UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended

Date of Report (Date of earliest event reported) April 3, 2011

DUCOMMUN INCORPORATED

(Exact name of registrant as specified in its charter)

Delaware	**001-08174**	**95-0693330**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

23301 Wilmington Avenue, Carson, California	**90745-6209**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code (310) 513-7200

N/A
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☒ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry Into a Material Definitive Agreement.

The Merger Agreement

On April 3, 2011, Ducommun Incorporated, a Delaware corporation ("**Ducommun**"), and DLBMS, Inc., a Delaware corporation and a wholly-owned subsidiary of Ducommun ("**Merger Sub**"), entered into an Agreement and Plan of Merger (the "**Merger Agreement**") with LaBarge, Inc., a Delaware corporation ("**LaBarge**"). Under the terms of the Merger Agreement, Merger Sub will be merged with and into LaBarge with LaBarge continuing as the surviving corporation and a wholly-owned subsidiary of Ducommun (the "**Merger**").

At the effective time of the Merger (the "**Effective Time**"), each outstanding share of common stock, par value $.01 per share of LaBarge ("**LaBarge Common Stock**") (including each outstanding share of restricted stock and the associated preferred stock purchase rights granted pursuant to the Rights Agreement, dated November 8, 2001 between LaBarge and Registrar and Transfer Company, as amended), other than shares: (a) held by LaBarge or its subsidiaries, (b) owned by Ducommun or its subsidiaries and (c) owned by stockholders who have not consented to the Merger and who have properly demanded appraisal for their shares under Delaware law, will be cancelled and converted into the right to receive $19.25 in cash, without interest. At the Effective Time, each outstanding option will be cancelled and converted into the right to receive in cash, without interest and less applicable withholding taxes, an amount equal to the product of: (a) the excess, if any, of $19.25 over the exercise price per share of LaBarge Common Stock for such option multiplied by (b) the total number of shares of LaBarge Common Stock then subject to such option immediately prior to the Effective Time.

Pursuant to the Merger Agreement, LaBarge is subject to a "no shop" restriction on its ability to solicit third party proposals or provide information and engage in discussions with third parties relating to alternative business combination transactions. The "no shop" provision is subject to a "fiduciary-out" provision that allows LaBarge, prior to obtaining stockholder approval of the Merger, to provide information, participate in discussions, withdraw its recommendation in support of the Merger and enter into an alternative acquisition agreement with respect to a third party proposal if the Board of Directors of LaBarge (the "**LaBarge Board**") determines in good faith, after consultation with advisors: (a) that such proposal is a "superior proposal," as defined in the Merger Agreement, and (b) that its failure to pursue such action would likely result in a breach of its fiduciary duties. Additionally, the LaBarge Board may participate in discussions with respect to a third party proposal (but not provide information, withdraw its recommendation or enter into an alternative acquisition agreement) with respect to a third party proposal if the LaBarge Board determines in good faith, after consultation with its advisors (i) that such proposal is reasonably likely to lead to a "superior proposal" and (ii) that its failure to pursue such action would likely result in a breach of its fiduciary duties.

The Merger Agreement contains customary termination rights for Ducommun and LaBarge including if, subject to the terms of the Merger Agreement, the LaBarge Board authorizes LaBarge to enter into an agreement concerning a superior proposal or the Merger has not been consummated by September 30, 2011. The Merger Agreement provides that, upon the termination of the Merger Agreement, under specified circumstances, LaBarge will be required to pay Ducommun a termination fee of $12,410,000. Depending on the specific circumstances under which the Merger Agreement is terminated, LaBarge will be required to pay such termination fee either simultaneously with the event giving rise to the termination fee or within two business days following the consummation of an alternative business combination transaction. Additionally, in the event LaBarge's stockholders do not approve the Merger, LaBarge will be required to reimburse the reasonable out-of-pocket expenses and

fees (including all fees and expenses of advisors) incurred in connection with the Merger Agreement and transactions contemplated thereby by Ducommun and its affiliates up to $5,000,000.

The Merger Agreement contains customary representations, warranties and covenants, and the Merger is subject to customary closing conditions, including approval of the Merger by LaBarge's stockholders holding two-thirds of the outstanding shares of LaBarge Common Stock and expiration or termination of applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended. The parties currently expect to close the transaction during the summer of 2011.

Debt Financing

Concurrently, and in connection with entering into the Merger Agreement, Ducommun has entered into a commitment letter (the "**Commitment Letter**") with UBS Loan Finance LLC and UBS Securities LLC, Credit Suisse Securities (USA) LLC and Credit Suisse AG (collectively, the "**Committed Parties**") pursuant to which, subject to the conditions set forth therein, the Committed Parties have agreed to provide and/or arrange for (i) a senior secured term loan facility to Ducommun of $190 million, (ii) a senior secured revolving loan facility to Ducommun of up to $40 million and (c) a senior unsecured bridge loan facility to Ducommun of up to $200 million (the "**Bridge Facility**"). It is expected that in connection with the Merger, senior unsecured notes will be issued and sold pursuant to a high yield senior notes offering in lieu of all or a portion of any drawings under the Bridge Facility. The conditions provided for in the Commitment Letter are generally tied to the satisfaction of the closing conditions in the Merger Agreement, including the absence of a "Material Adverse Effect" as defined in the Merger Agreement, and the accuracy of certain other limited representations and customary conditions. Consummation of the Merger is not subject to a financing condition.

The Voting Agreement

Concurrently with the execution of the Merger Agreement, all of LaBarge's executive officers and certain directors (collectively, the "**Covered Stockholders**"), in their capacities as stockholders of LaBarge, entered into a Voting Agreement with Ducommun (the "**Voting Agreement**"). Pursuant to the Voting Agreement, the Covered Stockholders, who collectively have the power to vote approximately 19% of LaBarge Common Stock as of April 3, 2011, agreed to vote all shares beneficially owned by them in favor of the Merger, the Merger Agreement and the transactions contemplated thereby and against any proposal that could reasonably be expected to interfere with or delay the Merger, the Merger Agreement or the transactions contemplated thereby. The Voting Agreement terminates upon the earliest of the Effective Time, September 30, 2011 or the termination of the Merger Agreement in accordance with certain terms therein.

The foregoing summaries of the Merger Agreement, the Commitment Letter, the Voting Agreement and the transactions contemplated thereby are subject to, and qualified in their entirety by, the full text of such agreements, which are filed herewith as Exhibits 2.1, 10.1, and 10.2, respectively, and incorporated herein by reference. The representations, warranties and covenants of the parties contained in the Merger Agreement have been made solely for the benefit of parties to such agreement. In addition, such representations, warranties and covenants (i) have been made only for purposes of the Merger Agreement, (ii) have been qualified by confidential disclosures made by the parties to each other in connection with the Merger Agreement, (iii) are subject to materiality qualifications contained in the Merger Agreement which may differ from what may be viewed as material by investors, (iv)

were made only as of the date of the Merger Agreement or such other date as is specified in the Merger Agreement and (v) have been included in the Merger Agreement for the purpose of allocating risk between the contracting parties rather than establishing matters as facts. Accordingly, the Merger Agreement is included with this filing only to provide investors with information regarding the terms of the Merger Agreement, and not to provide investors with any other factual information regarding the parties or their respective businesses. Investors should not rely on the representations, warranties or covenants, or any descriptions thereof, as characterizations of the actual state of facts or condition of the parties or any of their respective subsidiaries or affiliates. Moreover, information concerning the subject matter of the representations and warranties may change after the date of the Merger Agreement, which subsequent information may or may not be fully reflected in the parties' public disclosures. The Merger Agreement should not be read alone, but should instead be read in conjunction with the other information regarding the parties and the Merger that is or will be contained in, or incorporated by reference into, the proxy statement that LaBarge will file in connection with the Merger, and the other documents that the parties will file, with the SEC.

Item 7.01. Regulation FD Disclosure.

On April 4, 2011, Ducommun issued a press release announcing that it had entered into the Merger Agreement. In addition, on April 4, 2011, Ducommun held a conference call with investors and analysts to discuss the Merger Agreement and the transactions contemplated thereby. A copy of the press release, the transcript of the conference call, as well as copies of the materials referenced during the conference call, are attached hereto as Exhibits 99.1, 99.2 and 99.3, respectively, and incorporated herein by reference. The information contained in this Item 7.01 to this Current Report on Form 8-K, including Exhibits 99.1, 99.2 and 99.3 shall not be deemed "filed" with the SEC nor incorporated by reference in any registration statement filed by Ducommun under the Securities Act of 1933, as amended.

Forward-Looking Statements

Certain statements contained in this Current Report on Form 8-K regard matters that are not historical facts and are forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, as amended, and the rules promulgated pursuant to the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended. Such statements include statements regarding the proposed Merger between Ducommun and LaBarge, including but not limited to statements regarding benefits of the proposed Merger, as well as statements regarding the proposed financing of the Merger. Because such forward-looking statements contain risks and uncertainties, actual results may differ materially from those expressed in or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to: (1) the occurrence of any event, change or other circumstances that could give rise to the termination of the Merger Agreement or Voting Agreement; (2) the outcome of any legal proceedings that have been or may be instituted against LaBarge and/or Ducommun and others following announcement of the Merger Agreement; (3) the inability to complete the Merger due to the failure to obtain stockholder approval or the failure to satisfy other conditions to the completion of the Merger, including the expiration of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act 1976, as amended; (4) the failure to obtain the necessary debt financing arrangements set forth in commitment letters received in connection with the Merger; (5) the interest rate on any borrowings incurred to finance the acquisition and operations of Ducommun and its subsidiaries following the Merger; (6) risks that the proposed transaction disrupts current plans and operations and the potential difficulties in employee retention as a result of the

Merger; (7) difficulties integrating LaBarge's business, operations and employees into Ducommun's business and operations; (8) the inability to recognize the benefits of the Merger, including any potential synergies, growth, cost savings or accretive value; (9) the method of accounting for the Merger; (10) the inability to maintain current customer and supplier relationships following the Merger; (11) the amount of the costs, fees, expenses and charges related to the Merger and the actual terms of certain financings that will be obtained for the Merger; and (12) the impact of the indebtedness incurred to finance the consummation of the Merger. The businesses of Ducommun and LaBarge are also subject to a number of risks as described in the SEC filings of Ducommun and LaBarge, copies of which may be obtained by contacting the investor relations departments of each company via their websites at http://www.ducommun.com and http://www.labarge.com. Many of the factors that will determine the outcome of the subject matter of this Form 8-K are beyond Ducommun's or LaBarge's ability to control or predict. Ducommun undertakes no obligation to release publicly the results of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Additional Information and Where to Find It

In connection with the proposed Merger, LaBarge will file a proxy statement with the SEC. When completed, a definitive proxy statement and a form of proxy will be mailed to the stockholders of LaBarge. LABARGE'S STOCKHOLDERS ARE URGED TO READ THE PROXY STATEMENT WHEN IT BECOMES AVAILABLE BECAUSE IT WILL CONTAIN IMPORTANT INFORMATION ABOUT THE MERGER. LaBarge's stockholders will be able to obtain, without charge, a copy of the proxy statement (when available) and other relevant documents filed by LaBarge with the SEC from the SEC's website at http://www.sec.gov, the investor relations section of LaBarge's website at http://www.labarge.com, or by written request to LaBarge, Inc., c/o Corporate Secretary, 9900 Clayton Road, St. Louis, MO 63124.

Ducommun and LaBarge and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from LaBarge's stockholders with respect to the proposed Merger. Information about Ducommun's directors and executive officers is set forth in Ducommun's 2011 proxy statement on Schedule 14A filed with the SEC on April 29, 2011 and its Annual Report on Form 10-K for the year ended December 31, 2010, filed with the SEC on February 22, 2011. Information about LaBarge's directors and executive officers, including their ownership of LaBarge Common Stock, is set forth in LaBarge's 2010 proxy statement on Schedule 14A, filed with the SEC on October 18, 2010. Investors may obtain additional information regarding the interests of the participants in the proposed Merger, which may be different than those of LaBarge's stockholders generally, by reading the proxy statement and other relevant documents regarding the proposed Merger, when filed with the SEC.

Item 9.01. Financial Statements and Exhibits.

Exhibit 2.1	Agreement and Plan of Merger, dated as of April 3, 2011, among Ducommun Incorporated, DLBMS, Inc. and LaBarge, Inc.*
Exhibit 10.1	Commitment Letter to Ducommun Incorporated, dated April 3, 2011 from UBS Loan Finance LLC and UBS Securities LLC, Credit Suisse Securities (USA) LLC and Credit Suisse AG.
Exhibit 10.2	Voting Agreement, dated as of April 3, 2011 by and among Ducommun Incorporated and the stockholders of LaBarge party thereto.
Exhibit 99.1	Press Release, dated April 4, 2011.
Exhibit 99.2	Transcript of Ducommun Incorporated Investor and Analyst Conference Call, held on April 4, 2011.
Exhibit 99.3	Presentation Slides, dated April 4, 2011.

* Schedules and exhibits omitted pursuant to Item 601(b)(2) of Regulation S-K. Ducommun agrees to furnish supplementally a copy of any omitted schedule to the SEC upon request.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DUCOMMUN INCORPORATED
(Registrant)

Date: April 4, 2011

By: /s /James S. Heiser
James S. Heiser
Vice President and General Counsel

Exhibit 2.1

AGREEMENT AND PLAN OF MERGER

dated as of

April 3, 2011

among

DUCOMMUN INCORPORATED,

DLBMS, INC.

and

LABARGE, INC.

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AGREEMENT AND PLAN OF MERGER

AGREEMENT AND PLAN OF MERGER (this "**Agreement**") dated as of April 3, 2011 among Ducommun Incorporated, a corporation organized and existing under the laws of Delaware ("**Parent**"), DLBMS, Inc., a Delaware corporation and a direct, wholly-owned subsidiary of Parent ("**Merger Subsidiary**") and LaBarge, Inc., a Delaware corporation (the "**Company**").

WHEREAS, the Boards of Directors of Parent, Merger Subsidiary and the Company have approved and declared advisable this Agreement and the Merger (as defined below), on the terms and subject to the conditions set forth in this Agreement; and

WHEREAS, concurrently with the execution and delivery of this Agreement, and as a condition and inducement to Parent's willingness to enter into this Agreement, certain stockholders of the Company are entering into an agreement pursuant to which each such Person has agreed, among other things, to vote the shares of Company Capital Stock held by such Person in favor of the Merger.

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

ARTICLE 1
DEFINITIONS

Section 1.01 *Definitions*. As used herein, the following terms have the following meanings:

"**1933 Act**" means the Securities Act of 1933, as amended.

"**1934 Act**" means the Securities Exchange Act of 1934, as amended.

"**Acquisition Proposal**" means, other than the transactions contemplated by this Agreement, any offer or proposal (other than an offer or proposal by Merger Subsidiary or Parent) relating to (A) any acquisition or purchase, direct or indirect, of 20% or more of the voting securities of the Company, (B) any tender offer or exchange offer that, if consummated, would result in a Third Party beneficially owning 20% or more of the voting securities of the Company, or (C) a sale of assets equal to 20% or more of the Company's consolidated assets, or a merger, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution, joint venture or other similar transaction involving the Company or any of its Subsidiaries whose assets, individually or in the aggregate, constitute 20% or more of the consolidated assets of the Company.

"**Affiliate**" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with such Person.

"**AMEX**" means the NYSE Amex LLC.

"**Applicable Law**" means, with respect to any Person, any federal, state or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Authority that is binding upon or applicable to such Person, its Subsidiaries or any of their respective assets, as the same may be amended from time to time unless expressly specified otherwise herein.

"**Business Day**" means a day, other than Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by Applicable Law to close.

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Company 10-K**" means the Company's annual report on Form 10-K for the fiscal year ended June 27, 2010.

"**Company 10-Q**" means the Company's quarterly report on Form 10-Q for the fiscal quarter ended January 2, 2011.

"**Company Balance Sheet**" means the unaudited consolidated balance sheet of the Company and its Subsidiaries as of January 2, 2011 and the footnotes thereto set forth in the Company 10-Q.

"**Company Balance Sheet Date**" means January 2, 2011.

"**Company Common Stock**" means the common stock, $.01 par value, of the Company.

"**Company Disclosure Schedule**" means the disclosure schedule dated the date hereof regarding this Agreement that has been provided by the Company to Parent and Merger Subsidiary.

"**Company Owned Intellectual Property**" means all Intellectual Property owned by or exclusively licensed to the Company or any of its Subsidiaries and includes all Intellectual Property listed on Section 4.17 of the Company Disclosure Schedule.

"**Company Restricted Share**" means each restricted share of Company Common Stock issued under the 2004 LTIP in settlement of Performance Units, and each other share of Company Common Stock outstanding as of the Effective Time that is subject to vesting conditions. For avoidance of doubt, the term "Company Restricted Share" shall not refer to or include any Performance Unit prior to its conversion into restricted shares of Company Common Stock.

"**Company Rights**" means the preferred share purchase rights issued pursuant to the Company Rights Agreement.

"**Company Rights Agreement**" means the Rights Agreement dated November 8, 2001 between the Company and Registrar and Transfer Company, as amended.

"**Contract**" any oral or written contract, agreement, obligation, commitment, arrangement, instrument, permit, lease, license, bond, debenture, note, mortgage, indenture, guarantee, purchase or sale order or other commitment, instrument, understanding, undertaking, concession or franchise (in each case, including all amendments thereto).

"**Delaware Law**" means the Delaware General Corporation Law, as amended.

"**Environmental Law**" means any Applicable Law relating to (i) the control of any potential Hazardous Substance or protection of the air, water or land, (ii) solid, gaseous or liquid waste generation or the handling, treatment, storage, disposal or transportation of a Hazardous Substance, (iii) human health and safety with respect to exposures to and management of Hazardous Substances, or (iv) the environment.

"**Environmental Permits**" means all permits, licenses, franchises, certificates, approvals and other similar authorizations of Governmental Authorities required by Environmental Laws and affecting, or relating to, the business of the Company or any of its Subsidiaries as conducted as of the date of this Agreement.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended.

"**ERISA Affiliate**" of any entity means any other entity that, together with such entity, would be treated as a single employer under Section 414 of the Code.

"**Facilities**" means the facilities, Improvements, buildings, transportation, and storage facilities and other structures that are located on Leased Real Property or Owned Real Property and all fixtures attached or appurtenant thereto or located thereon, and all licenses, privileges and rights relating to the foregoing (other than those included in the Leased Real Property or Owned Real Property), in each case to the extent predominately used in the operation of the Company's business.

"**GAAP**" means United States generally accepted accounting principles consistently applied.

"**Governmental Authority**" means any transnational, domestic or foreign federal, state or local governmental, regulatory or administrative authority, department, court, agency, commission or official, including any political subdivision thereof, or any non-governmental self-regulatory agency, commission or authority.

"**Hazardous Substance**" means any chemical, substance, waste or material listed or defined as a "pollutant", "contaminant", "toxic," "radioactive", "ignitable", "corrosive", "reactive", or "hazardous" and regulated by a Governmental Authority under any Environmental Law.

"**HSR Act**" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"**Intellectual Property**" shall mean (i) trademarks, service marks, brand names, certification marks, trade dress, domain names and other indications of origin, the goodwill

associated with the foregoing and registrations in any jurisdiction of, and applications in any jurisdiction to register, the foregoing, including any extension, modification or renewal of any such registration or application (collectively, "**Marks**"); (ii) inventions and discoveries, whether patentable or not, in any jurisdiction; patents, applications for patents (including, without limitation, divisions, continuations, continuations in part and renewal applications), and any renewals, extensions or reissues thereof, in any jurisdiction; (iii) trade secrets and confidential information and rights in any jurisdiction to limit the use or disclosure thereof by any person (the "**Trade Secrets**"); (iv) writings and other tangible works, whether copyrightable or not, in any jurisdiction, and any and all copyright rights, whether registered or not; and registrations or applications for registration of copyrights in any jurisdiction, and any renewals or extensions thereof; and (v) moral rights, database rights, design rights, industrial property rights, publicity rights and privacy rights.

"**IT Assets**" shall mean computers, computer software, firmware, middleware, servers, workstations, routers, hubs, switches, data communications lines, and all other information technology equipment, and all associated documentation owned by the Company or its Subsidiaries or licensed or leased by the Company or its Subsidiaries pursuant to written agreement (excluding any public networks).

"**knowledge of the Company**" means the actual knowledge of the Company's officers.

"**Lien**" means, with respect to any property or asset, any mortgage, lien, pledge, charge, security interest, encumbrance, option, right of first refusal or other adverse right of any kind (including any limitation on voting, sale, transfer or other disposition or exercise of any other attribute of ownership) in respect of such property or asset. For purposes of this Agreement, a Person shall be deemed to own subject to a Lien any property or asset that it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement relating to such property or asset.

"**Material Adverse Effect**" means with respect to any Person, any change, effect, development or event that (a) has or would reasonably be expected to have a material adverse effect on the condition (financial or otherwise), business, assets or results of operations of such Person and its Subsidiaries, taken as a whole or (b) materially impairs the ability of such Person and its Subsidiaries to consummate, or prevents or materially delays, the Merger or any of the other transactions contemplated by this Agreement or would reasonably be expected to do so; provided, however, that, subject to the last proviso of this sentence, in the case of clause (a) only, no changes, effects, developments or events resulting from, arising out of, or attributable to, any of the following shall be deemed to be or constitute a "Material Adverse Effect" or be taken into account when determining whether a "Material Adverse Effect" has occurred or may, would or could occur: (A) any changes, effects, developments or events in the economy or the financial, credit or securities markets in general (including changes in interest or exchange rates), (B) any changes, effects, developments or events in the industries in which such Person and its Subsidiaries operate, (C) any changes, effects, developments or events resulting from the announcement or pendency of the transactions contemplated by this Agreement, the identity of Parent or the performance or compliance with the terms of this Agreement (including, in each case, any loss of customers, suppliers or employees or any disruption in business relationships), (D) any failure, in and of itself, of such Person to meet internal forecasts, budgets or financial

projections or fluctuations, in and of themselves, in the trading price or volume of such Person's common stock (it being understood that the facts, event, circumstances or occurrences giving rise or contributing to such failure or fluctuations may be deemed to be, constitute, or be taken into account when determining the occurrence of, a Material Adverse Effect), (E) acts of God, natural disasters, calamities, national or international political or social conditions, including the engagement by any country in hostility (whether commenced before, on or after the date hereof, and whether or not pursuant to the declaration of a national emergency or war), or the occurrence of a military or terrorist attack, or (F) any changes in Applicable Law or GAAP (or any interpretation thereof); *provided further, however,* that, with respect to clauses (A), (B), (E), and (F), the impact of such changes, effects, developments or events is not materially and disproportionately adverse to such Person and its Subsidiaries.

"**Multiemployer Plan**" means any "multiemployer plan," as defined in Section 3(37) of ERISA.

"**Occupational Safety and Health Law**" means the federal Occupational Safety and Health Act of 1970, as amended, 20 U.S.C. §§ 651 *et* seq. and enforcement policies thereunder, and any similar state or local law.

"**Occupational Safety and Health Liabilities**" means cost, damage, expense, liability, obligation, or other responsibility consisting of or relating to (a) fines, penalties, judgments, awards, settlements, legal or administrative proceedings, damages, losses, claims, remedial costs, and expenses arising under Occupational Safety and Health Law; (b) financial responsibility for corrective action, including without limitation any investigation, or abatement action including but not limited to engineering or administrative controls, or the use of required personal protective equipment, required by applicable Occupational Safety and Health Law, or by any final judgment, decree, or order of any applicable occupational safety and health jurisdiction pursuant to Occupational Safety and Health Law; and (c) any other compliance, corrective, or remedial measures required under Occupational Safety and Health Law.

"**Organizational Documents**" means (i) with respect to any entity that is a corporation, such corporation's certificate or articles of incorporation and bylaws, (ii) with respect to any entity that is a limited liability company, such limited liability company's certificate or articles of formation and operating agreement, and (iii) with respect to any other entity, such entity's organizational or charter documents.

"**Performance Unit**" means each unit issued under the 2004 LTIP that vests based upon the level of achievement of pre-determined performance objectives.

"**Permitted Liens**" shall mean any of the following: (i) Liens for Taxes, assessments and governmental charges or levies either not yet due and delinquent or which are being contested in good faith by appropriate proceedings and for which appropriate reserves have been established in accordance with GAAP; (ii) mechanics, carriers', workmen's, warehouseman's, repairmen's, materialmen's or other Liens or security interests that are not yet due; (iii) Liens to secure obligations to landlords, lessors or renters under leases or rental agreements or underlying leased property; (iv) Liens imposed by Applicable Law; (v) pledges or deposits to secure obligations under workers' compensation laws or similar legislation or to secure public or statutory

obligations; (vi) pledges and deposits to secure the performance of bids, trade contracts, leases, surety and appeal bonds, performance bonds and other obligations of a similar nature, in each case in the ordinary course of business; (vii) Liens that do not materially detract from the value or materially interfere with the present use of the property or asset subject thereto or affected thereby; (viii) Liens the existence of which are specifically disclosed in the notes to the consolidated financial statements of the Company included in the Company SEC Documents and (ix) Liens on Company Owned Intellectual Property recorded at the United States Patent and Trademark Office.

