of reference only and shall not affect its interpretation. Words of gender may be read as masculine, feminine or neuter, as required by context. Words of number may be read as singular or plural, as required by context.

10.3. Severability. If any provision of this Agreement is held illegal, invalid or unenforceable, such illegality, invalidity or unenforceability will not affect any other provision of

this Agreement. This Agreement shall, in such circumstances, be deemed modified to the extent necessary to render enforceable the provisions hereof.

10.4. Waiver. The failure of any party hereto to insist upon strict performance of any of the terms or conditions of this Agreement will not constitute a waiver of any of its rights hereunder.

10.5. Notices. All notices and other communications hereunder shall be in writing and shall be deemed given to the person if delivered personally or upon sending a copy thereof by first class or express mail (postage prepaid), or by telegram (with messenger service specified), or reputable courier services (charges prepaid), or by telecopier, to such party's address (or to such party's telecopier or telephone number).

If to Buyer:

Access Fiber Solutions, Inc.  
114 North Second Street  
P.O. Box 1057  
Harrisburg, PA 17109-1057  
Telephone: 717.260.1157  
Facsimile : 717.260.1103

With a copy to:

Pepper Hamilton LLP  
100 Market Street, Suite 200  
P.O. Box 1181  
Harrisburg, PA 17108-1181  
Attention : Timothy B. Anderson, Esq.  
Telephone: 717.255.1190  
Facsimile : 717.238.0575

If to Seller

J. Wayne Block  
3890 Ridgewood Road  
York, PA 17402  
Telephone: 717. 600-8864

With a copy to

Morris & Vedder  
32 N. Duke Street  
York, PA 17401  
ATTN : Christopher M. Vedder, Esq.  
Telephone: 717.843.9815  
Facsimile : 717.846.2813



delivered shall be deemed to be an original and all of which counterparts taken together shall constitute one and the same instrument. The execution of this Agreement by any party hereto will not become effective until counterparts hereof have been executed by all the parties hereto.

10.12. Legal Representation. The Seller and Shareholders acknowledge that the Seller's counsel, the law firm of Morris & Vedder by Christopher M. Vedder, assisted in the preparation of this Agreement at the mutual request of the Seller and the Shareholders, on behalf of and in the course of his representation of the Seller, and that the Seller and the Shareholders hereby acknowledge and agree as follows:

10.12.1. EACH HAS BEEN ADVISED BY MR. VEDDER THAT A CONFLICT EXISTS AMONG THEIR RESPECTIVE INDIVIDUAL INTERESTS; AND

10.12.2. EACH HAS BEEN ADVISED BY MR. VEDDER TO SEEK THE ADVICE OF INDEPENDENT COUNSEL; AND

10.12.3. EACH HAS HAD THE OPPORTUNITY TO SEEK THE ADVICE OF INDEPENDENT COUNSEL; AND

10.12.4. EACH HAS RECEIVED NO REPRESENTATIONS FROM MR. VEDDER ABOUT THE TAX CONSEQUENCES OF THIS AGREEMENT; AND

10.12.5. EACH HAS BEEN ADVISED BY MR. VEDDER THAT THIS AGREEMENT MAY HAVE TAX CONSEQUENCES; AND

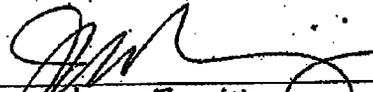
10.12.6. EACH HAS BEEN ADVISED BY MR. VEDDER TO SEEK THE ADVICE OF INDEPENDENT TAX COUNSEL; AND

10.12.7. EACH HAS HAD THE OPPORTUNITY TO SEEK THE ADVICE OF INDEPENDENT TAX COUNSEL.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written.

**BUYER:**

ACCESS FIBER SOLUTIONS, INC.

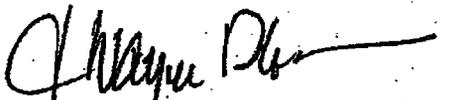
By:   
Name: Scott Brindley  
Title: Vice President

**SELLER:**

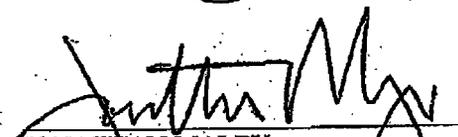
SPIDERWEB COMMUNICATIONS, INC.

By:   
Name: J. Wayne Block  
Title: CEO

**SHAREHOLDERS:**

  
WAYNE BLOCK

  
DAVID SEGAL

  
JONATHAN MALEY

**SCHEDULE 1.8  
INCLUDED ASSETS**

**OFFICE INVENTORY**

**Receptionist:**

- Computer (2 years old) w/ monitor
- HP Deskjet 940c Printer
- Phone System (4 Units – Expandable)
- Fax Machine
- Wall Logo

**Office A:**

- Laptop Computer (3+ years old)
- Miscellaneous Desk Items

**Office B:**

- Laptop Computer (2 years old)
- Desk (black w/ chrome) – 2 units
- File Cabinet
- Office Chair
- Side Chair

**Office C:**

- Laptop Computer (2 years old)
- Desk (black w/ chrome) – 2 units
- Office Chair
- Bookcase

- File Cabinet

**Conference Room:**

- Wall Logo
- Conference Desk
- Conference Chairs – 6 units
- Credenza
- Flip Chart
- Pull-Down Screen and Projector

**Server Room:**

- HP Laser Printer – LJ551 (networked)
- Magicolor 2200 Color Printer

**Miscellaneous:**

- Trade Show Banner
- Netgear 24-port 10/100 w/2 GB Ports
- Ortronics Patchpanel w/ Panduit Cable Management
- Rack
- Spiderlive.com, Cyber-grad.com, Spiderwebcommunications.com Domain
- Customer Relationship Management System & Database
- Mirra Mini-Server
- All SpiderWeb Comm and Cyber Grad, Inc. Unreq'd trademarks, names,

Names

logos, etc.

**OTHER INCLUDED ASSETS**

Contracts per Section 4.3.

- (i) Dealer Agreement by and between Seller and Digital Samba and companion Escrow Agreement;
- (ii) License Agreement or PO between the Seller and Library Video Company.
- (iii) Teaming Agreement dated May 25, 2007 by and between U-Combination Technology USA, Inc. and Seller; and;
- (iv) Value Added Reseller Agreement dated August 25, 2005, as amended by Addendum to VAR Agreement dated March 1, 2007, by and between Seller and iLine Communications, Inc.;
- (v) Cooperation Framework Agreement among The Information Center Tourism Administration of Shandong Province, U-Combination Technology USA, Inc. and Seller.
- (vi) UCAC E-Rate SPIN number of 143030644 for SpiderWeb Communications, Inc. **A**