"**Person**" means an individual, corporation, partnership, limited liability company, association, trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

"**Sarbanes-Oxley Act**" means the Sarbanes-Oxley Act of 2002.

"**SEC**" means the United States Securities and Exchange Commission.

"**Severance Agreements**" means those certain Executive Severance Agreements entered into by and between the Company and each of Messrs. LaBarge, Buschling, Nonnenkamp, and Parmley, and Ms. Huber, executed January 11, 2005, and Mr. Bitner, executed August 22, 2007, each as subsequently amended.

"**Subsidiary**" means, with respect to any Person, any entity of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions are at any time directly or indirectly owned by such Person.

"**Third Party**" means any Person, including as defined in Section 13(d) of the 1934 Act and the rules of the SEC thereunder, other than Parent, the Company or any Affiliate of Parent.

"**WARN Act**" means the U.S. Worker Adjustment and Retraining Notification Act and any state or local equivalent.

Each of the following terms is defined in the Section set forth opposite such term:

Term	Section
1993 Option Plan	Section 4.05(a)
1995 Option Plan	Section 4.05(a)
1999 Option Plan	Section 4.05(a)
2004 LTIP	Section 4.05(a)
Action	Section 4.12
Adverse Recommendation Change	Section 6.02(a)
Agreement	Preamble
Alternative Acquisition Agreement	Section 6.02(a)
Antitrust Filings	Section 8.02(b)
Available Financing	Section 8.09(a)
Bid	Section 4.25(a)

Bridge Financing	Section 5.06(a)
Certificate	Section 2.02(a)
Certificate of Merger	Section 2.01(c)
Closing	Section 2.01(b)
Closing Date	Section 2.01(b)
Commitment Letter	Section 5.06(a)
Company	Preamble
Company Board Recommendation	Section 4.02(b)
Company Capital Stock	Section 4.05(a)
Company Employees	Section 4.16(m)
Company Government Contract	Section 4.25(a)
Company Government Subcontract	Section 4.25(a)
Company Material Contract	Section 4.14
Company Payment Event	Section 11.04(b)
Company Permits	Section 4.13
Company Preferred Stock	Section 4.05(a)
Company Proxy Statement	Section 4.09
Company SEC Documents	Section 4.07(a)
Company Securities	Section 4.05(b)
Company Software	Section 4.17(a)
Company Stock Option	Section 2.05(a)
Company Stockholder Approval	Section 4.02(a)
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Section 1.02 *Other Definitional and Interpretative Provisions*. The words “hereof”, “herein” and “hereunder” and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to Articles, Sections, Exhibits and Schedules are to Articles, Sections, Exhibits and Schedules of this Agreement unless otherwise specified. All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Exhibit or Schedule but not otherwise defined therein, shall have the meaning as defined in this Agreement. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation”, whether or not they are in fact followed by those words or words of like import. “Writing”, “written” and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. Except as the context may otherwise require, references to any

agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof; *provided* that with respect to any agreement or contract listed on any schedules hereto, all such amendments, modifications or supplements must also be listed in the appropriate schedule. Any dollar threshold set forth herein shall not be used as a benchmark for determination of what is "material" or a "Material Adverse Effect" or any phrase of similar import under the Agreement. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively. References to "law", "laws" or to a particular statute or law shall be deemed also to include any Applicable Law. The parties agree that the terms and language of this Agreement were the result of negotiations between the parties and their respective advisors and, as a result, there shall be no presumption that any ambiguities in this Agreement shall be resolved against any party.

ARTICLE 2
THE MERGER

Section 2.01 *The Merger*.

(a) Upon the terms and subject to the conditions set forth in this Agreement, at the Effective Time, Merger Subsidiary shall be merged (the "**Merger**") with and into the Company in accordance with Delaware Law, whereupon the separate existence of Merger Subsidiary shall cease, and the Company shall be the surviving corporation (the "**Surviving Corporation**").

(b) Subject to the provisions of Article 9, the closing of the Merger (the "**Closing**") shall take place in St. Louis, Missouri at the offices of Armstrong Teasdale LLP, 7700 Forsyth Blvd., Suite 1800, St. Louis, Missouri 63105, as soon as possible, but in any event no later than two Business Days after the conditions set forth in Article 9 (other than conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or, to the extent permissible, waiver of those conditions at the Closing) have been satisfied or, to the extent permissible, waived by the party or parties entitled to the benefit of such conditions, that is the earlier of (a) any Business Day during the Marketing Period as may be specified by Parent on no less than three Business Days' prior notice to the Company and (b) the final day of the Marketing Period, or at such other place, at such other time or on such other date as Parent and the Company may mutually agree (the "**Closing Date**"); provided, that notwithstanding the satisfaction or waiver of the conditions set forth in Article 9, this Agreement may be terminated pursuant to and in accordance with Section 10.01 such that the parties shall not be required to effect the Closing, regardless of whether the final day of the Marketing Period shall have occurred prior to such termination.

(c) Upon the Closing, the Company and Merger Subsidiary shall cause the Merger to be consummated by filing a certificate of merger (the "**Certificate of Merger**") with the Secretary of State of the State of Delaware, in such form as is required by, and executed in accordance with, the relevant provisions of Delaware Law. The Merger shall become effective at such time (the "**Effective Time**") as the Certificate of Merger is duly filed with the Secretary of State of the State of Delaware (or at such later time as permitted by Delaware Law as Parent and the Company shall agree and shall be specified in the Certificate of Merger).

(d) The effects of the Merger shall be as provided in this Agreement and in the applicable provisions of Delaware Law. Without limiting the generality of the foregoing and subject thereto, at the Effective Time, the Surviving Corporation shall possess all the properties, rights, powers, privileges and franchises and be subject to all of the obligations, liabilities, restrictions and disabilities of the Company and Merger Subsidiary, all as provided under Delaware Law.

Section 2.02 *Conversion of Shares.* At the Effective Time, by virtue of the Merger and without any action on the part of Parent, Merger Subsidiary, the Company or the holders of any shares of Company Common Stock or any shares of capital stock of Parent or Merger Subsidiary:

(a) except as otherwise provided in Section 2.02(b) or Section 2.04, each share of Company Common Stock (including each Company Restricted Share) outstanding immediately prior to the Effective Time (together with the Company Rights attached to each such share), shall be converted into the right to receive $19.25 in cash, without interest (such per share amount, the "**Merger Consideration**"). As of the Effective Time, all such shares of Company Common Stock shall no longer be outstanding and shall automatically be canceled and shall cease to exist, and each certificate which immediately prior to the Effective Time represented any such shares of Company Common Stock (each, a "**Certificate**") and each uncertificated share of Company Common Stock (an "**Uncertificated Share**") which immediately prior to the Effective Time was registered to a holder on the stock transfer books of the Company, shall thereafter represent only the right to receive the Merger Consideration. For avoidance of doubt, no Merger Consideration shall be paid under this Section 2.02(a) on account of any Performance Unit or any right or security into which such Performance Unit converts as a result of the transactions contemplated by this Agreement, and the settlement of Performance Units hereunder shall be governed solely by the provisions of Section 2.05 hereof.

(b) each share of Company Common Stock held by the Company or any of its Subsidiaries or owned by Parent or any of its Subsidiaries immediately prior to the Effective Time together with the Company Rights attached to each such share shall be canceled, and no payment shall be made with respect thereto; and

(c) each share of common stock of Merger Subsidiary outstanding immediately prior to the Effective Time shall be converted into and become one share of common stock of the Surviving Corporation with the same rights, powers and privileges as the shares so converted and shall constitute the only outstanding shares of capital stock of the Surviving Corporation.

Section 2.03 *Surrender and Payment*.

(a) Prior to the Effective Time, Parent shall appoint a commercial bank or trust company that is reasonably satisfactory to the Company (the "**Paying Agent**") for the purpose of paying the Merger Consideration to the holders of Company Common Stock and shall enter into a Paying Agent Agreement with the Paying Agent. At or prior to the Effective Time, Parent shall deposit, or cause Merger Subsidiary to deposit, with the Paying Agent, for the benefit (from and after the Effective Time) of the holders of shares of Company Common Stock, for payment in accordance with this Section 2.03 through the Paying Agent, cash sufficient to pay the

aggregate Merger Consideration pursuant to Section 2.02. All cash deposited with the Paying Agent pursuant to this Section 2.03(a) shall herewith be referred to as the "**Payment Fund**". Promptly after the Effective Time (and in any event within two Business Days following the Closing Date), Parent shall send, or shall cause the Paying Agent to send, to each Person who was, immediately prior to the Effective Time, a holder of record of shares of Company Common Stock entitled to receive payment of the Merger Consideration pursuant to Section 2.02(a) a letter of transmittal and instructions (which shall specify that the delivery shall be effected, and risk of loss and title shall pass, only upon proper delivery of the Certificates or transfer of the Uncertificated Shares to the Paying Agent) for use in such payment.

(b) Each holder of shares of Company Common Stock that have been converted into the right to receive the Merger Consideration shall be entitled to receive, upon (i) surrender to the Paying Agent of a Certificate, together with a properly completed letter of transmittal, or (ii) receipt of an "agent's message" by the Paying Agent (or such other evidence, if any, of transfer as the Paying Agent may reasonably request) in the case of a book-entry transfer of Uncertificated Shares, the Merger Consideration in respect of the Company Common Stock represented by a Certificate or Uncertificated Share. Until so surrendered or transferred, as the case may be, each such Certificate or Uncertificated Share shall represent after the Effective Time for all purposes only the right to receive such Merger Consideration.

(c) If any portion of the Merger Consideration is to be paid to a Person other than the Person in whose name the surrendered Certificate or the transferred Uncertificated Share is registered, it shall be a condition to such payment that (i) either such Certificate shall be properly endorsed or shall otherwise be in proper form for transfer or such Uncertificated Share shall be properly transferred and (ii) the Person requesting such payment shall pay to the Paying Agent any transfer or other taxes required as a result of such payment to a Person other than the registered holder of such Certificate or Uncertificated Share or establish to the satisfaction of the Paying Agent that such tax has been paid or is not payable.

(d) The stock transfer books of the Company shall be closed immediately upon the Effective Time and there shall be no further registration of transfers of shares of Company Common Stock thereafter on the records of the Company. If, after the Effective Time, Certificates or Uncertificated Shares are presented to Parent, the Surviving Corporation or the Paying Agent for any reason, they shall be canceled and converted into the right to receive only the Merger Consideration to the extent provided for, and in accordance with the procedures set forth, in this Article 2.

(e) Any portion of the Merger Consideration made available to the Paying Agent pursuant to Section 2.03(a) that remains unclaimed by the holders of shares of Company Common Stock six (6) months after the Effective Time shall be delivered to Parent or otherwise on the instruction of Parent, and any such holder who has not exchanged shares of Company Common Stock for the Merger Consideration in accordance with this Section 2.03 prior to that time shall thereafter look only to Parent for payment of the Merger Consideration, in respect of such shares without any interest thereon. Notwithstanding the foregoing, Parent shall not be liable to any holder of shares of Company Common Stock for any amounts paid to a public official pursuant to applicable abandoned property, escheat or similar laws. Any amounts remaining unclaimed by holders of shares of Company Common Stock immediately prior to

such time when the amounts would otherwise escheat to or become property of any Governmental Authority shall become, to the extent permitted by Applicable Law, the property of Parent free and clear of any claims or interest of any Person previously entitled thereto.

Section 2.04 *Dissenting Shares.* Notwithstanding any provision in this Agreement to the contrary, shares of Company Common Stock outstanding immediately prior to the Effective Time and held by a holder who has not voted in favor of the Merger or consented thereto in writing and who has properly demanded appraisal for such shares in accordance with Section 262 of Delaware Law (collectively, the "**Dissenting Shares**") shall not be converted into the right to receive the Merger Consideration. From and after the Effective Time, a holder of Dissenting Shares shall not have, and shall not be entitled to exercise, any of the voting rights or other rights of a holder of shares of the Surviving Corporation. If, after the Effective Time, such holder fails to perfect, withdraws or loses the right to appraisal under Section 262 of Delaware Law, such shares shall be treated as if they had been converted as of the Effective Time into the right to receive the Merger Consideration. The Company shall give Parent prompt notice of any demands received by the Company for appraisal of shares, and Parent shall have the right to direct all negotiations and proceedings with respect to such demands. Except with the prior written consent of Parent, the Company shall not make any payment with respect to, or offer to settle or settle, any such demands.

Section 2.05 *Stock Options and Other Equity Awards*.

(a) Options. At the Effective Time, each outstanding Company Stock Option under any Stock Plan, including without limitation the 1993 Option Plan, the 1995 Option Plan and the 1999 Option Plan, whether or not then exercisable or vested, shall become fully vested and be cancelled in exchange for the right to receive, within ten (10) Business Days after the Effective Time, an amount in cash equal to the product of (A) the total number of shares of Company Common Stock subject to such Company Stock Option immediately prior to the Effective Time, multiplied by (B) the excess, if any, of the Merger Consideration over the exercise price per share of Company Common Stock under such Company Stock Option, less any applicable taxes required to be withheld with respect to such payment. As used herein, the term "**Company Stock Option**" shall mean any outstanding option to purchase shares of capital stock of the Company under any Stock Plan. As of the Effective Time, all Company Stock Options shall no longer be outstanding and shall automatically cease to exist and shall become only the right to receive the option consideration described in this Section 2.05(a), and, without limiting the foregoing, the Board of Directors of the Company or the appropriate committee thereof shall take all necessary action to effect such cancellation, including but not limited to adopting any required amendment to any of the Stock Plans, and obtaining any required participant consents.

(b) Employee Stock Purchase Plan. As soon as practicable following the date of this Agreement, the Board of Directors of the Company or the compensation committee of the Board of Directors of the Company will adopt such resolutions and take such other reasonable actions as may be required to provide that with respect to the Company's Employee Stock Purchase Plan (the "**ESPP**"): (A) participants in the ESPP may not alter their payroll deductions from those in effect on the date of this Agreement (other than to discontinue their participation in the ESPP), (B) no offering period will be commenced after the date of this Agreement (it being understood that the current offering(s) in progress as of the date hereof shall continue, and shares of

Company Common Stock shall be issued to participants thereunder on the next currently scheduled purchase date thereunder occurring after the date hereof as provided under, and subject to the terms and conditions of, the ESPP), (C) in accordance with the terms of the ESPP, any offering in progress as of the Effective Time shall be shortened, and the "Offering Termination Date" (as defined in the ESPP) shall be the Business Day immediately preceding the Effective Time, (D) each then outstanding option under the ESPP shall be exercised automatically on such Offering Termination Date, (E) the ESPP shall be terminated effective immediately prior to the Effective Time and (F) the amount of the accumulated contributions of each participant under the ESPP as of immediately prior to the Effective Time shall, to the extent not used to purchase shares of capital stock of the Company in accordance with the ESPP, be refunded to such participant as promptly as practicable following the Effective Time (without interest). Notwithstanding any restrictions on transfer of stock in the ESPP, the treatment in the Merger of any stock purchased pursuant to the ESPP as described under this provision shall be in accordance with Section 2.02(a).

(c) Performance Units. At the Effective Time, the performance objectives underlying all Performance Units that are outstanding as of immediately prior to the Effective Time shall be deemed to be achieved at the maximum level, pursuant to the terms of the 2004 LTIP as described in Section 4.27, as amended prior to the date upon which the Company's Board of Directors approved this Agreement. At such time, such Performance Units shall not be converted into Company Restricted Shares, but rather shall be converted into the unvested right (the "**Unvested Cash Right**") to receive, upon vesting, an amount in cash equal to (i) the number of Performance Units *multiplied by* (ii) $1.50. The Unvested Cash Rights shall vest on the 12-month anniversary of the Closing Date, provided that the holder thereof has been continuously employed by Parent or its Affiliates (including the Surviving Corporation) through such date, or shall vest on such earlier date as may be provided under the terms of the 2004 LTIP as described in Section 4.27, as amended prior to the date upon which the Company's Board of Directors approves this Agreement. The amount of cash to which the holder of any such Unvested Cash Right is entitled shall be paid, without interest, within ten (10) calendar days after the vesting thereof. All amounts payable pursuant to the Unvested Cash Rights are intended to be "short-term deferrals" within the meaning of Treasury Regulation Section 1.409A-1(b)(4), and accordingly, are intended to be exempt from the application of Section 409A of the Internal Revenue Code, the regulations and other guidance of general applicability thereunder, and any state law of similar effect (collectively, "**Section 409A**"), and accordingly, no payment of the cash underlying Unvested Cash Rights will be subject to the additional income tax under Section 409A, and any ambiguities herein will be interpreted to be so exempt. If the Closing Date occurs after July 3, 2011, in no event will Performance Units (other than Performance Units held by an employee with an employment agreement described in Section 4.27) with a performance period which ends on such date be converted into an Unvested Cash Right under this Section 2.05(c). Instead, to the extent such Performance Units are outstanding immediately prior to the Effective Time due to the fact that the Company has not had sufficient time after the end of such fiscal year to convert such Performance Units into Company Restricted Shares in accordance with the terms of the 2004 LTIP, such Performance Units shall be cancelled in exchange for the right to receive, within ten (10) Business Days after the Effective Time, an amount in cash equal to the product of (a) the number of Performance Units subject to an award and (B) $1.50. Notwithstanding anything in this Section 2.05(c) (except for the first sentence of this Section 2.05(c)) to the contrary, Performance Units, including those Performance Units which are fully

earned as of July 3, 2011, held by an employee with an employment agreement described in Exhibit C, D, E or F to Section 4.27, which have not been converted into Company Restricted Shares as of Closing, shall be considered outstanding and converted into Unvested Cash Rights pursuant to this Section 2.05. Notwithstanding anything in this Section 2.05(c) (except for the first sentence of this Section 2.05(c)) to the contrary, Performance Units, including those Units which are fully earned as of July 3, 2011, held by an employee with an employment agreement described in Exhibit A or B to Section 4.27, which have not been converted into Company Restricted Shares as of Closing, shall be settled in accordance with the terms of such employment agreement.

Section 2.06 *Adjustments.* If, during the period between the date of this Agreement and the Effective Time, any change in the outstanding shares of Company Common Stock shall occur, as a result of any reclassification, recapitalization, stock split (including reverse stock split), merger, combination, exchange or readjustment of shares, subdivision or other similar transaction, or any stock dividend thereon with a record date during such period, the Merger Consideration and any other amounts payable pursuant to this Agreement shall be appropriately adjusted to eliminate the effect of such event on the Merger Consideration or any such other amounts payable pursuant to this Agreement.

Section 2.07 *Withholding Rights*. Each of the Paying Agent, Parent and the Surviving Corporation shall be entitled to deduct and withhold from the consideration otherwise payable to any Person pursuant to this Agreement such amounts as it is required to deduct and withhold with respect to the making of such payment under any provision of any Applicable Law, including federal, state, local or foreign Tax law, and if any such amounts are deducted and withheld, Parent shall, or shall cause the Surviving Corporation to, as the case may be, timely pay such amounts to the appropriate Government Authority. If the Paying Agent, Parent or the Surviving Corporation, as the case may be, so withholds amounts, such amounts shall be treated for all purposes of this Agreement as having been paid to the holder of the shares of Company Common Stock in respect of which the Paying Agent, Parent or the Surviving Corporation, as the case may be, made such deduction and withholding.

Section 2.08 *Lost Certificates*. If any Certificate shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such Certificate to be lost, stolen or destroyed and, if reasonably required by the Surviving Corporation, the posting by such Person of a bond, in such reasonable amount as the Surviving Corporation may direct, as indemnity against any claim that may be made against it with respect to such Certificate, the Paying Agent will issue, in exchange for such lost, stolen or destroyed Certificate, the Merger Consideration to be paid in respect of the shares of Company Common Stock represented by such Certificate, as contemplated by this Article 2.

ARTICLE 3
THE SURVIVING CORPORATION

Section 3.01 *Articles of Incorporation*. The certificate of incorporation of the Company shall be amended in its entirety as set forth on Annex I and, as amended, shall be the certificate of incorporation of the Surviving Corporation until amended in accordance with Applicable Law.

Section 3.02 *Bylaws*. The bylaws of Merger Subsidiary in effect at the Effective Time shall be the bylaws of the Surviving Corporation until amended in accordance with Applicable Law.

Section 3.03 *Directors and Officers*. From and after the Effective Time, until successors are duly elected or appointed and qualified in accordance with Applicable Law, (i) the directors of Merger Subsidiary at the Effective Time shall be the directors of the Surviving Corporation and (ii) the officers of the Merger Subsidiary at the Effective Time shall be the officers of the Surviving Corporation.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Except (i) as disclosed in the Company SEC Documents filed with or furnished to the SEC by the Company since June 28, 2009 and publicly available prior to the date of this Agreement ("**Filed Company SEC Documents**") (other than any disclosures set forth in any risk factor section, any disclosures of risks included in any "forward-looking statements" disclaimer or any other statements that are similarly predictive or forward-looking in nature), or (ii) as set forth in the Company Disclosure Schedule (it being agreed that disclosure of any information in a particular section or subsection of the Company Disclosure Schedule shall be deemed disclosure with respect to any other section or subsection of this Agreement to which the relevance of such information is readily apparent on its face), the Company represents and warrants to Parent that:

Section 4.01 *Corporate Existence and Power*. Each of the Company and its Subsidiaries is a corporation duly incorporated, validly existing and in good standing under the laws of the jurisdiction of its formation and has all corporate powers required to carry on its business as conducted as of the date hereof. Each of the Company and its Subsidiaries is duly qualified to do business as a foreign corporation and is in good standing in each jurisdiction where such qualification is necessary, except for those jurisdictions where failure to be so qualified has not had and would not reasonably be expected to have a Material Adverse Effect on the Company. Prior to the date of this Agreement, the Company has made available to Parent true and complete copies of the certificate of incorporation and bylaws of the Company and each of its Subsidiaries as in effect on the date of this Agreement, and each as so delivered is in full force and effect. The Company is not in violation of any provision of its certificate of incorporation or bylaws.

Section 4.02 *Corporate Authorization*.

(a) The Company has all requisite corporate power and authority to execute and deliver this Agreement and, subject to receipt of the affirmative vote of the holders of two-thirds of the outstanding shares of Company Common Stock in connection with the consummation of the Merger (the "**Company Stockholder Approval**"), to perform its obligations under this Agreement and to consummate the Merger and the other transactions contemplated hereby. This Agreement has been duly executed and delivered by the Company and, assuming the due authorization, execution and delivery by Parent and Merger Subsidiary, constitutes a valid and binding agreement of the Company enforceable against the Company in accordance with its

terms (subject to applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws affecting creditors' rights generally and general principles of equity). The Company Stockholder Approval is the only vote of the holders of any class or series of the Company's capital stock or other securities required in connection with the consummation of the Merger. No vote of the holders of any class or series of the Company's capital stock or other securities is required in connection with the consummation of any of transactions contemplated hereby to be consummated by the Company other than the Merger.

(b) At a meeting duly called and held, the Company's Board of Directors (or a duly appointed committee thereof) has (i) determined that this Agreement and the transactions contemplated hereby are fair to and in the best interests of the Company's stockholders, (ii) approved, adopted and declared advisable this Agreement and the transactions contemplated hereby, (iii) approved and adopted all actions necessary to render the Company Rights inapplicable to the Merger, this Agreement and the transactions contemplated hereby and (iv) resolved to recommend approval and adoption of this Agreement by the Company's stockholders (such recommendation, the "**Company Board Recommendation**").

Section 4.03 *Governmental Authorization*. The execution, delivery and performance by the Company of this Agreement and the consummation by the Company of the transactions contemplated hereby require no action by or in respect of, or filing with, any Governmental Authority other than (i) the filing of the Certificate of Merger with the Delaware Secretary of State and appropriate documents with the relevant authorities of other states in which the Company is qualified to do business, (ii) compliance with any applicable requirements of the HSR Act and under any comparable merger control laws of foreign jurisdictions, if applicable (the consents, approvals orders, authorizations, registrations, declarations and filings required under or in connection with any of the foregoing clauses (i) and (ii) above, the "**Required Governmental Authorizations**"), (iii) compliance with any applicable requirements of the 1933 Act, the 1934 Act, and any other applicable U.S. state or federal securities laws, (iv) compliance with any requirements of the AMEX and (v) any actions or filings the absence of which would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Company.

Section 4.04 *Non-contravention*. Except as set forth on Section 4.04 of the Company Disclosure Schedule, the execution, delivery and performance by the Company of this Agreement and the consummation of the transactions contemplated hereby do not and will not (i) contravene, conflict with, or result in any violation or breach of any provision of the certificate of incorporation or bylaws of the Company, (ii) assuming compliance with the matters referred to in Section 4.03, contravene, conflict with or result in a violation or breach of any provision of any Applicable Law that is material to the Company and its Subsidiaries, taken as a whole, (iii) assuming compliance with the matters referred to in Section 4.03, require any consent or other action by any Person under, constitute a default, or an event that, with or without notice or lapse of time or both, would constitute a default, under, or cause or permit the termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit to which the Company or any of its Subsidiaries is entitled under any provision of any Contract binding upon the Company or any of its Subsidiaries or any license, franchise, permit, certificate, approval or other similar authorization affecting, or relating in any way to, the assets or business of the Company and its Subsidiaries or (iv) result in the creation or imposition of any Lien (other

than Permitted Liens) on any asset of the Company or any of its Subsidiaries, with such exceptions, in the case of each of clauses (iii) and (iv), as would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect on the Company.

Section 4.05 *Capitalization*.

(a) The authorized capital stock of the Company consists of (i) 40,000,000 shares of Company Common Stock, par value $.01 per share (the "**Company Capital Stock**") and (ii) 2,000,000 shares of preferred stock, par value $1.00 per share ("**Company Preferred Stock**"), of which 300,000 are designated Series C Junior Participating Preferred Stock, of which Series C Junior Participating Preferred Stock 300,000 shares are reserved for issuance upon the exercise of the Company Rights issued pursuant to the Company Rights Agreement. As of March 25, 2011, there were outstanding (A) 15,958,839 shares of Company Common Stock (of which (i) 132,912 shares are held in the Company's treasury and (ii) 119,338 shares are Company Restricted Shares), (B) no shares of Company Preferred Stock and (C) outstanding Company Stock Options to purchase an aggregate of 411,565 shares of Company Common Stock (all of which Company Stock Options are vested and exercisable). As of March 25, 2011, other than 496,821 shares of Company Common Stock reserved for issuance in the form of Company Restricted Shares upon future settlement of outstanding Performance Units under the Company's 2004 Long Term Incentive Plan (as amended from time to time, the "**2004 LTIP**"), and pursuant to outstanding Company Stock Options under the 1993 Incentive Stock Option Plan (the "**1993 Option Plan**"), 1995 Incentive Stock Option Plan (as amended from time to time, the "**1995 Option Plan**"), and the 1999 Non-Qualified Stock Option Plan (as amended from time to time, the "**1999 Option Plan**" and, together with the 2004 LTIP, the 1993 Option Plan, the 1995 Option Plan and the 1999 Option Plan, the "**Stock Plans**"), no Shares are committed to be issued or are otherwise covered by or subject to any Company Security. All outstanding shares of Company Capital Stock have been, and all shares of Company Capital Stock that may be issued pursuant to any Stock Plan or other compensation plan or arrangement will be, when issued in accordance with the respective terms thereof, duly authorized and validly issued and are fully paid and nonassessable and are not subject to any preemptive rights. No Subsidiary of the Company owns any shares of capital stock of the Company. Section 4.05 of the Company Disclosure Schedule contains a complete and correct list of (i) each Company Stock Option outstanding as of the date of this Agreement, including with respect to each such option the holder, the Stock Plan under which such Company Stock Option was granted, date of grant, exercise price, vesting schedule and number of shares of Company Common Stock subject thereto and (ii) all outstanding Company Restricted Shares, including with respect to each such share the holder, date of grant and vesting schedule. A true and complete copy of the Company Rights Agreement as in effect as of the date of this Agreement has been made available to Parent prior to the date of this Agreement.

(b) There are outstanding no bonds, debentures, notes, other indebtedness or other securities of the Company having the right to vote (or convertible into, or exchangeable for, securities having the right to vote) on any matters on which stockholders of the Company may vote. Except as set forth in this Section 4.05 and for changes since March 25, 2011 resulting from the exercise of Company Stock Options outstanding on such date, there are no issued, reserved for issuance or outstanding (i) shares of capital stock or other voting securities of or other ownership interest in the Company, (ii) securities of the Company convertible into or

exchangeable for shares of capital stock or other voting securities of or other ownership interest in the Company, (iii) warrants, calls, options or other rights to acquire from the Company, or other obligations of the Company to issue, any capital stock, other voting securities or securities convertible into or exchangeable for capital stock or other voting securities of or other ownership interest in the Company or (iv) restricted shares, stock appreciation rights, performance units, contingent value rights, "phantom" stock or similar securities or rights issued by the Company that are derivative of, or provide economic benefits based, directly or indirectly, on the value or price of, any capital stock of, or other voting securities of or ownership interests in, the Company (the items in clauses (i) though (iv) being referred to collectively as the "**Company Securities**"). There are no outstanding obligations of the Company or any of its Subsidiaries to repurchase, redeem or otherwise acquire any of the Company Securities. Neither the Company nor any of its Subsidiaries is a party to any voting agreement with respect to the voting of any Company Securities.

Section 4.06 *Subsidiaries*.

(a) Each Subsidiary of the Company is a corporation or other entity duly incorporated or organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization and has all corporate or other organizational powers, as applicable, required to carry on its business as conducted as of the date hereof. Each such Subsidiary is duly qualified to do business as a foreign corporation or other entity, as applicable, and is in good standing in each jurisdiction where such qualification is necessary, except for those jurisdictions where failure to be so qualified has not had a Material Adverse Effect on the Company. Section 4.06 of the Company Disclosure Schedule lists all of the Subsidiaries of the Company.

(b) Except as set forth in Section 4.06(b) of the Company Disclosure Schedule, all of the outstanding capital stock of, or other voting securities or ownership interests in, each Subsidiary of the Company, is owned by the Company or another Subsidiary of the Company, if applicable, directly or indirectly, free and clear of any Lien and free of any other limitation or restriction (including any restriction on the right to vote, sell or otherwise dispose of such capital stock or other voting securities or ownership interests). All the outstanding shares of capital stock or other voting securities or equity interests of each Subsidiary of the Company have been duly authorized and validly issued, are fully paid, nonassessable and not subject to any preemptive rights. There are no issued, reserved for issuance or outstanding (i) shares of capital stock or other voting securities of or other ownership interest in the Subsidiaries of the Company other than those owned by the Company, (ii) securities of the Company or any of its Subsidiaries convertible into or exchangeable for shares of capital stock or other voting securities of or ownership interests in any Subsidiary of the Company, (iii) warrants, calls, options or other rights to acquire from the Company or any of its Subsidiaries, or other obligations of the Company or any of its Subsidiaries to issue, any capital stock or other voting securities of or ownership interests in, or any securities convertible into or exchangeable for any capital stock or other voting securities of or ownership interests in, any Subsidiary of the Company or (iv) restricted shares, stock appreciation rights, performance units, contingent value rights, "phantom" stock or similar securities or rights issued by any Subsidiary of the Company that are derivative of, or provide economic benefits based, directly or indirectly, on the value or price of, any capital stock of, or other voting securities of or ownership interests in, any Subsidiary of the Company (the items in clauses (i) through (iv) being referred to collectively as the "**Company**

Subsidiary Securities"). There are no outstanding obligations of the Company or any of its Subsidiaries to repurchase, redeem or otherwise acquire any of the Company Subsidiary Securities. Except as set forth in Section 4.06 of the Company Disclosure Schedule, all of the outstanding Company Subsidiary Securities are owned, directly or indirectly, by the Company, free and clear of all Liens.

Section 4.07 *SEC Filings and the Sarbanes-Oxley Act*.

Except as set forth in Section 4.07 of the Company Disclosure Schedule:

(a) The Company has filed with or furnished to the SEC all reports, schedules, forms, statements, prospectuses, registration statements and other documents required to be filed or furnished by the Company since June 28, 2009 (collectively, together with any exhibits and schedules thereto and other information incorporated therein, the "**Company SEC Documents**").

(b) As of its filing date (or, if amended or superseded by a filing prior to the date of this Agreement, on the date of such subsequent filing), each Company SEC Document complied in all material respects with the applicable requirements of the 1933 Act, the 1934 Act and the Sarbanes-Oxley Act, as the case may be, and the rules and regulations promulgated thereunder, as the case may be (including, without limitation, all disclosure requirements thereunder).

(c) As of its respective filing date (or, if amended or superseded by a filing prior to the date of this Agreement, on the date of such filing), each Company SEC Document filed pursuant to the 1934 Act did not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(d) Each Company SEC Document that is a registration statement, as amended or supplemented, if applicable, filed pursuant to the 1933 Act, as of the date such registration statement or amendment became effective, did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading.

(e) The Company has established and maintains disclosure controls and procedures (as defined in Rule 13a-15 under the 1934 Act). Such disclosure controls and procedures are reasonably designed to ensure that all information required to be disclosed by the Company in the reports it files or submits under the 1934 Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC and all such information is made known to the Company's principal executive officer and principal financial officer to allow timely decisions regarding required disclosures as required under the 1934 Act. The principal executive officer and principal financial officer of the Company have evaluated the effectiveness of the Company's disclosure controls and procedures and, to the extent required by Applicable Law, presented in any applicable Company SEC Document that is a report on Form 10 K or Form 10 Q, or any amendment thereto, its conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by such report or amendment based on such evaluation.

(f) The Company and its Subsidiaries have established and maintained a system of internal control over financial reporting (as defined in Rule 13a-15 under the 1934 Act) ("**internal controls**") sufficient to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of the Company's financial statements for external purposes in accordance with GAAP, and the Company has disclosed, based on its most recent evaluation of internal controls prior to the date of this Agreement, to the Company's auditors and audit committee (x) any significant deficiencies and material weaknesses in the design or operation of internal controls known to the Company which would be reasonably expected to materially adversely affect the Company's ability to record, process, summarize and report financial information and (y) any fraud, whether or not material, known to management, that involves management or other employees who have a significant role in internal controls.

(g) Since June 29, 2008, (i) neither the Company nor any of its Subsidiaries nor, to the knowledge of the Company, any director, officer, employee, auditor, accountant or representative of the Company or any of its Subsidiaries has received or otherwise had or obtained knowledge of any material complaint, allegation, assertion or claim, whether written or oral, regarding the accounting or auditing practices, procedures, methodologies or methods of the Company or any of its Subsidiaries or their respective internal accounting controls, including any material complaint, allegation, assertion or claim that the Company or any of its Subsidiaries has engaged in questionable accounting or auditing practices and (ii) to the knowledge of the Company, no attorney representing the Company or any of its Subsidiaries, whether or not employed by the Company or any of its Subsidiaries, has reported evidence of a material violation of securities laws, breach of fiduciary duty or similar violation by the Company or any of its Subsidiaries or any of their respective officers, directors, employees or agents to the Board of Directors of the Company or any committee thereof or to any director or officer of the Company or any of its Subsidiaries.

(h) As of the date of this Agreement, there are no outstanding or unresolved comments in the comment letters received from the SEC staff with respect to the Company SEC Documents. Except as set forth on Section 4.07(h) of the Company Disclosure Schedule, to the knowledge of the Company, none of the Company SEC Documents is subject to ongoing review or outstanding SEC comment or investigation.

(i) Neither the Company nor any of its Subsidiaries is a party to, or has any commitment to become a party to, any joint venture, off balance sheet partnership or any similar Contract (including any Contract or arrangement relating to any transaction or relationship between or among the Company and any of its Subsidiaries, on the one hand, and any unconsolidated Affiliate, including any structured finance, special purpose or limited purpose entity or Person, on the other hand, or any "off balance sheet arrangements" (as defined in Item 303(a) of Regulation S K under the 1934 Act)), where the result, purpose or intended effect of such Contract is to avoid disclosure of any material transaction involving, or material liabilities of, the Company or any of its Subsidiaries in the Company's or such Subsidiary's published financial statements or other Company SEC Documents.

(j) The Company is in compliance in all material respects with the applicable listing and corporate governance rules and regulations of the AMEX.

(k) No Subsidiary of the Company is subject to the periodic reporting requirements of the 1934 Act.

Section 4.08 *Financial Statements*. The audited consolidated financial statements and unaudited consolidated interim financial statements of the Company included or incorporated by reference in the Company SEC Documents (a) have been prepared in a manner consistent with the books and records of the Company and its Subsidiaries, (b) have been prepared in accordance with GAAP (except, in the case of unaudited statements, as permitted by Form 10 Q of the SEC) applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto, (c) comply as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto and (d) fairly present in all material respects, in conformity with GAAP, the consolidated financial position of the Company and its consolidated Subsidiaries as of the dates thereof and their consolidated results of operations and cash flows for the periods then ended (subject to normal and recurring year-end audit adjustments in the case of any unaudited interim financial statements). Since January 1, 2010, the Company has not made any change in the accounting practices or policies applied in the preparation of its financial statements, except as required by GAAP, SEC rule or policy or Applicable Law. The books and records of the Company and its Subsidiaries have been, and are being, maintained in all material respects in accordance with GAAP (to the extent applicable).

Section 4.09 *Disclosure Documents*. The proxy statement of the Company to be filed with the SEC in connection with the Merger (together with the letter to stockholders, notice of meeting and form of proxy and any other soliciting material to be distributed to stockholders in connection with the Merger (including any amendments or supplements) and any schedules required to be filed with the SEC in connection therewith, the "**Company Proxy Statement**") and any amendments or supplements thereto will, when filed, comply in all material respects with the applicable requirements of the 1934 Act. At the time the Company Proxy Statement or any amendment or supplement thereto is first mailed to stockholders of the Company, and at the time such stockholders vote on adoption of this Agreement and at the Effective Time, the Company Proxy Statement, as supplemented or amended, if applicable, will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. The representations and warranties contained in this Section 4.09 will not apply to statements or omissions included in the Company Proxy Statement based upon information furnished to the Company by Parent or Merger Subsidiary specifically for use therein.

Section 4.10 *Absence of Certain Changes*. Since the Company Balance Sheet Date, except as expressly contemplated by this Agreement, the business of the Company and its Subsidiaries has, in all material respects, been conducted in the ordinary course consistent with past practices, and there has not been (i) any Material Adverse Effect on the Company and its Subsidiaries, (ii) any material loss, damage, destruction or other casualty affecting any of the material properties or assets of the Company or any of its Subsidiaries, whether or not covered by insurance or (iii) any action taken by the Company or any of its Subsidiaries that, if taken during the period from the date of this Agreement through the Effective Time without Parent's consent, would constitute a material breach of Section 6.01.

Section 4.11 *No Undisclosed Material Liabilities*. Except as set forth in Section 4.11 of the Company Disclosure Schedule, there are no liabilities or obligations of any nature, whether accrued, absolute, contingent or otherwise, known or unknown, whether due or to become due of the Company or any of its Subsidiaries whether or not required under GAAP to be set forth on a consolidated balance sheet other than (i) liabilities disclosed and provided for in the Company Balance Sheet or in the notes thereto, (ii) liabilities incurred since the Company Balance Sheet Date in the ordinary course of business or in connection with the negotiation, execution, delivery or performance of this Agreement or consummation of the transactions contemplated hereby, and (iii) liabilities or obligations that have not had or would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Company and its Subsidiaries, taken as a whole.

Section 4.12 *Litigation*. Except as set forth on Section 4.12 of the Company Disclosure Schedule, as of the date of this Agreement, there is no claim, action, suit, arbitration, investigation or proceeding (each, an "**Action**") pending against, or, to the knowledge of the Company, threatened against the Company or any of its Subsidiaries, any of their respective properties or assets, or any present or former officer or director of the Company or any of its Subsidiaries in such individual's capacity as such or any employee of the Company or any of its Subsidiaries in such individual's capacity as such for which the Company is obligated to indemnify such employee, before (or, in the case of threatened Actions, would be before) any arbitrator or Governmental Authority, that (a) involves an amount in controversy in excess of $250,000, (b) seeks material injunctive or other non-monetary relief or (c) individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect on the Company, nor is there any judgment, decree, injunction, rule or order of any arbitrator or Governmental Authority outstanding against, or, to the knowledge of the Company, investigation by any Governmental Authority (each, an "**Order**") involving, the Company or any of its Subsidiaries, any of their respective properties or assets, or any present or former officer, director or employee of the Company or any of its Subsidiaries in such individual's capacity as such, that would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Company and its Subsidiaries, taken as a whole. As of the date of this Agreement, there is no Action pending or, to the knowledge of the Company, threatened seeking to prevent, hinder, modify, delay or challenge the transactions contemplated by this Agreement.

Section 4.13 *Compliance with Applicable Laws*. Except as set forth on Section 4.13 of the Company Disclosure Schedule, the Company and each of its Subsidiaries is and, at all times since June 29, 2008 has been, in compliance with Applicable Laws except for failures to comply or violations that have not had or would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Company. The Company and its Subsidiaries hold all material governmental licenses, authorizations, permits, consents, approvals, variances, exemptions and orders necessary for the operation of the businesses of the Company and its Subsidiaries, taken as a whole (the "**Company Permits**"). The Company and each of its Subsidiaries is in compliance with the terms of the Company Permits, except for failures to comply or violations that have not had or would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Company, and there has occurred no violation or breach of, default (with or without notice or lapse of time, or both) under or event giving to others any right of revocation, non-renewal, adverse modification or cancellation of, with or without notice or lapse of time or both, any such Company Permit, except for violations,

breaches, defaults or events that would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Company. The consummation of the transactions contemplated hereby will not result in any such revocation, non-renewal, adverse modification or cancellation that would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Company and its Subsidiaries, taken as a whole.

Section 4.14 *Material Contracts*. Each (a) "material contract" (as such term is defined in Item 601(b)(10) of Regulation S-K promulgated by the SEC) to which the Company or any of its Subsidiaries is a party or by which they are bound as of the date of this Agreement, (b) each Contract with a Significant Customer or Significant Supplier, (c) any Contract with respect to the formation, creation, operation, management or control of a joint venture, partnership, limited liability or other similar agreement or arrangement, (d) any Contract involving the acquisition or disposition, directly or indirectly (by merger or otherwise), of assets or capital stock or other equity interests for aggregate consideration (in one or a series of transactions) under such Contract of $500,000 or more (other than acquisitions or dispositions of inventory in the ordinary course of business consistent with past practice), (e) any Contract that limits the ability of the Company or any of its Subsidiaries to compete in any line of business or with any Person or in any geographic area, or that restricts the right of the Company and its Subsidiaries to sell to or purchase from any Person or to hire any Person, or that grants the other party or any third Person "most favored nation" status and (f) any Contract that by its terms calls for aggregate payment or receipt by the Company and its Subsidiaries under such Contract of more than $500,000 over the remaining term of such Contract (other than purchase orders with customers and suppliers entered into in the ordinary course of business consistent with past practice) (each such Contract described in clauses (a) through (f), a "**Company Material Contract**") is set forth on Section 4.14 of the Company Disclosure Schedule and is valid and binding on the Company or one of its Subsidiaries, as applicable, and to the knowledge of the Company, each other party thereto and in full force and effect and enforceable in accordance with its terms (except those which are cancelled, rescinded or terminated after the date of this Agreement in accordance with their terms and subject to applicable bankruptcy, insolvency, fraudulent transfers, reorganization, moratorium and other laws, affecting creditors' rights generally and general principles of equity), except where the failure to be valid, binding and in full force and effect has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Company, and no written notice to terminate, in whole or part, any of the same has been served. The Company and each of its Subsidiaries, and, to the knowledge of the Company, each other party thereto, has performed all obligations required to be performed by it under each Company Material Contract, except where failure to perform such obligations have not had or would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Company. There is no default under any Company Material Contract by the Company or any of its Subsidiaries or, to the knowledge of the Company, any other party thereto, except for such defaults that have not had or would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Company. No event or condition has occurred that constitutes, or, after notice or lapse of time or both, would constitute, a breach or default on the part of the Company or any of its Subsidiaries or, to the knowledge of the Company, any other party thereto under any such Company Material Contract, nor has the Company or any of its Subsidiaries received any written, or, to the knowledge of the Company, oral notice of any such breach, default, event or condition, except for such breaches or defaults that have not had or would not reasonably be expected to have, individually or in the aggregate, a

Material Adverse Effect on the Company. To the knowledge of the Company, the Company has made available to Parent true and complete copies of all Company Material Contracts, including any amendments thereto (other than purchase orders with customers and suppliers entered into in the ordinary course of business consistent with past practice).

Section 4.15 *Taxes*.

(a) Except as set forth on Section 4.15(a) of the Company Disclosure Schedule, all material Tax Returns required by Applicable Law to be filed with any Taxing Authority by, or on behalf of, the Company or any of its Subsidiaries have been filed on a timely basis in accordance with all Applicable Law, and all such Tax Returns are true and complete in all material respects.

(b) The Company and each of its Subsidiaries has paid (or caused to be paid) or has withheld and remitted to the appropriate Taxing Authority all material Taxes due and payable or where payment is not yet due, has established in accordance with GAAP an adequate accrual on the financial statements of the Company and its Subsidiaries included in the Company SEC Documents for all material Taxes through the date thereof. Except as set forth on Section 4.15(b) of the Company Disclosure Schedule, the Company and its Subsidiaries have no present or contingent liability for any material Taxes, other than as reflected as liabilities for Taxes on the most recent financial statements, contained in the Company SEC Documents, incurred in the ordinary course of business since the date of such financial statements in amounts consistent with prior years (adjusted solely for changes in ordinary course business operations).

(c) Except as set forth on Section 4.15(c) of the Company Disclosure Schedule, there is no claim, audit, action, suit, proceeding or investigation now pending or, to the knowledge of the Company, threatened against or with respect to the Company or its Subsidiaries in respect of any material Tax. None of the Company nor any of its Subsidiaries has received written notice since January 1, 2005, from a taxing authority in any jurisdiction in which the Company or any Subsidiary has not filed a Tax Return for any period that the Company or such Subsidiary is required to file a Tax Return in such jurisdiction.

(d) Neither the Company nor any of its Subsidiaries has, or has ever had, a permanent establishment in any country which would subject the Company or its Subsidiaries to material Tax in such country, other than the country in which it is organized, or has engaged in a trade or business in any country other than the country in which it is organized that subjected it to material Tax in such country.

(e) Neither the Company nor any of its Subsidiaries will be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending on or after the Closing Date as a result of any (i) change in method of accounting for a taxable period ending on or prior to the Closing Date (including pursuant to Section 481(a) of the Code or any similar provision of Law), (ii) "closing agreement" as described in Section 7121 of the Code (or any corresponding or similar provision of state, local or foreign income Tax Law) executed on or prior to the Closing Date, (iii) installment sale or open transaction disposition made on or prior to the Closing Date, (iv) except as disclosed on the financial statements of the Company and its Subsidiaries included in the Company SEC

Documents or incurred in the ordinary course of business since the date of the last filed Company SEC Documents, prepaid amount received on or prior to the Closing Date, or (v) elections made under Section 108(i) of the Code on or prior to the Closing Date.

(f) No Liens for Taxes exist with respect to any assets or properties of the Company or any of its Subsidiaries, except for Permitted Liens.

(g) Neither the Company nor any of its Subsidiaries has participated in any "listed transaction" as defined in Treas. Reg. § 1.6011-4(b)(2).

(h) To the knowledge of the Company, the Company has not been a United States real property holding corporation within the meaning of Section 897(c)(2) of the Code during the applicable period specified in Section 897(c)(l)(A)(ii) of the Code.

(i) Neither the Company nor any of its Subsidiaries has granted (or is subject to) any waiver or extension that is currently in effect, of the statute of limitations for the assessment or payment of any material Tax.

(j) During the five-year period ending on the date of this Agreement, neither the Company nor any of its Subsidiaries was a distributing corporation or a controlled corporation in a transaction intended to be governed by Section 355 of the Code.

(k) Except as set forth on Section 4.15(k) of the Company Disclosure Schedule, (i) neither the Company nor any of its Subsidiaries is liable for a material amount of Taxes of any person (other than the Company and its Subsidiaries) as a result of (A) being a transferee or successor of such person, (B) being a member of an affiliated, consolidated, combined or unitary group that includes such person as a member, or (C) contract, agreement, assumption or operation of law, (ii) neither the Company nor any Subsidiary the stock of which has been acquired by the Company since January 1, 2003, has been a member of any affiliated, consolidated, combined, or unitary group for any Tax purposes other than a group in which the Company is the common parent or (iii) neither the Company nor any Subsidiary is a party to a Tax sharing, Tax allocation, or Tax indemnity agreement. For purposes of (i)(C) and (iii) of this Section 4.15(k), (I) agreements with customers, vendors, lessors or the like entered into in the ordinary course of business, (II) employment agreements listed in Section 4.15(k) of the Company Disclosure Schedule, credit agreements or other commercial agreements, and (III) agreements solely among the Company or any of its Subsidiaries shall be excluded.

(l) The Company and its Subsidiaries have (i) filed or caused to be filed with the appropriate Governmental Authority all unclaimed property reports required to be filed and have remitted to the appropriate Governmental Authority all unclaimed property required to be remitted, or (ii) delivered or paid all unclaimed property to its original or proper recipient.

(m) "**Taxes**" means (A) all taxes, charges, fees, levies, or other like assessments, including without limitation, all federal, possession, state, city, county and non-U.S. (or governmental unit, agency, or political subdivision of any of the foregoing) income, profits, employment (including Social Security, unemployment insurance and employee income Tax withholding), franchise, gross receipts, sales, use, transfer, stamp, occupation, estimated, property, capital, severance, premium, windfall profits, customs, duties, ad valorem, value added

and excise taxes, PBGC premiums, and any other Governmental Authority (a "**Taxing Authority**") charges of the same or similar nature; including any interest, penalty, or addition thereto, whether disputed or not, and (B) liability for the payment of any amounts of the type described in clause (A) as a result of being a member of an affiliated, consolidated, combined or unitary group. Any one of the foregoing shall be referred to sometimes as a "**Tax**".

(n) "**Tax Return**" means any report, return, document, declaration or other information or similar filing supplied or required to be supplied to any Taxing Authority with respect to Taxes, including information returns, amended returns, refund claims, any documents with respect to or accompanying payments of estimated Taxes, or accompanying requests for the extension of time in which to file any such report, return, document, declaration or other information.

Section 4.16 *Employees and Employee Benefit Plans*.

(a) Section 4.16 of the Company Disclosure Schedule contains a correct and complete list identifying each "employee benefit plan," as defined in Section 3(3) of ERISA (whether or not subject to ERISA), each employment, severance or similar Contract with the Company's executive officers, directors, employees, or independent contractors, and each other plan, policy, agreement or arrangement (written or oral) providing for compensation, bonuses, profit-sharing, stock option or other stock related rights or other forms of incentive or deferred compensation, vacation benefits, insurance (including any self-insured arrangements), health or medical benefits, employee assistance program, disability or sick leave benefits, workers' compensation, supplemental unemployment benefits, severance benefits and post-employment or retirement benefits (including compensation, pension, health, medical or life insurance benefits) or other form of benefits which is maintained, administered or contributed to by the Company or any ERISA Affiliate of the Company and covers any current or former executive officer, director, employee or independent contractor of the Company or any of its Subsidiaries, or with respect to which the Company or any of its Subsidiaries has any liability. Copies of such plans (and, if applicable, related trust or funding agreements or insurance policies) and all amendments thereto and summary plan descriptions and written interpretations thereof have been furnished to Parent together with the two most recent annual reports (Form 5500 including, if applicable, Schedule B thereto) and tax returns (Form 990) prepared in connection with any such plan or trust. Such plans are referred to collectively herein as the "**Employee Plans**."

(b) Neither the Company nor any ERISA Affiliate of the Company nor any predecessor thereof sponsors, maintains or contributes to, or has within six years prior to the date hereof sponsored, maintained or contributed to, any Employee Plan subject to Title IV of ERISA, Section 302 of ERISA, or Sections 412 or 4971 of the Code, or a Multiemployer Plan.

(c) Each Employee Plan which is intended to be qualified under Section 401(a) of the Code utilizes a volume submitter pre-approved plan for which the volume submitter sponsor has received a favorable opinion letter that the volume submitter document is so qualified. Each Employee Plan has been maintained, operated and administered in substantial compliance with its terms, the requirements prescribed by any and all statutes, orders, rules and regulations, including ERISA and the Code, and the terms of any collective bargaining agreement which are applicable to such Employee Plan. No events have occurred with respect to any Employee Plan

that could reasonably be expected to result in payment or assessment by or against the Company of any excise taxes under Sections 4972, 4975, 4976, 4977, 4979, 4980B, 4980D, 4980E or 5000 of the Code.

(d) Except as set forth in Section 4.16(d) of the Company Disclosure Schedule, with respect to each current or former employee or independent contractor of the Company or any of its Subsidiaries, the consummation of the transactions contemplated by this Agreement will not, either alone or together with any other event: (i) entitle any such person to severance pay, bonus amounts, retirement benefits, job security benefits or similar benefits, (ii) trigger or accelerate the time of payment or funding (through a grantor trust or otherwise) of any compensation or benefits payable to any such person, (iii) accelerate the vesting of any compensation or benefits of any such person (including any stock options or other equity-based awards, any incentive compensation or any deferred compensation entitlement) or (iv) trigger any other material obligation to any such person. Except as set forth in Section 4.16(d) of the Company Disclosure Schedule, there is no Contract or plan (written or otherwise) covering any employee or former employee of the Company or any of its Subsidiaries that, individually or collectively, could give rise to the payment of any amount that would not be deductible pursuant to the terms of Section 280G or 162(m) of the Code. Section 4.16(d) of the Company Disclosure Schedule lists (i) all the agreements, arrangements and other instruments which give rise to an obligation to make or set aside amounts payable to or on behalf of the officers of the Company and its Subsidiaries as a result of the transactions contemplated by this Agreement (either alone or in connection with any subsequent employment termination, whether by the Company or the officer), true and complete copies of which have been provided to Parent prior to the date of this Agreement and (ii) the maximum aggregate amounts so payable to each such individual as a result of the transactions contemplated by this Agreement and/or any subsequent employment termination (whether by the Company or the officer).

(e) Except as set forth on Section 4.16(e) of the Company Disclosure Schedule, neither the Company nor any of its Subsidiaries has any liability in respect of post-retirement health, medical or life insurance benefits for retired, former or current employees of the Company or its Subsidiaries except as required to avoid excise tax under Section 4980B of the Code.

(f) Except as set forth on Section 4.16(f) of the Company Disclosure Schedule, there has been no amendment to, written interpretation or announcement (whether or not written) by the Company or any of its Affiliates relating to, or change in employee participation or coverage under, an Employee Plan which would materially increase the annual expense of maintaining such Employee Plan above the level of the annual expense incurred in respect thereof for the fiscal year ended June 27, 2010. No condition exists that would prevent the Company from amending or terminating any Employee Plan without liability, other than the obligation for ordinary benefits accrued prior to the termination of such plan.

(g) There are no Actions pending or, to the knowledge of the Company, threatened on behalf of or against any Employee Plan, the assets of any trust under any Employee Plan, or the plan sponsor, plan administrator or any fiduciary of any Employee Plan that could reasonably be expected to result in a Material Adverse Effect on the Company. No event has occurred and there currently exists no condition or set of circumstances in connection with which the

Company or any of its Subsidiaries could be subject to any liability (other than routine claims for benefits) under the terms of any Employee Plan, ERISA, the Code or any other applicable Law that could reasonably be expected to result in a Material Adverse Effect on the Company.

(h) No fiduciary or party in interest of any Employee Plan has participated in, engaged in or been a party to any transaction that is prohibited under Section 4975 of the Code or Section 406 of ERISA and not exempt under Section 4975 of the Code or Section 408 of ERISA, respectively, and that could reasonably be expected to result in any material liability to the Company. With respect to any Employee Plan, (i) neither the Company nor any of its ERISA Affiliates has had asserted against it any claim for Taxes under Chapter 43 of Subtitle D of the Code and Section 5000 of the Code, or for penalties under ERISA Section 502(c), 502(i) or 502 (l), nor, to the knowledge of the Company, is there a basis for any such claim that could reasonably be expected to result in any material liability to the Company, and (ii) no officer, director or employee of the Company or any Subsidiary has committed a breach of any fiduciary responsibility or obligation imposed by Title I of ERISA that could reasonably be expected to result in any material liability to the Company.

(i) Except as set forth in Section 4.16(i) of the Company Disclosure Schedule, neither the Company nor any of its Subsidiaries has been a party to or subject to, or is currently negotiating in connection with entering into, any collective bargaining agreement or other labor agreement with any union or labor organization, and to the knowledge of the Company, there has not been any activity or proceeding of any labor organization or employee group to organize any such employees. In addition, (i) there are no unfair labor practice charges or complaints against Company or any of its Subsidiaries pending before the National Labor Relations Board; (ii) there are no labor strikes, slowdowns or stoppages actually pending or, to the knowledge of the Company, threatened against the Company or any of its Subsidiaries; (iii) there are no representation claims or petitions pending before the National Labor Relations Board with respect to the employees of the Company or its Subsidiaries; (iv) there are no grievance or pending arbitration proceedings against the Company or any of its Subsidiaries that arose out of or under any collection bargaining agreement and (v) there are no discrimination charges or complaints pending before the Equal Employment Opportunity Commission or any other Governmental Authority or arbitrator.

(j) The Company and its Subsidiaries are and during the past four years have been in compliance in all material respects with all Applicable Laws relating to labor and employment, including, but not limited to, those relating to wages, hours, collective bargaining, unemployment compensation, worker’s compensation, occupational safety and health, discrimination, immigration, employee classification, information privacy and security, payment and withholding of taxes and continuation coverage with respect to group health plans.

(k) To the knowledge of the Company, no current employee or officer of the Company or any of its Subsidiaries intends, or is expected, to terminate his employment relationship with such entity following the consummation of the transactions contemplated hereby.

(l) Except as set forth in Section 4.16(l) of the Company Disclosure Schedule, there is no Action pending or, to the knowledge of the Company, threatened against the Company or any of its Subsidiaries relating to any labor or employment matter.

(m) Schedule 4.16(m) of the Company Disclosure Schedule contains a complete and accurate list of all employees of the Company or its Subsidiaries as of the date hereof whose base salary exceeds $100,000 (the "**Company Employees**") showing for each Company Employee, the name, job title, location, date of hire, whether each individual is treated as exempt or non-exempt, annual salary or wages as of the date hereof and aggregate annual compensation (including bonus information) for the year ended December 31, 2010.

(n) Since the Balance Sheet Date, neither the Company nor any of its Subsidiaries has effectuated (i) a "plant closing" (as defined in the WARN Act) affecting any site of employment or one or more facilities or operating units within any site of employment or facility of the Company or any of its Subsidiaries; (ii) a "mass layoff" (as defined in the WARN Act); or (iii) such other transaction, layoff, reduction in force or employment terminations sufficient in number to trigger application of any similar state or local law.

Section 4.17 *Intellectual Property*.

(a) Section 4.17(a)(i) of the Company Disclosure Schedule contains a list of all United States or foreign: patents, registered Marks, registered copyrights and applications for any of the foregoing. Section 4.17(a)(ii) of the Company Disclosure Schedule lists all items of material software that are covered by or embodiments of copyrights that are included in the Company Owned Intellectual Property ("**Company Software**"). Except as has not had and would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect on the Company: (i) with respect to all Company Owned Intellectual Property (other than Company Owned Intellectual Property specified on Section 4.17(a)(i) of the Company Disclosure Schedule as exclusively licensed to the Company or its Subsidiaries), the Company or its Subsidiaries, as the case may be, owns such Company Owned Intellectual Property (in each case, free and clear of any Liens except Permitted Liens) except as indentified in Section 4.06(b) of the Company Disclosure Schedule, (ii) to the knowledge of the Company, the Company possesses sufficient enforceable legal rights to Company Owned Intellectual Property as is necessary for the operation of the Company's business as now conducted, (iii) to the knowledge of the Company, neither the Company nor its Subsidiaries is, as of the date of this Agreement, infringing, misappropriating, or otherwise violating, or since June 28, 2009 has infringed, misappropriated or otherwise violated, the Intellectual Property rights of any Person, and, to the knowledge of the Company, no Person is, as of the date of this Agreement, infringing, misappropriating, or otherwise violating, or since June 28, 2009 has infringed, misappropriated or otherwise violated, any Company Owned Intellectual Property; (iv) since June 28, 2009, the Company has not received any written communications alleging that the Company has infringed or, by conducting the Company's business, would infringe any third party Intellectual Property, nor, to the Company's knowledge, is there a reasonable basis for any such allegation; (v) the consummation of the transactions contemplated by this Agreement will not alter, encumber, impair or extinguish any Company Owned Intellectual Property right or impair the right of Surviving Corporation to use, sell, license, dispose of or otherwise commercialize or exploit any Company Owned Intellectual Property; (vi) the Company and its Subsidiaries have exercised

reasonable care to maintain the confidentiality of all Trade Secrets that are Company Owned Intellectual Property or which the Company or any Subsidiary thereof is obligated to maintain in confidence; (vii) to the knowledge of the Company, no material Trade Secrets that are Company Owned Intellectual Property or which the Company or any Subsidiary thereof is obligated to maintain in confidence have been disclosed other than to employees, representatives and agents of the Company or any of its Subsidiaries all of whom are bound by written confidentiality agreements, or to third parties under a written agreement imposing obligations of confidentiality that the Company reasonably believes is sufficient to maintain the trade secret status of such Trade Secrets; (viii) the IT Assets shall operate and perform in all material respects in a manner that permits the Company and its Subsidiaries to conduct their respective businesses as currently conducted and, to the knowledge of the Company, no person has gained unauthorized access to the IT Assets; and (ix) the Company and its Subsidiaries have implemented reasonable backup and disaster recovery technology and practices consistent with industry practices and with the description thereof set forth on Section 4.17(a)(iv) of the Company Disclosure Schedule.

(b) Section 4.17(b)(i) of the Company Disclosure Schedule lists all Contracts pursuant to which the Company or any Subsidiary thereof has the right under any Intellectual Property owned or controlled by any third party to use, duplicate, manufacture, sell, distribute or otherwise commercialize or exploit in any way (the "**Inbound Licenses**") (except such Schedule does not list standard end user license agreements for off-the-shelf desktop software not in excess of $1,000 per seat; although excluded from such Schedule, such agreements are included in the definition of Inbound Licenses). Section 4.17(b)(ii) of the Company Disclosure Schedule lists all Contracts to which the Company or any Subsidiary thereof is a party and pursuant to which any Person is authorized under any of the Company Owned Intellectual Property to duplicate, manufacture, sell, distribute or otherwise commercialize or exploit that include any grant of exclusive rights or that involve payments in excess of $100,000 (the "**Outbound Licenses**" and, collectively with the Inbound Licenses, the "**Intellectual Property Agreements**"). With respect to the Intellectual Property Agreements, except as had not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Company: (i) all are valid and binding on the Company or one of its Subsidiaries, as applicable, and to the knowledge of the Company, each other party thereto and in full force and effect in accordance with their terms (except those which are cancelled, rescinded or terminated after the date of this Agreement in accordance with their terms and subject to applicable bankruptcy, insolvency, fraudulent transfers, reorganization, moratorium and other laws, affecting creditors' rights generally and general principles of equity), and no written notice to terminate, in whole or part, any of the same has been served; and (ii) neither the Company nor any of its Subsidiaries nor, to the knowledge of the Company, any other party thereto is in default or breach thereunder. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Company, the consummation of the transactions contemplated by this Agreement will not alter, encumber, modify, impair or extinguish any right or remedy of Surviving Corporation or any of its Subsidiaries under any Intellectual Property Agreement or give rise to any right in the other party thereto to terminate any Intellectual Property Agreement or to change material economic terms of any Intellectual Property Agreement.

(c) Neither the Company nor any Subsidiary thereof has received, since June 28, 2009 or, to the Company's knowledge, before then, any written claim or notice that alleges or

asserts any fact or circumstance that would, if true, constitute a breach of this Section 4.17, including any allegation or assertion (i) that any Registered IP is invalid or unenforceable, (ii) challenging the Company's or any of its Subsidiaries' sole, unencumbered ownership of any Registered IP, (iii) that the Company, any Subsidiary thereof or any other party has breached any Intellectual Property Agreement, except such claim or notice that has not had or would not reasonably be expected to have a Material Adverse Effect on the Company.

(d) There are no claims or actions pending or, to Company's knowledge, threatened that relate to or involve any Company Owned Intellectual Property (other than Company Owned Intellectual Property specified on Section 4.17(a)(i) of the Company Disclosure Schedule as exclusively licensed to the Company or its Subsidiaries), including any action before any court or the International Trade Commission and any interference, reissue, reexamination, opposition or cancellation proceeding, except such claims that have not had or would not reasonably be expected to have a Material Adverse Effect on the Company. No Company Owned Intellectual Property (other than Company Owned Intellectual Property specified on Section 4.17(a)(i) of the Company Disclosure Schedule as exclusively licensed to the Company or its Subsidiaries) is subject to any outstanding order, judgment, injunction, decree, stipulation or agreement restricting the use or other practice, commercialization or exploitation thereof by the Company or any of its Subsidiaries, except for such orders, judgments, injunctions, decrees, stipulations or agreements that have not had or would not reasonably be expected to have a Material Adverse Effect on the Company. To the knowledge of the Company, no Company Owned Intellectual Property specified on Section 4.17(a)(i) of the Company Disclosure Schedule as exclusively licensed to the Company or its Subsidiaries is subject to any outstanding order, judgment, injunction, or decree restricting the use or other practice, commercialization or exploitation thereof by the Company or any of its Subsidiaries, except for such orders, judgments, injunctions or decrees that have not had or would not reasonably be expected to have a Material Adverse Effect on the Company.

Section 4.18 *Properties.* (a) With respect to the real property owned by the Company or its Subsidiaries and the Improvements (as defined below) thereon (collectively, "**Owned Real Property**"), the Company or one of its Subsidiaries, as applicable, has good and marketable title to the Owned Real Property, free and clear of any Lien (other than Permitted Liens); (b) with respect to the real property leased, subleased or licensed to the Company or its Subsidiaries and the Improvements (as defined below) thereon (collectively, "**Leased Real Property**"), the Company or one of its Subsidiaries, as applicable, has a good and valid leasehold interest, free and clear of any Lien (other than Permitted Liens) in all such Leased Real Property and the lease, sublease or license with respect to such Leased Real Property is valid, and binding on the Company or its Subsidiaries, as applicable, and to the knowledge of the Company, each other party thereto, and in full force and effect, and none of the Company or any of its Subsidiaries is in breach of or default under such lease, sublease or license, and no event has occurred which, with notice, lapse of time or both, would constitute a breach or default by any of the Company or its Subsidiaries or permit termination, modification or acceleration by any third party thereunder; (c) with respect to tangible assets, the Company or one of its Subsidiaries, as applicable, has a good and valid fee title or leasehold interest, free and clear of any Lien (other than Permitted Liens) in all such tangible assets that are necessary for the Company and its Subsidiaries to conduct their respective businesses as currently conducted, except as has not had or would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on

the Company; (d) all buildings, structures, fixtures and improvements included within the Owned Real Property and Leased Real Property (the "**Improvements**") are in good repair and operating condition, subject only to ordinary wear and tear, and are adequate and suitable for the purposes for which they are presently being used or held for use, and to the knowledge of the Company, there are no facts or conditions affecting any of the Improvements that, in the aggregate, would substantially interfere with the current use, occupancy or operation thereof; and (e) the Company has not received written notice with respect to the Owned Real Property or the Leased Real Property from any Governmental Entity pertaining to any violation of any law, ordinance, rule or regulation, which would have or would reasonably be expected to have a Material Adverse Effect on the Company. Section 4.18 of the Company Disclosure Schedule contains a true and complete list of all Owned Real Property or Leased Real Property. The applicable Tenant with respect to any Leased Real Property enjoys peaceful and undisturbed possession of such Leased Real Property, except for any such failure to do so that, individually or in the aggregate, would not have or reasonably be expected to have a Material Adverse Effect.

Section 4.19 *Environmental Matters.* (i) Since June 28, 2009, no notice, notification, demand, request for information, citation, summons or order has been received, no complaint has been filed, no penalty has been assessed, and as of the date of this Agreement, no investigation, action, claim, suit, proceeding or review (or any basis therefor) is pending or, to the knowledge of the Company, is threatened by any Governmental Authority or other Person relating to the Company or any Subsidiary and relating to or arising out of any Environmental Law, except as has not had or would not reasonably be expected to have a Material Adverse Effect on the Company; (ii) the Company and its Subsidiaries are and, since July 2, 2006 have been in compliance with all Environmental Laws and have obtained all Environmental Permits necessary for their operations as currently conducted, except to the extent non-compliance would not have or be reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect; (iii) there are no currently accrued liabilities of the Company or any of its Subsidiaries arising under or relating to any violation of any Environmental Law or any Hazardous Substance; (iv) there have been no releases of any Hazardous Substances that could be reasonably likely to form the basis of a claim against the Company or any of its Subsidiaries, except to the extent such releases would not have or be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect; (v) neither the Company nor any of its Subsidiaries is currently subject or party to any agreement, order, judgment or decree by or with any Governmental Authority, arbitrator or third party pursuant to which the Company or any of its Subsidiaries has assumed, incurred or suffered any liability under any Environmental Law; (vi) neither the Company nor any of it Subsidiaries has manufactured for sale, marketed or distributed any product incorporating asbestos or asbestos-containing materials; (vii) neither the Company nor any of it Subsidiaries has received notice of any potential liability under any Environmental Law for the transport and disposal of any Hazardous Substance to any site; (viii) to the Knowledge of the Company, the transactions contemplated by this Agreement will not require the Company or any of its Subsidiaries to transfer or amend any Environmental Permit or require any submissions to a Governmental Authority; and (ix) to the knowledge of the Company, complete and accurate copies of all final environmental site assessment reports (including any Phase I or Phase II reports), investigation, remediation or compliance studies or audits which are in the possession, custody or control of either the Company or its Subsidiaries and relate to the environmental conditions at any property currently or formerly owned or leased by either the Company or its Subsidiaries have been provided to Parent.

Section 4.20 *Antitakeover Statutes.* Assuming the accuracy of Section 5.09, the Company has taken all action necessary to exempt or exclude the Merger, this Agreement and the transactions contemplated hereby from any takeover statute, and, accordingly, none of the restrictions in such Sections or any other antitakeover or similar statute or regulation applies to any such transactions. The Company has taken all action necessary to render the Company Rights inapplicable to the Merger, this Agreement and the transactions contemplated hereby.

Section 4.21 *Insurance.* Section 4.21 of the Company Disclosure Schedule sets forth, as of the date hereof, a true and complete list of all material insurance policies issued in favor of the Company or any of its Subsidiaries, or pursuant to which the Company or any of its Subsidiaries is a named insured or otherwise a beneficiary, as well as any historic incurrence-based policies still in force. With respect to each such insurance policy, (a) such policy is in full force and effect and all premiums due thereon have been paid, (b) neither the Company nor any of its Subsidiaries is in breach or default, and has not taken any action or failed to take any action which (with or without notice or lapse of time, or both) would constitute such a breach or default, or would permit termination or modification of, any such policy, except for such actions or failure to take such actions that have not had or would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Company and (c) to the knowledge of the Company, no insurer issuing any such policy has been declared insolvent or placed in receivership, conservatorship or liquidation. No written notice of cancellation or termination has been received with respect to any such policy and at the Closing, to the knowledge of the Company after reasonable inquiry, the consummation of the transactions contemplated hereby will not result in cancellation or termination of such policies.

Section 4.22 *Related Party Transactions.* Since June 28, 2009 through the date of this Agreement, there have been no transactions, agreements, arrangements or understandings between the Company or any of its Subsidiaries, on the one hand, and the Affiliates of the Company, on the other hand (other than the Company's Subsidiaries) that would be required to be disclosed under Item 404 of Regulation S K under the 1934 Act and that have not been so disclosed in the Company SEC Documents.

Section 4.23 *Certain Payments.* Neither the Company nor any of its Subsidiaries (nor, to the knowledge of the Company, any of their respective directors, executives, representatives, agents or employees) (a) has used or is using any corporate funds for any unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity, (b) has used or is using any corporate funds for any direct or indirect unlawful payments to any foreign or domestic governmental officials or employees, (c) has violated or is violating any provision of the Foreign Corrupt Practices Act of 1977, (d) has established or maintained, or is maintaining, any unlawful fund of corporate monies or other properties or (e) has made any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment of any nature.

Section 4.24 *Customers and Suppliers*.

(a) Section 4.24(a) of the Company Disclosure Schedule lists the ten largest customers of the Company measured in terms of sales volume since June 27, 2010 (each a "**Significant Customer**"). Since June 27, 2010, the Company has not received written, or to the knowledge of the Company, oral notice from a Significant Customer indicating its intention to

terminate or materially reduce its future long term business relationship with the Company from recent historical levels.

(b) Section 4.24(b) of the Company Disclosure Schedule lists the ten largest suppliers of the Company since June 27, 2010 (each a "**Significant Supplier**"). Since June 27, 2010, the Company has not received written or, to the knowledge of the Company, oral notice from a Significant Supplier indicating its intention to terminate or materially reduce its future long term business relationship with the Company from recent historical levels.

Section 4.25 *Regulatory Matters*.

(a) With respect to each Contract between the Company or any Subsidiary of the Company, on the one hand, and any Governmental Authority (excluding any non-governmental entity), on the other hand, for which performance is ongoing as of the date hereof, and each outstanding bid, quotation or proposal by the Company or any of its Subsidiaries (each, a "**Bid**") that if accepted or awarded could lead to a Contract between the Company or a Subsidiary of the Company, on the one hand, and any Governmental Authority (excluding any non-governmental entity), on the other hand (each such Contract or Bid, a "**Company Government Contract**") and each Contract between the Company or any of its Subsidiaries, on the one hand, and any prime contractor or upper-tier subcontractor, on the other hand, that, to the knowledge of the Company, constitutes a subcontract under a Contract between such Person and any Governmental Authority (excluding any non-governmental entity) for which performance is ongoing as of the date hereof, and each outstanding Bid that if accepted or awarded could lead to a Contract between the Company or any of its Subsidiaries, on the one hand, and a prime contractor or upper-tier subcontractor, on the other hand, that, to the knowledge of the Company, would constitute, a subcontract under a Contract between such Person and any Governmental Authority (excluding any non-governmental entity) (each such Contract or Bid, a "**Company Government Subcontract**"):

(i) to the knowledge of the Company, each such Company Government Contract or Company Government Subcontract was legally awarded, is binding on the parties thereto, and is in full force and effect, except where the failure to be in full force and effect has not had or would not reasonably be expected to have a Material Adverse Effect on the Company; provided that for purposes of this clause (i), the terms Company Government Contract and Company Government Subcontract shall not include any Bids;

(ii) to the knowledge of the Company, no reasonable basis exists to give rise to a material claim by a Governmental Authority (excluding any non-governmental entity) for fraud (as such concept is defined under the state or federal Laws of the United States) in connection with the award or performance of any such Company Government Contract or Company Government Subcontract, except such claims that have not had or would not reasonably be expected to have a Material Adverse Effect on the Company;

(iii) since June 29, 2008, neither any Governmental Authority (excluding any non-governmental entity) nor any prime contractor, subcontractor

or other Person or entity has notified the Company, in writing, that the Company has, or may have, breached or violated in any material respect any Applicable Law, certification or representation pertaining to any such Company Government Contract or Company Government Subcontract, except for such breaches or violations that have not had or would not reasonably be expected to have a Material Adverse Effect on the Company;

(iv) to the knowledge of the Company, since January 1, 2008, all facts set forth in or acknowledged by any representations, claims or certifications submitted by or on behalf of the Company or any of its Subsidiaries in connection with any such Company Government Contract or Company Government Subcontract were current, accurate and complete in all respects as of their effective date, except where failure to be current, accurate and complete has not had and would not reasonably be expected to have a Material Adverse Effect on the Company;

(v) the Company and its Subsidiaries have not received any written notice of termination, "show cause" or cure notice pertaining to any such Company Government Contract or Company Government Subcontract, except for such notices that have not had or would not reasonably be expected to have a Material Adverse Effect on the Company; provided that this clause (v) shall not apply to any notice received more than three years prior to the date hereof, which notice is related to a Company Government Contract or Company Government Subcontract that is no longer ongoing as of the date hereof;

(vi) with respect to any ongoing Company Government Contract or Company Government Subcontract or completed Company Government Contract or Company Government Subcontract under which final payment was received by the Company within three years prior to the date hereof, the Company and its Subsidiaries do not, to the knowledge of the Company, have credible evidence that a Principal, Employee, Agent, or Subcontractor (as such terms are defined by Federal Acquisition Regulation (FAR) 52.203-13(a)) of the Company or any of its Subsidiaries has committed a violation of Federal criminal Law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code or a violation of the civil False Claims Act and the Company, except for such violations which have not had or would not reasonably be expected to have a Material Adverse Effect on the Company, and its Subsidiaries have not conducted and are not conducting an investigation to determine whether credible evidence exists that a Principal, Employee, Agent, or Subcontractor (as such terms are defined by FAR 52.203-13(a)) of the Company or any of its Subsidiaries has committed a violation of Federal criminal Law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code or a violation of the civil False Claims Act; and

(vii) with respect to any ongoing Company Government Contract or Company Government Subcontract or completed Company Government Contract or Company Government Subcontract under which final payment was received by

the Company or any of its Subsidiaries within three (3) years prior to the date of this Agreement, the Company and its Subsidiaries do not to the knowledge of the Company have credible evidence of any significant overpayment(s) on such Company Government Contract or Company Government Subcontract, other than overpayments resulting from contract financing payment as defined in FAR 32.001, except for such overpayments that have not had or would not reasonably be expected to have a Material Adverse Effect on the Company, and the Company and its Subsidiaries have not conducted and are not conducting an investigation to determine whether credible evidence exists of any significant overpayment(s) on such Company Government Contract or Company Government Subcontract, other than overpayments resulting from contract financing payment as defined in FAR 32.001.

(b) The Company and its Subsidiaries are not, nor have any of them ever been, suspended or debarred from doing business with a Governmental Authority (excluding any non-governmental entity) or, to the knowledge of the Company, proposed for suspension or debarment by a Governmental Authority (excluding any non-governmental entity) and, to the knowledge of the Company, has not been the subject of a finding of nonresponsibility or ineligibility for contracting with a Governmental Authority (excluding any non-governmental entity).

(c) (i) Neither the Company, its Subsidiaries, nor, to the knowledge of the Company, any of their respective directors or officers or Principals (as such term is defined by FAR 52.209-5(a)(2)) is (or since June 29, 2008 has been) under indictment with respect to any alleged irregularity, misstatement or omission arising under or relating to any Contract or bid with a Governmental Authority (excluding any non-governmental entity) that would reasonably be expected to result in a Material Adverse Effect and (ii) since June 29, 2008, the Company and its Subsidiaries have not entered into any consent order or administrative agreement relating directly or indirectly to any such Contract or bid that has had or would reasonably be expected to result in a Material Adverse Effect.

(d) The Company and each of its Subsidiaries are in compliance in all material respects with all statutory and regulatory requirements relating to export controls and trade sanctions under Applicable Laws of the United States, as well as Applicable Laws of each jurisdiction in which the Company or its Subsidiaries are doing business, including, without limitation, the Export Administration Regulations administered by the United States Department of Commerce (including their anti-boycott provisions), the International Traffic in Arms Regulations administered by the United States Department of State, the economic and trade sanctions administered by the Office of Foreign Assets Control of the United States Department of the Treasury, and the international boycott provisions of the Internal Revenue Code except where such failure to be in compliance has not had and would not reasonably be expected to have a Material Adverse Effect on the Company.

(e) The Company and its Subsidiaries have an export control and trade sanctions compliance program designed to assure compliance with applicable government export control and trade sanction statutes, regulations, and other obligations, including obtaining licenses or other authorizations as required for access by foreign nationals to controlled technology.

(f) In the past five years, as regards to export controls compliance, the Company has not (i) received written notice from any Governmental Authority of deficiencies in its compliance efforts; (ii) made any voluntary disclosures to any Governmental Authority or other Person of facts that could result in any adverse action being taken by a Governmental Authority against the Company, except for such disclosures that have not had or would not reasonably be expected to have a Material Adverse Effect on the Company; (iii) been notified in writing that it is in violation of any obligation, regulation or license authorization, except for such violations that have not had or would not reasonably be expected to have a Material Adverse Effect on the Company; (iv) been under indictment, or, to the knowledge of the Company, civil or criminal investigation for false claims or other impropriety relating to export activity, except for such indictments, or civil or criminal investigations that have not or would not be reasonably be expected to have a Material Adverse Effect on the Company.

(g) Neither the Company nor any of its Subsidiaries has undergone or is undergoing any audit inspection or to the knowledge of the Company, any other review regarding export activity that would reasonably be expected to affect adversely its future export activity or otherwise result in government sanctions, except for such audit inspections or other reviews that have not had or would not reasonably be expected to have a Material Adverse Effect on the Company.

Section 4.26 *Occupational Safety and Health Matters*.

(a) Since July 2, 2006, the Company is in compliance with, and is not in violation of, or liable under, any applicable Occupational Safety and Health Laws, except as has not had or would not reasonably be expected to have a Material Adverse Effect on the Company, and to the knowledge of the Company, no reason, including the presence of an imminent danger as that term is defined under Occupational Safety and Health Law, exists why the Company would not be capable of continued operation of the business in compliance with applicable Occupational Safety and Health Law without undue expense or burden;

(b) Since July 2, 2006, the Company has not received any written notice from any Governmental Authority or any other Person regarding (i) any failure to comply in any material respect with any applicable Occupational Safety and Health Law, or (ii) any obligation to undertake or bear any material cost of any Occupational Safety and Health Liabilities, including, without limitation, any Occupational Safety and Health Liabilities with respect to any of the Facilities, with respect to any Leased Real Property or Owned Real Property at, to, or from which Hazardous Substances have been generated, manufactured, refined, transferred, used or processed, transported, treated, stored, handled, transferred, disposed of, recycled, or received by the Company; and

(c) The Company has made available to the Parent copies of any written occupational and safety assessment or audit reports relating to the Company or the Facilities that has been prepared on behalf of the Company since July 2, 2006.

Section 4.27 *Long Term Incentive Plan.* The Company or its Board of Directors, as applicable, has, prior to the time at which the Company's Board of Directors approved this Agreement, taken all actions necessary to amend the 2004 LTIP, and has so amended it, to

provide that, in respect of the Merger and any antecedent events relating to such Merger, a "Change in Control" as defined under the 2004 LTIP shall be deemed to occur only upon the consummation of the Merger, and not upon any antecedent event relating to the Merger including but not limited to approval, adoption, or recommendation of this Agreement or any other agreement relating to the Merger by the Company's Board of Directors or stockholders. In addition, the Company or its Board of Directors, as applicable, has, prior to the time at which the Company's Board of Directors approved this Agreement, taken all actions necessary to approve the employment agreements attached hereto as Exhibits A through F.

Section 4.28 *Opinion of Financial Advisor.* Stifel, Nicolaus & Company, Incorporated has delivered to the Company's Board of Directors its written opinion, dated the date hereof, to the effect that, as of the date hereof and based upon and subject to the qualifications, considerations, assumptions and limitations set forth therein, the Merger Consideration to be received by holders of Company Shares in connection with the Merger pursuant to the Merger Agreement is fair to such holders of Company Shares, from a financial point of view, a signed true and complete copy of which opinion will promptly be provided to Parent.

Section 4.29 *Finders' Fees.* Except for Stifel, Nicolaus & Company, Incorporated, the terms of whose engagement have been provided to Parent prior to the date of this Agreement, there is no investment banker, broker, finder or other intermediary that has been retained by or is authorized to act on behalf of the Company or any of its Subsidiaries who is entitled to any fee or commission in connection with the transactions contemplated by this Agreement.

Section 4.30 *No Other Representations or Warranties.* Except for the representations and warranties contained in this Article 4, the Company expressly disclaims any other representations or warranties of any kind or nature, express or implied, as to liabilities, operations of the facilities, the title, condition, value or quality of the Company. No exhibit to this Agreement, nor any other material or information provided by or communications made by the Company or any of its Affiliates, or by any advisor thereof, whether by use of a "data room," or in any information memorandum or otherwise, or by any broker or investment banker, will cause or create any warranty, express or implied, as to the title, condition, value or quality of the Company.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES OF PARENT

Parent represents and warrants to the Company that:

Section 5.01 *Corporate Existence and Power.* Each of Parent and Merger Subsidiary is (a) a corporation duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation and (b) has all corporate powers required to carry on its business as now conducted, except in the case of clause (b) as, individually, or in the aggregate, has not had and would not reasonably be expected to materially delay or impair the ability of Parent or Merger Subsidiary to consummate the transactions contemplated hereby on a timely basis. Since the date of its incorporation, Merger Subsidiary has not engaged in any activities other than in connection with or as contemplated by this Agreement.

Section 5.02 *Corporate Authorization.* The execution, delivery and performance by Parent and Merger Subsidiary of this Agreement and the consummation by Parent and Merger Subsidiary of the transactions contemplated hereby are within the corporate powers of Parent and Merger Subsidiary and have been duly authorized by all necessary corporate action on the part of Parent and Merger Subsidiary. Assuming the due authorization, execution and delivery of this Agreement by the Company, this Agreement constitutes a valid and binding agreement of each of Parent and Merger Subsidiary enforceable against each of Parent and Merger Subsidiary in accordance with its terms (subject to applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws affecting creditors' rights generally and general principles of equity).

Section 5.03 *Governmental Authorization.* The execution, delivery and performance by Parent and Merger Subsidiary of this Agreement and the consummation by Parent and Merger Subsidiary of the transactions contemplated hereby require no action by or in respect of, or filing with, any Governmental Authority, other than (a) the Required Governmental Authorizations, (b) compliance with any applicable requirements of the 1933 Act, the 1934 Act, and any other applicable U.S. state or federal securities laws, (c) compliance with any requirements of the Nasdaq Global Market, (d) the filing of the Certificate of Merger with the Secretary of State of the State of Delaware as required by Delaware Law and (e) any actions or filings the absence of which will not, individually or in the aggregate, materially delay or impair the ability of Parent or Merger Subsidiary to consummate the transactions contemplated hereby on a timely basis.

Section 5.04 *Non-contravention.* The execution, delivery and performance by Parent and Merger Subsidiary of this Agreement and the consummation by Parent and Merger Subsidiary of the transactions contemplated hereby do not and will not (i) contravene, conflict with, or result in any violation or breach of any provision of the articles of incorporation or bylaws of Parent or Merger Subsidiary, (ii) assuming compliance with the matters referred to in Section 5.03, contravene, conflict with or result in a violation or breach of any provision of any Applicable Law, (iii) assuming compliance with the matters referred to in Section 5.03, require any consent or other action by any Person under, constitute a default, or an event that, with or without notice or lapse of time or both, could become a default, under, or cause or permit the termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit to which Parent or any of its Subsidiaries is entitled under any provision of any agreement or other instrument binding upon Parent or any of its Subsidiaries or any license, franchise, permit, certificate, approval or other similar authorization affecting, or relating in any way to, the assets or business of the Parent and its Subsidiaries or (iv) result in the creation or imposition of any Lien on any asset of the Parent or any of its Subsidiaries, except for such contraventions, conflicts and violations referred to in clause (ii) and for such failures to obtain any such consent or other action, defaults, terminations, cancellations, accelerations, changes, losses or Liens referred to in clauses (iii) and (iv) that will not, individually or in the aggregate, materially delay or impair the ability of Parent or Merger Subsidiary to consummate the transactions contemplated hereby on a timely basis.

Section 5.05 *Disclosure Documents.* None of the information provided by Parent for inclusion in the Company Proxy Statement or any amendment or supplement thereto, at the time the Company Proxy Statement or any amendment or supplement thereto is first mailed to stockholders of the Company and at the time the stockholders vote on adoption of this

Agreement, will contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. Notwithstanding the foregoing, neither Parent nor Merger Subsidiary makes any representation or warranty with respect to statements made by the Company included or incorporated by reference in the Company Proxy Statement, which are based on information not provided by or on behalf of Parent or Merger Subsidiary for the inclusion in the Company Proxy Statement or any amendment to supplement thereto.

Section 5.06 *Financing*.

(a) Parent has delivered to the Company true and complete copies of the executed commitment letter from UBS Securities LLC, UBS Loan Finance LLC, Credit Suisse Securities (USA) LLC and Credit Suisse AG, Cayman Islands Branch (collectively, the "**Lender**"), including any schedules, exhibits and annexes thereto and excerpts of the engagement letter associated therewith (the "**Engagement Letter**") that contain any conditions to funding or "flex" provisions, and a copy of the fee letter associated therewith (the "**Fee Letter**") with only fee amounts and "flex" provisions redacted (the Fee Letter, together with such commitment letter and any schedules, exhibits and annexes thereto, collectively, the "**Commitment Letter**"), pursuant to which the lender parties thereto have agreed, subject to the terms and conditions thereof, to provide or cause to be provided the debt amounts set forth therein (the "**Financing**") (which may include up to $200.0 million in bridge financing (the "**Bridge Financing**") to be utilized in the event the placement of high yield securities in a comparable amount (the "**High-Yield Financing**") is not consummated prior to or concurrently with the Closing). Parent represents and warrants that the Engagement Letter and the "flex" provisions of the Fee Letter do not permit the imposition of any new conditions (or the expansion of any existing conditions) or any reduction in the Financing that would result in net cash proceeds less than the amount that would be required to consummate the Merger. As of the date of this Agreement, the Commitment Letter has not been amended, restated or otherwise modified and neither Parent nor Merger Subsidiary has waived any provision thereof, and the commitments contained in the Commitment Letter have not been withdrawn, modified or rescinded. As of the date of this Agreement, the Commitment Letter is in full force and effect and constitutes the legal, valid and binding obligation of each of Parent or Merger Subsidiary and, to the knowledge of Parent, Lender (except to the extent that enforceability may be limited by the applicable bankruptcy, insolvency, moratorium, reorganization or similar Laws affecting the enforcement of creditors' rights generally or by general principles of equity). There are no conditions precedent or contingencies related to the funding of the full amount (including pursuant to any "flex" provisions in connection therewith) of the Financing other than as expressly set forth in the Commitment Letter. There are no side letters or other agreements, Contracts or arrangements that would (i) affect the availability of the Financing, (ii) reduce the aggregate amount of the Financing, (iii) delay or prevent the Closing or (iv) modify the terms of the Financing in any manner materially adverse to Parent or Merger Subsidiary. As of the date of this Agreement, no event has occurred that (with or without notice or lapse of time, or both) would or would reasonably be expected to constitute a breach or default under the Commitment Letter by Parent or Merger Subsidiary or, to the knowledge of Parent, any other party thereto under the Commitment Letter. As of the date of this Agreement, neither Parent nor Merger Subsidiary has any reason to believe that any of the conditions to the Financing contemplated by the Commitment Letter will not be satisfied; provided that Parent and Merger Sub are not making

any representation or warranty regarding the effect of any inaccuracy of the representations and warranties of the Company in this Agreement or the failure to of the Company to comply with any of its covenants in this Agreement. Parent or Merger Subsidiary has fully paid any and all commitment fees or other fees required by the terms of the Commitment Letter to be paid on or before the date of this Agreement. The aggregate proceeds contemplated by the Commitment Letter, together with other financial resources of Parent and Merger Subsidiary including cash, cash equivalents and marketable securities of Parent, Merger Subsidiary, the Company and the Company's Subsidiaries on the Closing Date, will be sufficient for Parent and Merger Subsidiary to consummate the Merger upon the terms contemplated by this Agreement and to pay all related fees and expenses; provided that Parent and Merger Sub are not making any representation or warranty regarding the effect of any inaccuracy of the representations and warranties of the Company in this Agreement or the failure to of the Company to comply with any of its covenants in this Agreement.

(b) Assuming (i) the accuracy of the representations and warranties of the Company set forth in Article 4 hereof (for such purposes, such representations and warranties shall be true and correct in all material respects and all knowledge, materiality or "Material Adverse Effect" qualifications or exceptions contained in such representations and warranties shall be disregarded) and (ii) any estimates, projections or forecasts of the Company and its Subsidiaries have been prepared in good faith based upon assumptions that were and continue to be reasonable, as of the Effective Time, after giving effect to the transactions contemplated by this Agreement, including the Financing, and the payment of the aggregate Merger Consideration, any other repayment or refinancing of existing indebtedness contemplated by this Agreement or the Commitment Letter, payment of all amounts required to be paid in connection with the consummation of the transactions contemplated hereby and payment of all related fees and expenses, Parent will be Solvent as of the Effective Time and immediately following the transactions contemplated hereby. For purposes of this Section 5.06, "**Solvent**" with respect to the Parent means that, as of any date of determination, (i) the amount of all of the assets of Parent and its Subsidiaries, taken as a whole, at a fair valuation, exceeds, as of such date, the sum of the debts of Parent and its Subsidiaries; (ii) Parent will not have, as of such date, an unreasonably small amount of capital for the operation of the business in which it is engaged or proposed to be engaged following the Closing Date; and (iii) Parent will be able to pay its liabilities, including contingent and other liabilities, as they mature; provided that the terms set forth in this definition in each case shall be interpreted in accordance with the applicable federal Laws governing determinations of the insolvency of debtors.

Section 5.07 *Finders' Fees.* Except for UBS Securities LLC and Credit Suisse, whose fees will be paid by Parent, there is no investment banker, broker, finder or other intermediary that has been retained by or is authorized to act on behalf of Parent who is entitled to any fee or commission from the Company or any of its Affiliates upon consummation of the transactions contemplated by this Agreement.

Section 5.08 *Litigation.* As of the date of this Agreement, there is no Action pending or, to the knowledge of Parent, threatened, against Parent or any of its Subsidiaries before any Governmental Authority or arbitrator that will, individually or in the aggregate, materially delay or impair the ability of Parent or Merger Subsidiary to consummate the transactions contemplated hereby on a timely basis, nor is there any Order outstanding against, or, to the

knowledge of Parent, investigation by any Governmental Authority or arbitrator involving, Parent or any of its Subsidiaries that will, individually or in the aggregate, materially delay or impair the ability of Parent or Merger Subsidiary to consummate the transactions contemplated hereby on a timely basis.

Section 5.09 *Investigation by Parent and Merger Subsidiary*. In entering into this Agreement, each of Parent and Merger Subsidiary has relied upon its own investigation and analysis, and each of Parent and Merger Subsidiary acknowledges that, except for the representations and warranties of the Company expressly set forth in Article 4, none of the Company or its Subsidiaries nor any of their respective representatives makes any representation or warranty, either express or implied, including as to (a) the accuracy or completeness of any of the material, information or documents provided or made available to Parent or Merger Subsidiary or any of their representatives or (b) any projections, estimates or budgets for the Company or its Subsidiaries.

Section 5.10 *Ownership of Company Common Stock.* For the three (3) years prior to the date hereof, neither Parent nor Merger Subsidiary has beneficially owned (within the meaning of Section 13 of the 1934 Act and the rules and regulations promulgated thereunder) or "owned" (as defined in Section 203 of Delaware Law) any Shares (other than pursuant to this Agreement) or has been an "interested stockholder" (as defined in Section 203 of Delaware Law), or is a party to any Contract, arrangement or understanding (other than this Agreement) for the purpose of acquiring, holding, voting or disposing of any Shares.

Section 5.11 *Employee Matters.* As of the date of this Agreement, Parent has no intention to, during the period commencing at the Effective Date and ending on December 31, 2011, with respect to the employees of the Company and its Subsidiaries as of the Effective Time (the "**Current Employees**") who remain employees of the Surviving Corporation or any of its Subsidiaries following the Effective Time, reduce the base salary, annual and quarterly bonus opportunities, welfare benefits and perquisites (excluding equity and equity based incentive compensation) provided by the Company and its Subsidiaries to the Current Employees immediately prior to the Effective Time, provided, however, that nothing herein shall limit Parent's ability to operate the business of Parent or the Surviving Corporation as it deems necessary following the Closing.

ARTICLE 6
COVENANTS OF THE COMPANY

The Company agrees that:

Section 6.01 *Conduct of the Company.* From the date of this Agreement until the Effective Time, the Company shall, and shall cause each of its Subsidiaries to, conduct its business in all material respects in the ordinary course consistent with past practice and in compliance with all material Applicable Laws and all material governmental authorizations, and use its commercially reasonable efforts to preserve intact its present business organization, maintain in effect all Company Permits, keep available the services of its directors, officers and employees and maintain satisfactory relationships with its customers, lenders, suppliers and others having material business relationships with it. Without limiting the generality of the

foregoing and to the fullest extent permitted by Applicable Law, from the date of this Agreement until the Effective Time, except as set forth in Section 6.01 of the Company Disclosure Schedule, or with Parent's prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed) or to the extent permitted or required by another Section of this Agreement, the Company shall not, and shall not permit any of its Subsidiaries to:

(a) amend its certificate or articles of incorporation, bylaws or other similar organizational documents (whether by merger, consolidation or otherwise) or the Company Rights Agreement;

(b) (i) split, combine or reclassify any shares of its capital stock, (ii) declare, set aside or pay any dividend or make any other distribution (whether in cash, stock, property or any combination thereof) in respect of any shares of its capital stock or other securities (other than dividends or distributions by any of its wholly-owned Subsidiaries), or (iii) redeem, repurchase, cancel or otherwise acquire or offer to redeem, repurchase, or otherwise acquire, any of its securities or any securities of any of its Subsidiaries, other than the cancellation of Company Stock Options in connection with the exercise thereof;

(c) (i) grant, issue, deliver or sell, or authorize the grant, issuance, delivery or sale of, any Company Securities or Company Subsidiary Securities, other than the issuance of any shares of the Company Stock upon the exercise of Company Stock Options that are outstanding on the date of this Agreement in accordance with the terms of those options on the date of this Agreement or (ii) amend any term of any Company Security or any Company Subsidiary Security (in each case, whether by merger, consolidation or otherwise);

(d) directly or indirectly (i) acquire (including by merger, consolidation, or acquisition of stock or assets) all or substantially all of the equity interest or assets of any corporation, partnership, other business organization or any division thereof from any other Person, (ii) merge or consolidate with any other Person or (iii) adopt a plan of complete or partial liquidation, dissolution, recapitalization or restructuring;

(e) sell, lease, license or otherwise dispose of any Subsidiary or any material amount of assets, securities or property having in the aggregate either a book value or fair market value in excess of $1,000,000, except (i) pursuant to existing Contracts, copies of which have been previously provided to Parent or (ii) sales of inventory in the ordinary course consistent with past practice;

(f) create or incur any Lien on any material asset other than Permitted Liens;

(g) make any loan, advance or investment either by purchase of stock or securities, contributions to capital, property transfers, or purchase of any property or assets of any Person other than (i) loans or advances to, or investments in, its wholly-owned Subsidiaries, (ii) advances to suppliers in the ordinary course of business consistent with past practice, in each case, that do not exceed the advance received by the Company from its customer under the order or Contract for which such supplier is providing supplies to the Company, or (iii) advances in an amount not in excess of $50,000;

(h) (i) create, incur, assume, suffer to exist or otherwise be liable with respect to any indebtedness for borrowed money, any obligations under conditional or installment sale Contracts or other Contracts relating to purchased property, debt securities, options, warrants, calls or other rights to acquire any debt securities of the Company or its Subsidiaries, any "keepwell" or other agreement to maintain any financial statement condition of any other Person or any guarantees of any of the foregoing (collectively, "**Indebtedness**") other than (A) such Indebtedness pursuant to Contracts that exist on the date hereof, copies of which have been provided to Parent or (B) new Indebtedness of up to $50,000 in the aggregate or (ii) amend, modify or refinance any Indebtedness other than Indebtedness in an amount not to exceed $50,000 in the aggregate;

(i) (i) enter into or offer or propose to enter into, amend or terminate any Contract (other than any Contract with any customer or supplier of the Company or its Subsidiaries entered into in the ordinary course of business consistent with past practice) that provides for payments to or from the Company or any of its Subsidiaries in excess of $500,000 over any twelve month period or (ii) or waive any material right under any such Contract;

(j) terminate, suspend, abrogate, amend or modify in any material respect any material Company Permit;

(k) except as required by this Agreement, Applicable Laws or existing Employee Plans or Contracts, (i) grant, increase or accelerate any severance, termination pay or benefits to (or amend any existing arrangement providing for such severance, termination pay or benefits with) any of their respective directors, officers or employees, (ii) enter into any employment, deferred compensation or other similar agreement (or any amendment to any such existing agreement) with any of their respective existing directors, officers or employees, (iii) establish, adopt or amend (except as required by Applicable Law) any collective bargaining, bonus, profit-sharing, thrift, pension, retirement, deferred compensation, severance, compensation, stock option, restricted stock or other benefit plan or arrangement covering any of their respective directors, officers or employees or (iv) increase or accelerate the compensation, bonus or other benefits payable to any of their respective directors, executives, employees or independent contractors, except, in the case of employees who are not officers, increases that are not material and that are made in the ordinary course of business consistent with past practice;

(l) make any material change in any method of accounting or accounting principles or practice, except for any such change required by reason of a concurrent change in GAAP or Regulation S-X under the 1934 Act, as approved by its independent public accountants;

(m) settle or compromise any material liability for Taxes, amend any material Tax Return, make or revoke any material Tax election, adopt or change any material method of accounting for Tax purposes, surrender any right to a claim for refund of material Taxes, or change any material Tax reporting method policy or procedure;

(n) commence any Action or settle, or offer or propose to settle, any Action or other claim involving or against the Company or any of its Subsidiaries involving a payment by or to the Company or its Subsidiaries in excess of $100,000 or that would impose any equitable relief on, or the admission of wrongdoing by, the Company;

(o) fail to use reasonable efforts to maintain existing material insurance policies or comparable replacement policies to the extent available for a similar reasonable cost;

(p) assign, sell, otherwise transfer or grant any license or other rights with respect to any Company Owned Intellectual Property or fail to prosecute and maintain all patents, registrations and applications included in the Company Owned Intellectual Property, including by paying any related fees when due;

(q) (i) pay, discharge, settle or satisfy any claims, liabilities or obligations (whether absolute, accrued, asserted or unasserted, contingent or otherwise), other than the payment, discharge or satisfaction in the ordinary course of business consistent with past practice or as required by their terms as in effect on the date of this Agreement of claims, liabilities or obligations reflected or reserved against in the most recent audited financial statements (or the notes thereto) of the Company included in the Company SEC Documents (for amounts not in excess of such reserves) or incurred since the date of such financial statements in the ordinary course of business consistent with past practice, (ii) cancel any material Indebtedness or (iii) waive, release, grant or transfer any right of material value;

(r) renew or enter into any non-compete, exclusivity, non-solicitation or similar agreement that would restrict or limit, in any material respect, the operations of the Company or any of its Subsidiaries other than as permitted in Section 6.02(b);

(s) enter into any material new line of business outside of its existing business;

(t) enter into any new lease or amend the terms of any existing lease with respect to the Leased Real Property;

(u) intentionally take any action (or intentionally omit to take any action) that would, to the knowledge of the Company at the time the action is taken, result in any of the conditions set forth in Article 9 not to be satisfied;

(v) intentionally take any action (or intentionally omit to take any action) that would, to the knowledge of the Company at the time the action is taken, materially and adversely affect Parent's and Merger Subsidiary's ability to consummate the Financing;

(w) purchase, lease or license or make any commitment to purchase, lease or license, any real property or personal property (including any software) or incur or commit to incur any capital expenditure or authorization or commitment with respect thereto, in each case, at a cost in excess of $300,000 for any individual item or $3,000,000 in the aggregate; or

(x) agree, resolve or commit to do any of the foregoing.

Section 6.02 *No Solicitation; Other Offers*.

(a) Subject to Section 6.02(b), the Company shall not, and shall cause the Company's Subsidiaries not to, and shall not knowingly permit or authorize its and their officers, directors, employees, investment bankers, attorneys, accountants, consultants and other authorized agents, advisors or representatives (collectively, "**Representatives**") to, directly or indirectly, (i) solicit,

initiate or take any action to facilitate or encourage the submission of any Acquisition Proposal, (ii) enter into or participate in any discussions or negotiations with, furnish any information relating to the Company or any of its Subsidiaries or afford access to the business, properties, assets, books or records of the Company or any of its Subsidiaries to, any Third Party that is seeking to make, or has made, an Acquisition Proposal, (iii) withdraw or modify in a manner adverse to Parent or the Merger, or publicly propose to withdraw or modify in a manner adverse to Parent or the Merger, the Company Board Recommendation, or recommend, endorse, adopt or approve or publicly propose to recommend, endorse, adopt or approve an Acquisition Proposal (any of the foregoing in this clause (iii), an "**Adverse Recommendation Change**"), (iv) grant any waiver or release under any standstill or similar agreement with respect to any voting securities of the Company or any of its Subsidiaries, or (v) enter into any agreement in principle, letter of intent, term sheet, merger agreement, acquisition agreement, or other similar instrument constituting or relating to an Acquisition Proposal (an "**Alternative Acquisition Agreement**") or (vi) resolve or agree to do any of the foregoing. The Company shall, and shall cause its Subsidiaries to, and shall instruct their respective Representatives to, (A) cease immediately and terminate any and all existing activities, discussions or negotiations, if any, with any Third Party conducted prior to the date of this Agreement with respect to any Acquisition Proposal, (B) instruct any such Third Party (or its agents or advisors) in possession of confidential information about the Company that was furnished by or on behalf of the Company to return or destroy all such information and (C) subject to Section 6.02(b), not terminate, waive, amend, release or modify any provision of any confidentiality or standstill agreement to which it or any of its Affiliates or Representatives is a party with respect to any Acquisition Proposal, and enforce the provisions of any such agreement.

(b) Notwithstanding the foregoing, at any time prior to the adoption of this Agreement by Company's stockholders, the Board of Directors of the Company, directly or indirectly through advisors, agents or other intermediaries, may, subject to compliance with Section 6.02(c), (i) engage in negotiations or discussions (including, as a part thereof, making any counterproposal or counter offer to) with any Third Party that, subject to the Company's compliance with Section 6.02(a), has made after the date of this Agreement a Superior Proposal or a bona fide unsolicited written Acquisition Proposal that the Board of Directors of the Company believes in good faith (after consultation with a financial advisor of nationally recognized reputation and outside legal counsel) is reasonably likely to lead to a Superior Proposal, (ii) thereafter furnish to any Third Party that, subject to the Company's compliance with Section 6.02(a), has made after the date of this Agreement a Superior Proposal, nonpublic information relating to the Company or any of its Subsidiaries pursuant to a confidentiality agreement with terms no less favorable to the Company than those contained in the Confidentiality Agreement; provided that all such information (to the extent that such information has not been previously provided or made available to Parent) is provided or made available to Parent, as the case may be, prior to or substantially concurrently with the time it is provided or made available to such Third Party), (iii) terminate, waive, amend, release or modify any provision of any confidentiality or standstill agreement to which it or any of its Affiliates or Representatives is a party with respect to any Superior Proposal; and (iv) make an Adverse Recommendation Change, but in each case referred to in the foregoing clauses (i) through (iv) only if the Board of Directors of the Company determines in good faith, after consultation with outside legal counsel to the Company, that failure to take such action would likely result in a breach of its fiduciary duties under Applicable Law, taking into account all adjustments to the

terms of this Agreement that may be offered by Parent pursuant to Section 6.02(c). Nothing contained herein shall prevent the Board of Directors of the Company from complying with requirements Rule 14e-2(a) under the 1934 Act or complying with the requirements of Rule 14d-9 under the 1934 Act with regard to an Acquisition Proposal, so long as any action taken or statement made to so comply is consistent with this Section 6.02(b) provided, however, that in no event shall this sentence affect the obligations of the Company otherwise specified in Sections 6.02(a), (b) and (c). For the avoidance of doubt, a "stop, look and listen" or similar communication of the type contemplated by Rule 14d 9(f) under the 1934 Act, an express rejection of any applicable Acquisition Proposal or an express reaffirmation of the Company's recommendation to the stockholders of the Company in favor of the Merger shall not be deemed to be an Adverse Recommendation Change (including for purposes of Section 10.01(c)(i)).

(c) The Board of Directors of the Company shall not take any of the actions referred to in clauses (i) through (iv) of Section 6.02(b) unless (i) the Company shall have delivered to Parent at least three (3) Business Days prior written notice advising Parent that it intends to take such action and specifying the reasons therefor (it being understood and agreed that any amendment to the financial terms or any other material term of such Superior Proposal shall require a new written notice by the Company and a new two Business Day period), (ii) prior to the expiration of such three Business Day period (or two Business Day period, as applicable), Parent does not make a proposal to adjust the terms and conditions of this Agreement that the Board of Directors of the Company determines in good faith (after consultation with outside counsel and its financial advisor) to be at least as favorable as the Superior Proposal after giving effect to, among other things, the payment of the Company Termination Fee set forth in Section 11.04(b), such that the Board of Directors of the Company determines that the failure to take such action is no longer likely to result in a breach of its fiduciary duties to the stockholders of the Company under Applicable Law, and (iii) the Company shall continue to advise Parent after delivery of such notice of the status and material terms of any discussions and negotiations with the Third Party. During the three Business Day period (or two Business Day period, as applicable) prior to its effecting an Adverse Recommendation Change or terminating this Agreement pursuant to Section 10.01(d)(i), the Company shall, and shall cause its financial and legal advisors to, negotiate with Parent in good faith (to the extent Parent seeks to negotiate) regarding any revisions to the terms of the transactions contemplated by this Agreement proposed by Parent. In addition, the Company shall notify Parent promptly (but in no event later than 24 hours) after receipt by the Company (or any of its Representatives) of any Acquisition Proposal, any inquiry that would be reasonably expected to lead to an Acquisition Proposal or of any request for information relating to the Company or any of its Subsidiaries or for access to the business, properties, assets, books or records of the Company or any of its Subsidiaries by any Third Party that to the knowledge of the Company may be considering making, or has made, an Acquisition Proposal, which notice shall be provided in writing and shall identify the material terms and conditions of, any such Acquisition Proposal, inquiry or request (including any material changes thereto and the identity of the Person making such Acquisition Proposal) and shall be accompanied by a copy of any written Acquisition Proposal and a copy of the relevant Alternative Acquisition Agreement, if applicable, and any other relevant transaction documents with respect to such Acquisition Proposal. The Company shall keep Parent informed (in writing) in all material respects on a timely basis of the status and details (including, within 24 hours after the occurrence of any amendment, modification, development, discussion or negotiation) of any

such Acquisition Proposal, request or inquiry, including furnishing copies of any additional written inquiries, correspondence and draft documentation.

"**Superior Proposal**" means any unsolicited bona fide written Acquisition Proposal for at least 66.67% of the outstanding shares of Company Common Stock or all or substantially all of the assets of the Company and its Subsidiaries on terms that the Board of Directors of the Company determines in good faith, after consultation with a financial advisor of nationally recognized reputation and outside legal counsel and taking into account all the terms and conditions of the Acquisition Proposal would result in a transaction (i) that if consummated, is more favorable to Company's stockholders from a financial point of view than the Merger or, if applicable, any binding proposal by Parent capable of being accepted by the Company to amend the terms of this Agreement taking into account all the terms and conditions of such proposal and this Agreement (including the expected timing and likelihood of consummation, taking into account any governmental and other approval requirements, and including any break-up fees and expense reimbursement provisions), (ii) that is reasonably likely to be completed on the terms proposed, taking into account the identity of the person making the proposal, any approval requirements and all other financial, legal and other aspects of such proposal and (iii) for which financing, if a cash transaction (whether in whole or in part), is then fully committed or reasonably determined to be available by the Board of Directors of the Company.

(d) The Company agrees that any violation of the restrictions set forth in this Section 6.02 by any Representative of the Company or any of its Subsidiaries, whether or not such Person is purporting to act on behalf of the Company or any of its Subsidiaries or otherwise, shall be deemed to be a breach of this Agreement by the Company. The materiality of any such breach shall be determined under Applicable Law based on the facts and circumstances of any such breach.

(e) The Company shall not, and shall cause its Subsidiaries not to, enter into any confidentiality agreement with any Person subsequent to the date of this Agreement that would restrict the Company's ability to comply with any of the terms of this Section 6.02, and represents that neither it nor any of its Subsidiaries is a party to any such agreement.

(f) The Company shall not take any action to (i) exempt any Person (other than Parent, Merger Subsidiary and their respective Affiliates) from the restrictions on "business combinations" contained in Section 203 of the Delaware (or any similar provision of any other Applicable Law) or otherwise cause such restrictions not to apply or (ii) amend or waive the Company Rights Agreement, redeem the Company Rights or exempt any Person (other than Parent, Merger Subsidiary and their respective Affiliates) from the Company Rights Agreement, or agree to do any of the foregoing, in each case unless such actions are taken substantially concurrently with a termination of this Agreement pursuant to Section 10.01(d)(i).

Section 6.03 *Access to Information; Confidentiality*.

(a) From the date of this Agreement until the Effective Time and subject to Applicable Law, the Company shall, and shall cause its Subsidiaries to, upon reasonable notice and request, (i) give to Parent, its counsel, financial advisors, auditors, Financing Sources and other authorized representatives reasonable access during normal business hours to its offices,

properties, books and records, including, but not limited to, for purposes of continuing their due diligence of the Company and without limitation for matters relating to export controls and government contracts, (ii) furnish to Parent and its counsel such financial and operating data and other information as such Persons may reasonably request and a copy of each report, schedule, registration statement and other document filed or received by it during such period pursuant to the requirements of federal or state securities laws and (iii) instruct its employees, counsel, financial advisors, auditors and other authorized representatives to cooperate with Parent in its investigation. Any investigation pursuant to this Section shall be conducted in such manner as not to interfere unreasonably with the conduct of the business of the Company and its Subsidiaries. Nothing contained in this Section shall, prior to the Effective Time, require the Company to take any action that would, in the good faith judgment of the Company, constitute a waiver of the attorney-client or similar privilege or trade secret protection held by the Company or any of its Subsidiaries or violate confidentiality obligations owing to third parties; provided, however, that the Company shall make a good faith effort to accommodate any request from Parent for access or information pursuant to this Section in a manner that does not result in such a waiver or violation. All information furnished pursuant to this Section shall be subject to the confidentiality agreement, dated as of November 22, 2010, between Parent and the Company (the "**Confidentiality Agreement**").

(b) The Company shall deliver to Parent monthly consolidated and consolidating financial statements of the Company and its Subsidiaries within 15 calendar days of the end of each fiscal month.

Section 6.04 *Stockholder Action.* From the date of this Agreement until the Effective Time, the Company shall not settle or offer to settle any stockholder Action against the Company and/or its directors or executive officers relating to this Agreement and the transactions contemplated hereunder, without Parent's prior written consent (such consent not to be unreasonably withheld, delayed or conditioned), and the Company shall use its reasonable best efforts to keep Parent informed with respect to status of, and any material developments in, any such Action.

Section 6.05 *FIRPTA Certificate.* On or prior to the Closing Date, the Company shall use commercially reasonable efforts to provide to Parent an affidavit satisfying the requirements of Treasury Regulation Section 1.1445-2(c)(3) in form and substance reasonably satisfactory to Parent; it being understood that notwithstanding anything to the contrary contained herein, if the Company fails to provide Parent with such certification, the Parent, the Surviving Corporation, or the Paying Agent shall be entitled to withhold the requisite amount from consideration otherwise payable pursuant to this Agreement in accordance with Section 1445 of the Code and the applicable Treasury Regulations and Section 2.07 hereof and that any amount so withheld shall be treated for all purposes of this Agreement as having been paid to the holder of the shares of Company Common Stock in respect of which the Paying Agent, Parent or the Surviving Corporation, as the case may be, made such deduction and withholding.

ARTICLE 7
COVENANTS OF PARENT

Section 7.01 *Conduct of Parent.* From the date of this Agreement until the Effective Time, except with the Company's prior written consent, Parent shall not take any action that would make any representation or warranty of the Parent hereunder inaccurate in any material respect at, or as of any time before, the Effective Time or would materially delay the Closing. From the date of this Agreement until the Effective Time, Parent shall not, and shall cause Merger Subsidiary not to (i) intentionally take any action (or intentionally omit to take any action) that would, to the knowledge of the Parent at the time the action is taken, result in any of the conditions set forth in Article 9 not to be satisfied; or (ii) intentionally take any action (or omit to take any action) that would, to the knowledge of Parent at the time the action is taken, materially and adversely affect Parent's and Merger Subsidiary's ability to consummate the Financing.

Section 7.02 *Obligations of Merger Subsidiary*. Parent shall take all action necessary to cause Merger Subsidiary to perform its obligations under this Agreement and to consummate the Merger on the terms and conditions set forth in this Agreement.

Section 7.03 *Voting Shares*. Parent shall vote (or cause to be voted) all shares of Company Common Stock beneficially owned by it or any of its Subsidiaries in favor of adoption of this Agreement at the Company Stockholder Meeting.

Section 7.04 *Director and Officer Liability*. Parent shall cause the Surviving Corporation, and the Surviving Corporation hereby agrees, to do the following:

(a) For six years after the Effective Time, Parent shall cause the Surviving Corporation to indemnify and hold harmless each current and former officer, director, trustee, member and fiduciary of the Company and its Affiliates (each, together with such person's heirs, executors or administrators, an "**Indemnified Person**") against any costs or expenses (including advancing attorneys' fees and expenses in advance of the final disposition of any claim, suit, proceeding or investigation to each Indemnified Person to the fullest extent permitted by Applicable Law; provided, however, that such advance shall be conditioned upon the Surviving Company's receipt of an undertaking by or on behalf of the Indemnified Person to repay such amount if it shall be ultimately determined by final judgment of a court of competent jurisdiction that the Indemnified Person is not entitled to be indemnified pursuant to this Section 7.04(a)), judgments, fines, losses, claims, damages, liabilities and amounts paid in settlement in connection with any actual or threatened claim, action, suit, arbitration, proceeding or investigation in respect of or arising out of acts or omissions occurring or alleged to have occurred at or prior to the Effective Time to the fullest extent permitted by Delaware Law or any other Applicable Law or provided under the Company's articles of incorporation and bylaws in effect on the date hereof; provided that such indemnification shall be subject to any limitation imposed from time to time under Applicable Law. In the event of any such action, Parent and the Surviving Corporation shall cooperate with the Indemnified Person in the defense of any such action.

(b) Parent shall cause the Surviving Corporation to continue in full force and effect for a period of six years from the Effective Time the provisions in existence in the Company's and its Subsidiaries' Organizational Documents in effect on the date of this Agreement regarding elimination of liability of directors, indemnification and exculpation of officers, directors and employees and advancement of expenses.

(c) For six years after the Effective Time, Parent shall cause the Surviving Corporation to provide officers' and directors' liability and similar insurance (collectively, "**D&O Insurance**") in respect of acts or omissions occurring prior to the Effective Time covering each Indemnified Person covered as of the date of this Agreement by the Company's D&O Insurance policies on terms with respect to coverage and amount no less favorable than those of such policy in effect on the date of this Agreement (or a six-year prepaid "tail policy" on terms and conditions reasonably acceptable to Parent providing coverage benefits and terms no less favorable to the Indemnified Persons than the Company's current such policy; for the avoidance of doubt, the Company may purchase such "tail policy" at its option prior to the Effective Time, and, in such case Parent shall cause such policy to be in full force and effect for its full term, and cause all obligations thereunder to be honored by the Surviving Corporation); *provided* that, in satisfying its obligation under this Section 7.04(c), the Surviving Corporation shall not be obligated to pay annual premiums in the aggregate in excess of $250,000 and *provided further* that, if the aggregate annual premiums of such insurance coverage exceed such amount, the Surviving Corporation shall be obligated to obtain a policy with the greatest coverage available, with respect to matters occurring prior to the Effective Time, for a cost not exceeding such amount.

(d) If Parent, the Surviving Corporation or any of its successors or assigns (i) consolidates with or merges into any other Person and shall not be the continuing or the Surviving Corporation or entity of such consolidation or merger, or (ii) transfers or conveys all or substantially all of its properties and assets to any Person, then, and in each such case, to the extent necessary, proper provision shall be made so that the successors and assigns of Parent or the Surviving Corporation, as the case may be, shall assume the obligations set forth in this Section 7.04.

(e) The rights of each Indemnified Person under this Section 7.04 shall be in addition to any rights such Person may have under the Organizational Documents of the Company or any of its Subsidiaries, or under Delaware Law or any other Applicable Law or under any agreement of any Indemnified Person with the Company or any of its Subsidiaries. These rights shall survive consummation of the Merger and are intended to benefit, and shall be enforceable by, each Indemnified Person.

Section 7.05 *Employee Matters*.

(a) Subject to Section 2.05, Parent shall make payments in such amounts and to such Company employees as set forth on Section 7.05(a) of the Company Disclosure Schedule pursuant to the Company's 2004 LTIP at the time such payments would be paid under such plan in accordance with its terms. Parent shall make payments to Company employees eligible to participate in the Company's 2011 annual incentive plan as of the date of this Agreement at the ordinary time such payments would otherwise be paid under such plan in accordance with its

terms, provided that all such payments shall be based on the amounts accrued as expense relating to such bonus plan on the Company's financial statements, but in no event shall such amount exceed $3,900,000.

(b) With respect to any employee benefit plan maintained by Parent or its Affiliates in which any Current Employee first becomes eligible to participate, on or after the Effective Time (the "**Parent Plans**"), Parent shall use commercially reasonable efforts to (i) during the period commencing on the Effective Date and ending on December 31, 2011 waive all pre-existing conditions, exclusions and waiting periods with respect to participation and coverage requirements applicable to such Current Employee under any health and welfare Parent Plans in which such Current Employee may be eligible to participate after the Effective Time; and (ii) credit Current Employees with service for time worked for the Company or its Subsidiaries prior to the Effective Time for purposes of eligibility to participate in and vesting credit under (but not for the purposes of benefit accrual under) any such Parent Plan to the extent permitted under the terms of such Parent Plan, provided, however, that in no event shall any credit be given to the extent it would result in the duplication of benefits for the same period of service.

ARTICLE 8
COVENANTS OF PARENT AND THE COMPANY

Section 8.01 *Stockholder Meeting; Proxy Material.* As promptly as practicable after the date of this Agreement (and in any event within 15 Business Days after the date hereof), the Company shall file the Company Proxy Statement with the SEC in preliminary form as required by the 1934 Act, and shall use all reasonable efforts to have the Company Proxy Statement cleared by the SEC. The Company shall obtain and furnish the information required to be included in the Proxy Statement, shall provide Parent and Merger Subsidiary with any comments that may be received from the SEC or its staff with respect thereto, shall respond promptly to any such comments made by the SEC or its staff with respect to the Company Proxy Statement, and shall cause the Company Proxy Statement in definitive form to be mailed to the Company's stockholders at the earliest practicable date. If at any time prior to obtaining the Company Stockholder Approval, any information relating to the Merger, the Company, Parent, Merger Subsidiary or any of their respective Affiliates, directors or officers should be discovered by the Company or Parent that should be set forth in an amendment or supplement to the Company Proxy Statement so that such document would not contain any misstatement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the party that discovers such information shall promptly notify the other parties hereto and the Company shall promptly file with the SEC an appropriate amendment or supplement describing such information and, to the extent required by Applicable Law, disseminate such amendment or supplement to the stockholders of the Company. Notwithstanding the foregoing, prior to filing or mailing the Company Proxy Statement (or any amendment or supplement thereto) or responding to any comments of the SEC with respect thereto, the Company shall give Parent, Merger Subsidiary and their counsel a reasonable opportunity to review and comment on such document or response and shall give due consideration to all reasonable additions, deletions or changes suggested thereto by Parent, Merger Subsidiary and their counsel. The Company shall establish a record date and cause a meeting of its stockholders (the "**Company Stockholder Meeting**") to be duly called and held as promptly as reasonably practicable after the Company Proxy Statement is

cleared by the SEC for mailing to the Company's stockholders for the purpose of voting on the approval and adoption of this Agreement and the Merger. Except in the case of an Adverse Recommendation Change specifically permitted by Section 6.02(b), the Board of Directors of the Company shall (i) recommend approval and adoption of this Agreement and the Merger by the Company's stockholders, (ii) include such recommendation in the Company Proxy Statement and (iii) publicly reaffirm such recommendation to its stockholders at least two (2) Business Days prior to the Company Stockholder Meeting after a request to do so by Parent or Merger Subsidiary; provided, however, if the Company receives an Acquisition Proposal and Parent requests that the Company reaffirm its recommendation less than seven (7) Business Days prior to the Company Stockholder Meeting, the Company shall have the right to postpone the Company Stockholder Meeting to the seventh (7th) Business Day from the date of Parent's request to reaffirm its recommendation. An Adverse Recommendation Change made in compliance with Section 6.02(b) will not constitute a breach by the Company of this Agreement. In connection with such meeting, the Company shall (i) use its commercially reasonable efforts to obtain the Company Stockholder Approval and (ii) otherwise comply in all material respects with all legal requirements applicable to such meeting.

Section 8.02 *Reasonable Best Efforts*.

(a) Subject to the terms and conditions of this Agreement, the Company and Parent shall use their reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under Applicable Law to consummate in the most expeditious manner possible the transactions contemplated by this Agreement, including (i) preparing and filing as promptly as practicable with any Governmental Authority or other third party all documentation to effect all necessary filings, notices, petitions, statements, registrations, submissions of information, applications and other documents, (ii) taking all appropriate actions, and doing, or causing to be done, all things necessary, proper or advisable under Applicable Laws to consummate and make effective the transactions contemplated by this Agreement, including using its reasonable best efforts to obtain and maintain all approvals, consents, registrations, permits, licenses, certificates, variances, exemptions, orders, franchises, authorizations and other confirmations of all Governmental Authorities or other third parties that are necessary, proper or advisable to consummate the transactions contemplated by this Agreement and to fulfill the conditions to the transactions contemplated by this Agreement, (iii) defending any actions, suits, claims, investigations or proceedings threatened or commenced by any Governmental Authority or arbitrator relating to the transactions contemplated by this Agreement, including seeking to have any stay, temporary restraining order or preliminary injunction entered by any Governmental Authority or arbitrator vacated or reversed, and (iv) cooperating to the extent reasonable with the other parties hereto in their efforts to comply with their obligations under this Agreement.

(b) In furtherance and not in limitation of the foregoing, each of Parent and the Company shall make an appropriate filing of a Notification and Report Form pursuant to the HSR Act with respect to the transactions contemplated hereby and all other filings required (1) under any applicable non-US antitrust or competition laws (together with the HSR Filings, the "**Antitrust Filings**") and (2) under any other applicable competition, merger control, antitrust or similar law that the Company and Parent deem advisable or appropriate with respect to the transactions contemplated hereby as promptly as practicable and in any event within fifteen (15)

Business Days of the date of this Agreement and to supply as promptly as practicable any additional information and documentary material that may be requested pursuant to the HSR Act and to use their reasonable best efforts to take all other actions necessary to cause the expiration or termination of the applicable waiting periods under the HSR Act as soon as practicable. In addition, Parent shall use its commercially reasonable efforts to take or cause to be taken all actions necessary, proper or advisable to obtain any consent, waiver, approval or authorizations relating to the HSR Act or similar non-US laws that are required for the consummation of the transactions contemplated by this Agreement, which efforts shall include, without limitation, the proffer by Parent of its willingness to accept an order providing for the divestiture by Parent of such of its assets and businesses as are necessary to fully consummate the transactions contemplated by this Agreement, and an offer to hold separate such assets and businesses pending such divestiture. In the event that the FTC or the DOJ or any other Governmental Authority or arbitrator requires the divestiture or the holding separate by Parent of any assets, no adjustment shall be made to the Merger Consideration and Parent shall be required to hold such assets separate, or to divest them, as the case may be, following the Closing.

Section 8.03 *Certain Filings*.

(a) The Company and Parent shall cooperate with one another (i) in connection with the preparation of the Company Proxy Statement, (ii) in determining whether any action by or in respect of, or filing with, any Governmental Authority is required, or any actions, consents, approvals or waivers are required to be obtained from parties to any material Contracts, in connection with the consummation of the transactions contemplated by this Agreement and (iii) in taking such actions or making any such filings, furnishing information required in connection therewith or with the Company Proxy Statement and seeking timely to obtain any such actions, consents, approvals or waivers.

(b) Each of Parent and the Company shall promptly notify the other party of any communication it receives from any Governmental Authority or arbitrator relating to the matters that are the subject of this Agreement and permit the other party to review in advance any proposed communication by such party to any Governmental Authority or arbitrator and shall provide each other with copies of all correspondence, filings or communications between them or any of their representatives and any Governmental Authority or arbitrator. Neither Parent nor the Company shall agree to participate in any meeting with any Governmental Authority or arbitrator in respect of any such filings, investigation or other inquiry unless it consults with the other party in advance and, to the extent permitted by such Governmental Authority or arbitrator, gives the other party the opportunity to attend and participate at such meeting.

Section 8.04 *Public Announcements*. Except with respect to the announcement of any Adverse Recommendation Change (or proposed Adverse Recommendation Change), Parent and the Company shall consult with each other before issuing any press release, making any other public statement or scheduling any press conference or conference call with investors or analysts with respect to this Agreement or the transactions contemplated hereby and, except as may be required by Applicable Law or any listing agreement with or rule of any national securities exchange or association, shall not issue any such press release, make any such other public statement or schedule any such press conference or conference call before such consultation.

Section 8.05 *Stock Exchange De-listing*. Prior to the Closing Date, the Company shall cooperate with Parent and use its commercially reasonable efforts to take, or cause to be taken, all actions, and do or cause to be done all things, reasonably necessary, proper or advisable on its part under Applicable Laws and rules and policies of AMEX to enable the de-listing by the Surviving Corporation of the Company Common Stock from AMEX and the deregistration of the Company Common Stock under the 1934 Act as promptly as practicable after the Effective Time, and in any event no more than ten days after the Closing Date.

Section 8.06 *Further Assurances*. At and after the Effective Time, the officers and directors of the Surviving Corporation shall be authorized to execute and deliver, in the name and on behalf of the Company or Merger Subsidiary, any deeds, bills of sale, assignments or assurances and to take and do, in the name and on behalf of the Company or Merger Subsidiary, any other actions and things to vest, perfect or confirm of record or otherwise in the Surviving Corporation any and all right, title and interest in, to and under any of the rights, properties or assets of the Company acquired or to be acquired by the Surviving Corporation as a result of, or in connection with, the Merger.

Section 8.07 *Notice of Certain Events*. Each of the Company and Parent shall promptly notify the other of:

(a) any notice or other communication from any Governmental Authority or arbitrator in connection with the transactions contemplated by this Agreement;

(b) any inaccuracy of any representation or warranty contained in this Agreement at any time during the term of this Agreement that could reasonably be expected to give rise to a risk of termination set forth in Section 10.01(c)(ii) or Section 10.01(d)(ii), as the case may be; and

(c) any failure of that party to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it hereunder that could reasonably be expected to give rise to a right of termination set forth in Section 10.01(c)(ii) or Section 10.01(d)(ii), as the case may be;

provided, *however*, that the delivery of any notice pursuant to this Section 8.07 shall not limit or otherwise affect the remedies available hereunder to the party receiving that notice.

Section 8.08 *Rule 16b-3*. The Company shall, and shall be permitted to, take all actions as may be reasonably requested by any party hereto to cause any dispositions of equity securities of the Company by each individual who is a director or officer of the Company, and who would otherwise be subject to Rule 16b-3 under the 1934 Act, to be exempt under Rule 16b-3 under the 1934 Act.

Section 8.09 *Financing*.

(a) Parent and Merger Subsidiary shall use their reasonable best efforts to arrange the Financing on the terms and conditions described in the Commitment Letter or on other terms that would not adversely impact the ability of Parent or Merger Subsidiary to consummate the transactions contemplated hereby, including using reasonable best efforts (taking into account

the anticipated timing of the Marketing Period) to (i) negotiate and enter into definitive agreements with respect thereto on the terms and conditions contained therein (including any "market flex" provisions) or on other terms reasonably acceptable to Parent and not in violation of this Section 8.09, (ii) satisfy on a timely basis all conditions and covenants applicable to Parent in the Commitment Letter that are within its control and otherwise comply with its obligations thereunder, (iii) maintain in effect the Commitment Letter until the transactions contemplated by this Agreement are consummated, (iv) enforce its rights under the Commitment Letter, and (v) subject to the terms and conditions contemplated by the Commitment Letter, consummate the Financing at the Closing. Parent shall have the right from time to time to amend, replace, supplement or otherwise modify, or waive any of its rights under, the Commitment Letter, and/or substitute other debt financing for all or any portion of the Financing from the same and/or alternative Financing Sources, including without limitation to add lenders, lead arrangers, bookrunners, syndication agents or similar entities who had not executed the Financing Commitment as of the date of this Agreement; provided, that any such amendment, replacement, supplement or other modification to or waiver of any provision of the Commitment Letter that amends the Financing and/or substitution of all or any portion of the Financing shall not (i) impose any additional conditions precedent or expand upon the conditions precedent to the Financing as set forth in the Commitment Letter, (ii) adversely impact the ability of Parent or Merger Subsidiary to enforce its rights against the other parties to the Commitment Letter or (iii) prevent or impede or delay the consummation of the Merger and the other transactions contemplated by this Agreement. Parent shall be permitted to reduce the amount of Financing under the Commitment Letter in its reasonable discretion; provided, that Parent shall not reduce the Financing to an amount committed below the amount that is required, together with other financial resources of Parent and Merger Subsidiary including cash, cash equivalents and marketable securities of Parent, Merger Subsidiary, the Company and the Company's Subsidiaries on the Closing Date, to consummate the Merger on the terms contemplated by this Agreement; and provided further, that such reduction shall not (i) impose any additional conditions precedent or expand upon the conditions precedent to the Financing as set forth in the Commitment Letter, (ii) adversely impact the ability of Parent or Merger Subsidiary to enforce its rights against the other parties to the Commitment Letter or (iii) prevent or impede or delay the consummation of the Merger and the other transactions contemplated by this Agreement. For the avoidance of doubt, the syndication of the Financing to the extent permitted by the Commitment Letter shall not be deemed to violate Parent's obligations under this Agreement. Without limiting the generality of the foregoing, Parent and Merger Sub shall give the Company prompt notice: (A) of any material breach or material default (or any event or circumstance that, with or without notice, lapse of time or both, would reasonably be expected to give rise to any material breach or material default) by any party to any Commitment Letter or definitive document related to the Financing of which Parent or its Affiliates becomes aware; (B) of the receipt of any written notice or other written communication from any Person with respect to any: (x) actual or potential material breach, material default, termination or repudiation by any party to any Commitment Letter or any definitive document related to the Financing or any provisions of the Commitment Letter or any definitive document related to the Financing or (y) material dispute or disagreement between or among any parties to any Commitment Letter or any definitive document related to the Financing (but excluding, for the avoidance of doubt, any ordinary course negotiations with respect to the terms of the Financing or any definitive agreement with respect thereto); and (C) if for any reason Parent or Merger Sub believes in good

faith that it will not be able to obtain all or any portion of the Financing on the terms, in the manner or from the sources contemplated by the Commitment Letter or the definitive documents related to the Financing; provided, that in no event will Parent or Merger Subsidiary be under any obligation to disclose any information that is reasonably believed to be subject to attorney-client or similar privilege or that is requested for purposes of litigation. As soon as reasonably practicable, but in any event within three (3) Business Days after the date the Company delivers Parent or Merger Sub a written request, Parent and Merger Subsidiary shall provide any information reasonably requested by the Company relating to any circumstance referred to in clause (A), (B) or (C) of the immediately preceding sentence, and subject to the proviso of the immediately preceding sentence. In the event any portion of the Financing becomes unavailable on the terms and conditions contemplated in the Commitment Letter (including any "market flex" provisions), Parent shall use its reasonable best efforts to arrange to obtain alternative financing from alternative sources on terms and conditions not materially less favorable to Parent and Merger Subsidiary in an amount sufficient to consummate the transactions contemplated by this Agreement (any such alternative financing, any amended or substitute financing permitted by this Section 8.09(a), and the Financing, an "**Available Financing**"). In the event that on the final day of the Marketing Period (i) all or any portion of the Financing structured as High Yield Financing has not been consummated, (ii) all closing conditions contained in Article 9 shall have been satisfied or waived (other than those conditions that by their nature will not be satisfied until the Closing) and (iii) all conditions to the Bridge Financing set forth in the Commitment Letter have been satisfied, then Parent shall borrow under and use the proceeds of the Bridge Financing (or such alternative bridge financing) to replace such affected portion of the High Yield Financing on the Closing Date. Notwithstanding the foregoing or anything else set forth herein, the Company hereby acknowledges that it shall have no claims (contractual or otherwise) against any Financing Source relating to the Merger or the Financing.

For purposes of this Agreement, "**Financing Sources**" means the entities that have committed to provide or otherwise entered into agreements in connection with the Financing or any other Available Financing, including the parties to the Commitment Letter and any joinder agreements or definitive agreements relating thereto.

For purposes of this Agreement, "**Marketing Period**" shall mean the period of 35 consecutive calendar days commencing on the later of the date that both (i) Parent shall have received the Required Information and (ii) the Company has mailed to its stockholders the Company Proxy Statement; provided, that to the extent Parent receives the Required Information prior to the date that the Company Proxy Statement is mailed to the Company's stockholders, such 35 day period shall be reduced, but not by more than ten days, by the number of days in advance of such mailing date that the Required Information is delivered to Parent and provided, further, that (A)(1) throughout and at the end of such 35 day period such Required Information shall at all times remain compliant with applicable provisions of Regulation S-X and Regulation S-K under the 1933 Act, (2) throughout and at the end of such 35 day period nothing has occurred and no condition exists that would cause any of the conditions set forth in Section 9.02 to fail to be satisfied assuming the Closing were to be scheduled for any time during such 35 consecutive calendar day period and (3) at the end of such 35 day period the conditions set forth in Section 9.01 shall be satisfied; provided, that such 35 consecutive calendar day period must (x) end on or prior to June 30, 2011, (y) begin on or after July 5, 2011 and end on or prior to August 19, 2011 or (z) begin on or after September 3, 2011; provided, further that if the

Company has mailed to its stockholders the Company Proxy Statement on or prior to June 21, 2011 and the Required Information is delivered by June 18, 2011, the Marketing Period will be reduced to 15 consecutive Business Days solely for the period beginning on July 5, 2011 and ending on July 25, 2011, (B) the Marketing Period shall end on any earlier date that is the date on which the Financing, including the High-Yield Financing (other than any portion of the Financing that constituted Bridge Financing with respect to such High-Yield Financing) is consummated and (C) the Marketing Period shall not be deemed to have commenced if after the date hereof and prior to the completion of the Marketing Period:

(1) the Company's outside auditor shall have withdrawn its audit opinion with respect to any financial statements contained in the Company's most recently filed Annual Report on Form 10-K (including, if applicable, the Company 10-K) contained in the Required Information, in which case the Marketing Period shall not be deemed to commence unless and until, at the earliest, a new unqualified audit opinion is issued with respect to the consolidated financial statements of the Company for the applicable periods by the Company's outside auditor or another independent public accounting firm;

(2) the Company issues a public statement indicating that it is restating, or intends to restate, any historical financial statements of the Company included in the Company SEC Documents or that any such restatement is under consideration or may be a possibility, in which case the Marketing Period shall not be deemed to commence unless and until such restatement has been completed and the relevant Company SEC Document or SEC Documents has or have been amended or the Company has announced that it has concluded that no restatement shall be required in accordance with applicable law; or

(3) the Company shall have been delinquent in filing any Quarterly Report on Form 10-Q or Annual Report on Form 10-K, in which case the Marketing Period will not be deemed to commence unless and until any such delinquency has been cured.

(b) Prior to the Closing, the Company shall, and shall cause its Subsidiaries, and its and their respective Representatives (except for those Representatives which are not employees of Company or any of its Subsidiaries, including any outside legal and accounting Representatives, in which case the Company and its Subsidiaries shall use reasonable best efforts to cause such Representatives) to provide to Parent, Merger Subsidiary and the Financing Sources all cooperation reasonably requested by Parent and/or the Financing Sources that is necessary, proper or advisable in connection with any Available Financing and the transactions contemplated by this Agreement, including, without limitation (i) participating in a reasonable number of meetings (including customary one-on-one meetings with the parties acting as lead arrangers or agents for, and prospective lenders and purchasers of, any Available Financing), presentations, road shows, due diligence sessions, drafting sessions and sessions with rating agencies, and cooperating with the marketing efforts of Parent, Merger Subsidiary and the Financing Sources, in each case in connection with any Available Financing, (ii) assisting in the preparation of (y) any offering documents, private placement memoranda, bank information memoranda, prospectuses and similar documents required in connection with any Available Financing, including the syndication thereof; provided that any such assistance shall include execution and delivery of customary representation letters in connection with bank information memoranda, and (z) materials for rating agency presentations, (iii) as promptly as practical,

furnishing Parent, Merger Subsidiary and the Financing Sources with financial and other pertinent information regarding the Company and its Subsidiaries as may be reasonably requested by Parent, including (x) all financial statements, pro forma financial information, financial data, audit reports and other information of the type required by Regulation S-X and Regulation S-K under the 1933 Act for registered offerings of debt securities and of the type and form customarily included in offering documents used in private placements pursuant to Rule 144A under the 1933 Act for companies such as the Company or Parent (including, to the extent applicable with respect to such financial statements, the report of the Company's auditors thereon and related management discussion and analysis of financial condition and results of operations) to consummate any offering of debt securities contemplated by the Commitment Letter or any Available Financing, assuming that such offering was consummated at the same time during the Company's fiscal year as the offering of debt securities contemplated by the Commitment Letter or any Available Financing (provided that in no circumstance shall the Company be required to provide subsidiary financial statements or any other information of the type required by Rule 3-09, Rule 3-10 or Rule 3-16 of Regulation S-X, Compensation Disclosure and Analysis required by Regulation S-K Item 402(b) or other information customarily excluded from a Rule 144A offering memorandum), and (y) such other information and data as are otherwise necessary in order to receive customary "comfort" letters with respect to the financial statements and data referred to in the preceding clause (iii)(x) (including "negative assurance" comfort) from the independent auditors of the Company and its Subsidiaries on any date during the relevant period (all such information in this clause (iii), the "**Required Information**"), (iv) subject to customary confidentiality arrangements reasonably acceptable to the Company, providing due diligence materials reasonably requested by the Financing Sources in connection with any Available Financing, (v) upon Parent's reasonable request, using reasonable best efforts to obtain accountants' comfort letters, customary accountants' consents for use of their reports in connection with offerings of securities under the 1933 Act (including Rule 144A thereunder), legal opinions, hedging agreements, appraisals, surveys, engineering reports, title insurance and other documentation and items relating to any Available Financing, (vi) executing and delivering, as of the Effective Time (and only effective as of the Effective Time), any definitive agreements in respect of any Available Financing, including any pledge and security documents or other certificates, documents and instruments relating to guarantees, the pledge of collateral and other matters ancillary to such Available Financing (including a certificate of the Chief Financial Officer of the Company or any Subsidiary with respect to solvency matters and consents of accountants for use of their reports in any materials relating to such Available Financing) as may be reasonably requested by Parent in connection with such Available Financing, and otherwise reasonably facilitating the pledging of collateral (including cooperation in connection with the pay-off of the Company's existing indebtedness and the release of related Liens) and providing the guarantees contemplated by any Available Financing, (vii) taking all actions reasonably necessary to (A) permit the Financing Sources to evaluate Company's current assets, cash management and accounting systems, policies and procedures relating thereto for the purposes of establishing collateral arrangements and (B) prepare deposit account or other control agreements in connection with the foregoing, (viii) using commercially reasonable efforts to obtain landlord consents, waivers, consents, estoppels, surveys, title insurance and approvals from other parties to material contracts and Liens to which Company or any Subsidiary of Company is a party to the extent required to effect any Available Financing, (ix) using commercially reasonable efforts to ensure that the Financing Sources benefit from the existing

lending relationships of Company and its Subsidiaries, (x) requesting customary payoff letters, Lien terminations and instruments of discharge to be delivered to allow for the payoff, discharge and termination in full on the Closing Date of all indebtedness and Liens under indebtedness of the Company required to be repaid as of the Effective Time by the terms of any Available Financing, (xi) furnishing Parent and the Financing Sources promptly with all documentation and other information required by any Governmental Authority with respect to any Available Financing under applicable "know your customer" and anti-money laundering rules and regulations, including the PATRIOT Act, and in any event at least five (5) days prior to the Closing Date, and (xii) taking all corporate actions reasonably requested by Parent as are necessary to permit the consummation of any Available Financing, including the preparation, execution and delivery of resolutions, the holding of any necessary board meetings, and the amendment of any organizational document, and to permit the proceeds of any Available Financing, together with the cash at the Company and its Subsidiaries, to be made available to Parent on the Closing Date to consummate the transactions contemplated hereby (it being understood that no resolutions, amendment or availability of cash shall become effective until prior to the occurrence of the Effective Time). Notwithstanding anything to the contrary contained in this Section, prior to the Effective Time occurs, neither Company nor any of its Subsidiaries shall (A) be required to pay any commitment or other similar fee or (B) execute and deliver any definitive agreement or any other customary closing documents with respect to any Available Financing. The foregoing notwithstanding, nothing herein shall require any such cooperation to the extent it would interfere unreasonably with the business or operations of the Company or its Subsidiaries. The Company will periodically update any such Required Information to be included in an offering document to be used in connection with any Available Financing in order to ensure that such Required Information does not contain any untrue statement of material fact or omit to state any material fact necessary in order to make the statements contained therein not misleading. Notwithstanding any other provision herein, the Company hereby consents to the use of its and its Subsidiaries' names, marks and logos and the dissemination of Required Information (subject to customary confidentiality provisions) in connection with any Available Financing; provided, that any such names, marks and logos are used, and the Required Information is disseminated, solely in a manner that is not intended or not reasonably likely to harm or disparage the Company or any of its Subsidiaries or the reputation or goodwill of the Company or any of its Subsidiaries or any of their respective intellectual property rights.

ARTICLE 9
CONDITIONS TO THE MERGER

Section 9.01 *Conditions to the Obligations of Each Party*. The obligations of the Company, Parent and Merger Subsidiary to consummate the Merger are subject to the satisfaction (or, to the extent permissible, waiver) of the following conditions:

(a) the Company Stockholder Approval shall have been obtained in accordance with Delaware Law;

(b) any applicable waiting period (and extension thereof) under the HSR Act relating to the transactions contemplated by this Agreement shall have expired or been terminated;

(c) there shall not be pending or threatened any Action by any Governmental Authority, having a reasonable likelihood of success, that seeks, directly or indirectly, to (i) challenge or make illegal or otherwise prohibit or materially delay the consummation of the Merger or any of the other transactions contemplated by this Agreement, or to make materially more costly the Merger, or to obtain from the Company, Parent or Merger Subsidiary any damages that are material in relation to the Company and its Subsidiaries taken as a whole, (ii) to prohibit or limit the ownership, operation or control by the Company, Parent or any of their respective Subsidiaries of any material portion of the business or assets of the Company, Parent or any of their respective Subsidiaries, or to compel the Company, Parent or any of their respective Subsidiaries to dispose of or hold separate any material portion of the business or assets of the Company, Parent or any of their respective Subsidiaries or (iii) to impose limitations on the ability of Parent to acquire or hold, or exercise full rights of ownership of, any Shares (or shares of capital stock of the Surviving Corporation), including the right to vote the Shares purchased or owned by them on all matters properly presented to stockholders of the Company; and

(d) no Applicable Law shall have been enacted, entered, promulgated, enforced or deemed applicable by any Governmental Entity that, in any case, prohibits the consummation of the Merger.

Section 9.02 *Conditions to the Obligations of Parent and Merger Subsidiary.* The obligations of Parent and Merger Subsidiary to consummate the Merger are subject to the satisfaction (or, to the extent permissible, waiver by Parent) of the following further conditions:

(a) (i) the Company shall have performed in all material respects all of its obligations hereunder required to be performed by it at or prior to the Effective Time; (ii) the representations and warranties of the Company contained in Sections 4.01 (Corporate Existence and Power), 4.02 (Corporate Authorization), 4.04(i) and (ii) (Non-contravention), 4.05 (Capitalization), 4.07(c) (SEC Filings), 4.10(i) (Absence of Certain Changes) and 4.20 (Antitakeover Statutes) of this Agreement shall be true and correct in all respects; (iii) the representations and warranties of the Company contained in Section 4.25(d) through (g) (Regulatory Matters) of this Agreement shall be true and correct in all material respects; (iv) all other representations and warranties of the Company (disregarding all qualifications or limitations as to "materially", "Material Adverse Effect" and words of similar import set forth therein) shall be true and correct in all respects at and as of the date of this Agreement and as of the Effective Time as if made at and as of such time (or, in the case of those representations and warranties that are made as of a particular date or period, as of such date or period), except where the failure of such representations and warranties to be so true and correct would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Company; and (v) Parent shall have received a certificate signed by the chief executive officer or chief financial officer of the Company to the foregoing effect;

(b) since the date of this Agreement, there shall not have occurred and be continuing as of the Effective Time any event, change or circumstance that has had a Material Adverse Effect on the Company; and

(c) The staff of the SEC shall not have rejected or expressly disapproved any of the material terms or conditions of that certain Offer of Settlement of LaBarge, Inc. executed by the Company on March 18, 2011.

Section 9.03 *Conditions to the Obligations of the Company*. The obligations of the Company to consummate the Merger are subject to the satisfaction (or, to the extent permissible, waiver by the Company) of the following further conditions:

(a) each of Parent and Merger Subsidiary shall have performed in all material respects all of its obligations hereunder required to be performed by it at or prior to the Effective Time;

(b) the representations and warranties of Parent contained in this Agreement shall be true and correct (disregarding all qualifications or limitations as to "materially", "Material Adverse Effect" and words of similar import set forth therein) at and as of the date of this Agreement and as of the Effective Time as if made at and as of such time (or, in the case of those representations and warranties that are made as of a particular date or period, as of such date or period), except where the failure of such representations and warranties to be so true and correct would not reasonably be expected, individually or in the aggregate, to materially delay or impair the ability of Parent or Merger Subsidiary to consummate the transactions contemplated hereby on a timely basis; and

(c) the Company shall have received a certificate signed by the chief executive officer or chief financial officer of Parent to the effect of clauses (a) and (b) above.

ARTICLE 10
TERMINATION

Section 10.01 *Termination*. Subject to Section 10.02, this Agreement may be terminated and the Merger may be abandoned at any time prior to the Effective Time (notwithstanding any approval of this Agreement by the stockholders of the Company):

(a) by mutual written agreement of the Company and Parent;

(b) by either the Company or Parent, if:

(i) the Merger has not been consummated on or before September 30, 2011 (the "**End Date**"); *provided*, that the right to terminate this Agreement pursuant to this Section 10.01(b)(i) shall not be available to any party whose breach of any provision of this Agreement results in the failure of the Merger to be consummated by such time;

(ii) there shall be any Applicable Law that (A) makes consummation of the Merger illegal or otherwise prohibited or (B) enjoins the Company or Parent from consummating the Merger and such enjoinment shall have become final and nonappealable provided, however, that the party seeking to terminate this Agreement pursuant to this Section 10.01(b)(ii) shall have used all reasonable

best efforts as may be required by Section 8.02 to prevent, oppose and remove such Applicable Law; or

(iii) if the Company Stockholder Approval shall not have been obtained at the Company Stockholders Meeting duly convened therefore or at any adjournment or postponement thereof at which a vote on the adoption of this Agreement was taken.

(c) by Parent, if:

(i) (A) an Adverse Recommendation Change shall have occurred; (B) the Company or the Board of Directors of the Company (or any committee thereof) shall approve or recommend, or cause or permit the Company to enter into, an Alternative Acquisition Agreement relating to an Acquisition Proposal; (C) the Company or the Board of Directors of the Company (or any committee thereof) fails publicly to reaffirm its recommendation of the Merger within 10 Business Days after a request at any time to do so by Parent, or at least 2 Business Days prior to the Company Stockholder Meeting after a request to do so by Parent or Merger Subsidiary (provided that the Company Stockholder Meeting may be extended pursuant to clause (iii) of the sixth sentence of Section 8.01); (D) the Company shall have materially breached any of its obligations under Section 6.02; or (E) the Company or the Board of Directors of the Company (or any committee thereof) shall formally resolve or publicly authorize or publicly propose to take any of the foregoing actions; or

(ii) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Company set forth in this Agreement shall have occurred (A) that would cause the condition set forth in Section 9.02(a) not to be satisfied, and (B) such condition is not cured by the Company by the earlier of (x) the End Date or (y) 30 days following receipt by the Company of written notice of such breach or failure provided that, at the time of the delivery of such written notice, Parent shall not be in material breach of its obligations under this Agreement.

(d) by the Company if:

(i) the Board of Directors of the Company authorizes the Company, subject to complying with the terms of this Agreement, to enter into a written definitive agreement concerning a Superior Proposal; *provided*, that the Company shall have paid any amounts due pursuant to Section 11.04(b) in accordance with the terms, and at the times, specified therein; or

(ii) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Parent or Merger Subsidiary set forth in this Agreement shall have occurred (A) that would cause the condition set forth in Section 9.03(a) not to be satisfied, and (B) such condition is not cured by the earlier of (x) the End Date or (y) 30 days following receipt by the Company of

written notice of such breach or failure provided that, at the time of the delivery of such written notice, the Company shall not be in material breach of its obligations under this Agreement.

The party desiring to terminate this Agreement pursuant to this Section 10.01 (other than pursuant to Section 10.01(a)) shall give notice of such termination to the other party.

Section 10.02 *Effect of Termination.* If this Agreement is terminated pursuant to Section 10.01, this Agreement shall become void and of no effect without liability of any party (or any stockholder, director, officer, employee, agent, consultant or representative of such party) to the other party hereto (except as provided in Section 11.04); *provided* that, if such termination shall result from the intentional and material breach by any party of any representation or warranty, covenant or agreement contained herein, such party shall be fully liable for any and all liabilities and damages incurred or suffered by the other party as a result of such breach, subject to Section 11.04. The provisions of this Section 10.02 and Article 11 (other than Section 11.13) shall survive any termination hereof pursuant to Section 10.01.

ARTICLE 11
MISCELLANEOUS

Section 11.01 *Notices.* All notices, requests and other communications to any party hereunder shall be in writing (including facsimile transmission) and shall be given,

if to Parent or Merger Subsidiary, to:

Ducommun Incorporated
23301 Wilmington Avenue
Carson, CA 90745-6209
Attention: Jim Heiser, Esq.
Facsimile No.: (310) 513-7279

with a copy to:

Gibson, Dunn & Crutcher LLP
333 South Grand Avenue
Los Angeles, CA 90071
Attention: Dhiya El-Saden
Facsimile No.: (213) 229-6196

if to the Company, to:

9900 Clayton Road
St. Louis, MO 631214
Attention: Donald H. Nonnenkamp
Facsimile No.: (314) 812-9438

with a copy to:

Armstrong Teasdale LLP
7700 Forsyth Blvd., Suite 1800
St. Louis, MO 63105
Attention: David W. Braswell
Facsimile No.: (314) 612-2229

Bryan Cave LLP
211 North Broadway, Suite 3600
St. Louis, MO 63102
Attention: Don G. Lents
Stephanie M. Hosler
Facsimile No.: (314) 552-8119
(314) 552-8797

or to such other address or facsimile number as such party may hereafter specify for the purpose by notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. on a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed to have been received on the next succeeding Business Day in the place of receipt.

Section 11.02 *Non-Survival of Representations and Warranties.* The representations and warranties contained herein and in any certificate or other writing delivered pursuant hereto shall not survive the Effective Time, or except as otherwise provided in Section 10.02, upon termination of this Agreement.

Section 11.03 *Amendments and Waivers*.

(a) Any provision of this Agreement may be amended or waived prior to the Effective Time if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each party to this Agreement or, in the case of a waiver, by each party against whom the waiver is to be effective; *provided* that, after the Company Stockholder Approval there shall be no amendment or waiver that pursuant to Delaware Law requires further Company Stockholder Approval without their further approval.

(b) No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by Applicable Law.

Section 11.04 *Expenses*.

(a) Except as otherwise provided herein, all costs and expenses incurred in connection with this Agreement shall be paid by the party incurring such cost or expense; provided, however, the filing fees of the Notification and Report Forms filed under the HSR Act

and any premerger notification and reports filed under similar applicable antitrust law of any non United States Governmental Authority shall be shared equally by Parent and the Company.

(b) If a Company Payment Event (as hereinafter defined) occurs, the Company shall pay Parent (by wire transfer of immediately available funds) a fee equal to $12,410,000 (the "**Company Termination Fee**"), less the amount of Parent Expenses previously paid to Parent (if any) pursuant to this Section 11.04(b), it being understood that in no event shall the Company be required to pay the Company Termination Fee on more than one occasion. If, the Company Payment Event is pursuant to clause (x) of the definition thereof, the Company Termination Fee shall be paid simultaneously with the occurrence of such Company Payment Event (and as a condition to the effectiveness of the termination giving rise to such Company Payment Event) or, if the Company Payment Event is pursuant to clauses (y) or (z) of the definition thereof, the Company Termination Fee shall be paid within two Business Days following the consummation of an Acquisition Proposal. In the event that this Agreement is terminated by the Company or Parent pursuant to Section 10.01(b)(iii) under circumstances in which the Company Termination Fee is not then payable pursuant to this Section 11.04(b), then the Company shall reimburse Parent and its Affiliates for all of their reasonable out-of-pocket fees and expenses (including all fees and expenses of its Financing Sources, counsel, accountants, investment bankers, experts and consultants to Parent and Merger Sub and their Affiliates) incurred by Parent or Merger Subsidiary or on their behalf in connection with or related to the authorization, preparation, investigation, negotiation, execution and performance of this Agreement, the Financing and the other transactions contemplated hereby (the "**Parent Expenses**"), up to a maximum amount of $5,000,000; provided, that the payment by the Company of the Parent Expenses pursuant to this Section 11.04(b), (i) shall not relieve the Company of any subsequent obligation to pay the Company Termination Fee pursuant to this Section 11.04(b) and (ii) shall not relieve the Company from any liability or damage resulting from an intentional and material breach prior to such termination of any of its representations, warranties, covenants or agreements set forth in this Agreement.

"**Company Payment Event**" means the termination of this Agreement pursuant to (x) Section 10.01(c)(i) or Section 10.01(d)(i), (y) Section 10.01(b)(i) or (b)(iii) or (z) Section 10.01(c)(ii) under circumstances in which such breach or failure to perform was intentional and material, but only if in the case of clauses (y) and (z) (A) prior to such termination, an Acquisition Proposal shall have been made to the Company or shall have otherwise been publicly disclosed or proposed by a Third Party, and (B) within eighteen (18) months following the date of such termination the Company enters into a definitive Agreement with respect to a transaction described in the definition of "Acquisition Proposal" or recommends or submits an Acquisition Proposal to its stockholders, or a transaction in respect of an Acquisition Proposal is consummated, which, in each case, need not be the same Acquisition Proposal that shall have been made, publicly disclosed or communicated prior to termination hereof (provided, that for purposes of this definition only, all references to 20% in the definition of "Acquisition Proposal" shall be deemed instead to be "50%").

(c) Each of the parties acknowledges that the agreements contained in this Section 11.04 are an integral part of the transactions contemplated by this Agreement and that, without these agreements, the other parties would not enter into this Agreement; accordingly, if any party fails promptly to pay any amounts due pursuant to this Section 11.04, and, in order to obtain such

payment, the owed party commences a suit that results in a judgment against the owing party for the amounts set forth in this Section 11.04, the owing party shall pay to the owed party its costs and expenses (including attorneys' fees and expenses) in connection with such suit, together with interest on the amounts due pursuant to this Section 11.04 from the date such payment was required to be made until the date of payment at the prime lending rate as published in The Wall Street Journal in effect on the date such payment was required to be made. Notwithstanding anything to the contrary in this Agreement, each of Parent and Merger Subsidiary acknowledges and agrees on behalf of itself and its Affiliates that (i) the Company Termination Fee is not a penalty, but rather is liquidated damages in a reasonable amount that will compensate Parent and Merger Subsidiary in the circumstances in which the Company Termination Fee is payable for the efforts and resources expended and opportunity forgone while negotiating this Agreement and in reliance on this Agreement and on the expectation of the consummation of the transactions contemplated hereby, which amount would otherwise be impossible to calculate with precision, and (ii) in the event that the Company Termination Fee becomes payable and is paid by the Company pursuant to this Section 11.04, the right to receive the Company Termination Fee shall constitute each of Parent's and Merger Subsidiary's and each of their Affiliates' and representatives' sole and exclusive remedy.

Section 11.05 *Disclosure Schedule References.* If and to the extent any information required to be furnished in any Section of the Company Disclosure Schedule is contained in this Agreement or in any other Section of the Company Disclosure Schedule, such information shall be deemed to be included in all other Sections of the Company Disclosure Schedule in which the information would otherwise be required to be included to the extent the relevance of such disclosure to such Sections is readily apparent on its face. Disclosure of any fact or item in any Section of the Company Disclosure Schedules shall not be considered an admission by the disclosing party that such item or fact (or any non-disclosed item or information of comparable or greater significance) represents a material exception or fact, event or circumstance or that such item has had or would reasonably be expected to have a Material Adverse Effect on the Company or Parent, as the case may be, or that such item or fact will in fact exceed any applicable threshold limitation set forth in the Agreement and shall not be construed as an admission by the disclosing party of any non-compliance with, or violation of, any third party rights (including but not limited to any intellectual property rights) or any Applicable Law of any Governmental Authority, such disclosures having been made solely for the purposes of creating exceptions to the representations made herein or of disclosing any information required to be disclosed under the Agreement.

Section 11.06 *Binding Effect; Benefit; Assignment*.

(a) The provisions of this Agreement shall be binding upon and, except as provided in Section 7.04 shall inure to the benefit of the parties hereto and their respective successors and assigns. (i) Except as provided in Section 7.04 and Section 7.05 and (ii) to the extent the Effective Time occurs, except for the rights of the holders of Company Common Stock, Company Restricted Shares, Company Stock Options and Performance Units under Article 2 of this Agreement to receive payment therefor, no provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the parties hereto and their respective successors and assigns. Notwithstanding the foregoing, the parties hereto agree that any Financing Source shall be an intended third party beneficiary of (i)

the last sentence of the first paragraph of Section 8.09(a), (ii) Section 11.08 and (iii) Section 11.09.

(b) No party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of each other party hereto.

Section 11.07 *Governing Law.* This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflicts of law rules of such state.

Section 11.08 *Jurisdiction.* The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in the Delaware Court of Chancery or, if such court shall not have jurisdiction, any federal court sitting in Delaware, so long as one of such courts shall have subject matter jurisdiction over such suit, action or proceeding, and that any cause of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of Delaware, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing, each party agrees that service of process on such party as provided in Section 11.01 shall be deemed effective service of process on such party. Notwithstanding the foregoing, each of the parties hereto agrees that it will not bring or support any action, cause of action, claim, cross-claim or third-party claim of any kind or description, whether in law or in equity, whether in contract or in tort or otherwise, against the Financing Sources in any way relating to this Agreement or any of the transactions contemplated by this Agreement, including but not limited to any dispute arising out of or relating in any way to the Commitment Letter or the performance thereof, in any forum other than the Supreme Court of the State of New York, County of New York, or, if under applicable law exclusive jurisdiction is vested in the federal courts, the United States District Court for the Southern District of New York (and appellate courts thereof).

Section 11.09 *WAIVER OF JURY TRIAL.* EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 11.10 *Counterparts; Effectiveness.* This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Delivery of a signed counterpart of a signature page of this Agreement by facsimile or by PDF file (portable document format file) shall be as effective as delivery of a manually signed counterpart of this Agreement. This Agreement shall become effective when each party hereto shall have received a counterpart hereof signed by all of the other parties hereto. Until and unless each party has received a

counterpart hereof signed by the other party hereto, this Agreement shall have no effect and no party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication).

Section 11.11 *Entire Agreement*. This Agreement and the Confidentiality Agreement constitute the entire agreement between the parties with respect to the subject matter thereof and supersedes all prior agreements and understandings, both oral and written, between the parties with respect to the subject matter thereof.

Section 11.12 *Severability*. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other Governmental Authority or arbitrator to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such a determination, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 11.13 *Specific Performance*. The parties hereto agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled, without posting a bond or similar indemnity, to an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof in any federal court located in the State of Delaware or any Delaware state court, in addition to any other remedy to which they are entitled at law or in equity. The parties acknowledge and agree that damages of a party shall not be limited to reimbursement of expenses or out-of-pocket costs, and may include to the extent proven the benefit of the bargain lost by a party and its stockholders (taking into consideration relevant matters, including lost stockholder premium, other combination opportunities and the time value of money), which shall be deemed in such event to be damages of such party.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

LABARGE, INC.

By: /s/ Craig E. LaBarge
Name: Craig E. LaBarge
Title: Chairman, CEO and President

DLBMS, INC.

By: /s/ Anthony J. Reardon
Name: Anthony J. Reardon
Title: President

DUCOMMUN INCORPORATED

By: /s/ Anthony J. Reardon
Name: Anthony J. Reardon
Title: President and Chief Executive Officer

Exhibit 10.1

UBS LOAN FINANCE LLC
677 Washington Boulevard
Stamford, Connecticut 06901

CREDIT SUISSE SECURITIES (USA) LLC
Eleven Madison Avenue
New York, NY 10010

UBS SECURITIES LLC
299 Park Avenue
New York, New York 10171

CREDIT SUISSE AG
Eleven Madison Avenue
New York, NY 10010

April 3, 2011

Ducommun Incorporated
23301 Wilmington Avenue
Carson, CA 90745-6209

Attention: Anthony J. Reardon
President and Chief Executive Officer

Bank and Bridge Facilities Commitment Letter

Ladies and Gentlemen:

You have advised UBS Loan Finance LLC ("UBS"), UBS Securities LLC ("UBSS"), Credit Suisse AG (acting through such of its affiliates or branches as it deems appropriate, "CS") and Credit Suisse Securities (USA) LLC ("CS Securities" and, together with CS and their respective affiliates, "Credit Suisse", and Credit Suisse, together with UBS and UBSS, the "Commitment Parties", "we" or "us") that Ducommun Incorporated, a Delaware corporation ("you" or "Borrower"), proposes to acquire (the "Acquisition") an entity identified to us and known to us as Intrepid (the "Acquired Business"). The Acquisition will be effected pursuant to an agreement and plan of merger (the "Acquisition Agreement") among Borrower, a wholly owned subsidiary of Borrower ("Merger Sub") and the Acquired Business. All references to "dollars" or "$" in this agreement and the annexes and any other attachments hereto (collectively, this "Commitment Letter") are references to United States dollars. All references to "Borrower" or "Borrower and its subsidiaries" for any period from and after consummation of the Acquisition shall include the Acquired Business.

We understand that the sources of funds required to fund the Acquisition consideration, to repay all indebtedness of Borrower and the Acquired Business and their respective subsidiaries, to pay fees, commissions and expenses in connection with the Transactions (as defined below) and to provide ongoing working capital requirements of Borrower and its subsidiaries following the Transactions will include:

- senior secured credit facilities consisting of (i) a senior secured term loan facility to Borrower of $190.0 million (the "Term Loan Facility"), as described in the Bank Facilities Summary of Principal Terms and Conditions attached hereto as Annex I (the "Bank Term Sheet") and (ii) a senior secured revolving credit facility to Borrower of up to $40.0 million (the "Revolving Credit Facility" and, together with the Term Loan Facility, the "Bank Facilities"), as described in the Bank Term Sheet, of which Revolving Credit Facility no more than an amount to be agreed shall be drawn immediately after giving effect to the Transactions; and

- the issuance by Borrower of $200.0 million aggregate gross proceeds of unsecured senior notes (the "Notes") pursuant to a public offering or Rule 144A or other private placement (the "Notes Offering") or, in the event the Notes are not issued at the time the Transactions are consummated, borrowings by Borrower of $200.0 million under a senior unsecured credit facility (the "Bridge Facility" and, together with the Bank Facilities, the "Facilities"), as described in the Bridge Facility Summary of Principal Terms and Conditions attached hereto as Annex II (the "Bridge Term Sheet" and, together with the Bank Term Sheet, the "Term Sheets").

No other financing will be required for the uses described above. Immediately following the Transactions, neither Borrower nor any of its subsidiaries will have any indebtedness or preferred equity other than the Bank Facilities, the Notes or the Bridge Facility and certain limited indebtedness to be agreed. As used herein, (i) the term "Transactions" means the Acquisition, the Refinancing (as defined below), the entering into of this Commitment Letter, the entering into of the Bank Facilities and the initial borrowings thereunder, the issuance of the Notes or the borrowings under the Bridge Facility and the payments of fees, commissions and expenses in connection with each of the foregoing and (ii) the term "Refinancing" means the repayment of all existing funded indebtedness of Borrower and the Acquired Business and their respective subsidiaries (other than certain limited indebtedness to be agreed).

Commitments.

You have requested that UBS and CS commit to provide the Facilities and that UBSS and CS Securities agree to structure, arrange and syndicate the Facilities.

Each of UBS and CS (in such capacities, collectively, the "Initial Bank Lenders") is pleased to advise you of its several, not joint, commitment to provide 50% of the entire amount of the Term Loan Facility and 50% of the entire amount of the Revolving Credit Facility to Borrower upon the terms and subject to the conditions set forth or referred to in this Commitment Letter. The commitments of the Initial Bank Lenders and each other Bank Lender (as defined below) hereunder are subject to the negotiation, execution and delivery of definitive documentation (the "Bank Documentation") with respect to the Bank Facilities reasonably satisfactory to the Initial Bank Lenders and the other Bank Lenders reflecting, among other things, the terms and conditions set forth in the Bank Term Sheet, in Annex III hereto (the "Conditions Annex") and in the letter of even date herewith addressed to you providing, among other things, for certain fees relating to the Facilities (the "Fee Letter"). In addition, each of CS and UBS (in such capacities, collectively, the "Initial Bridge Lenders"; UBS and CS in their capacities as the Initial Bank Lenders and/or the Initial Bridge Lenders, the "Initial Lenders") are pleased to advise you of its several, not joint, commitment to provide 50% of the entire amount of the Bridge Facility to Borrower upon the terms and subject to the conditions set forth or referred to in this Commitment Letter. It is understood and agreed that (i) UBS and UBSS will have "lead left" placement on all marketing materials relating to the Bank Facilities and will perform the duties and exercise the authority customarily performed and exercised by them in such role, including acting as sole manager of the physical books and (ii) Credit Suisse will have "lead left" placement on all marketing materials relating to the Bridge Facilities and will perform the duties and exercise the authority customarily performed and exercised by them in such role, including acting as sole manager of the physical books. The commitments of the Initial Bridge Lenders and each other Bridge Lender (as defined below) hereunder are subject to the negotiation, execution and delivery of definitive documentation (the "Bridge Documentation" and, together with the Bank Documentation, the "Financing Documentation") with respect to the Bridge Facility reasonably satisfactory to the Initial Bridge Lenders and the other Bridge Lenders reflecting, among other things, the terms and conditions set forth in the Bridge Term Sheet, the Conditions Annex and the Fee Letter. You

agree that the closing date of the Transactions and the concurrent closing of the Facilities, and if applicable, the Notes Offering (the "Closing Date") shall be a date mutually agreed upon between you and us, but in any event shall not occur until all of the terms and conditions in this Commitment Letter (including the conditions to initial funding) have been satisfied or waived in writing by the Lead Arrangers.

Without in any way limiting the provisions under "Clear Market" below or any of the conditions under this Commitment Letter, the several commitments of the Initial Bank Lenders in respect of the Term Loan Facility shall be reduced, on a dollar-for-dollar basis pro rata in accordance with their respective commitments, by the net cash proceeds of any offer and sale for cash by you or your subsidiaries of capital stock of Borrower or its subsidiaries or debt that is convertible into capital stock of Borrower or its subsidiaries after the date hereof and prior to the Closing Date pursuant to a registration statement declared effective by the Securities and Exchange Commission (other than a registration statement on Form S-8 or otherwise relating to equity securities issuable under any employee benefit plan of Borrower or its subsidiaries) or pursuant to an exemption from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act", and such offering of capital stock or debt convertible into capital stock, a "Qualified Equity Offering").

Syndication.

It is agreed that UBSS and CS Securities will act as the exclusive joint advisors, arrangers and bookmanagers for the Facilities, and, in consultation with you, will exclusively manage the syndication of the Facilities, and will, in such capacities, exclusively perform the duties and exercise the authority customarily associated with such roles (in such capacities, the "Lead Arrangers"). It is further agreed that no additional advisors, agents, co-agents, arrangers or bookmanagers will be appointed and no Lender (as defined below) will receive compensation with respect to any of the Facilities outside the terms contained in this Commitment Letter and the Fee Letter in order to obtain its commitment to participate in such Facilities, in each case unless you and we so agree.

The Lead Arrangers reserve the right, prior to or after execution of the Bank Documentation, in consultation with you, to syndicate all or a portion of the Initial Bank Lenders' commitments to one or more institutions that will become parties to the Bank Documentation (the Initial Bank Lenders and the institutions becoming parties to the Bank Documentation with respect to all or a portion of the Bank Facilities, the "Bank Lenders"). The Lead Arrangers reserve the right, prior to or after the execution of the Bridge Documentation, to syndicate all or a portion of the Initial Bridge Lenders' commitments to one or more institutions that will become parties to the Bridge Documentation (the Initial Bridge Lenders and the institutions becoming parties to the Bridge Documentation, the "Bridge Lenders" and, together with the Bank Lenders, the "Lenders"). Each Initial Lender agrees not to syndicate any of the commitments with respect to the Facilities to those financial institutions and other entities that have been specified by you in a separate letter (which references this Commitment Letter) delivered to the Initial Lenders on or prior to the date of such Initial Lenders' signing of this Commitment Letter (such financial institutions and other entities referred to as "Disqualified Parties"). Notwithstanding the Lead Arrangers' right to syndicate the Facilities and receive commitments with respect thereto, the Initial Lenders will not be relieved of all or any portion of their commitments hereunder prior to the Closing Date and, unless you otherwise agree in writing, each Commitment Party shall retain exclusive control over all rights and obligations with respect to its commitments in respect of the Facilities, including all rights with respect to consents, modifications, supplements, waivers and amendments, until the Closing Date. Without limiting your obligations to assist with syndication efforts as set forth herein, the Initial Lenders agree that completion of such syndications is not a condition to their commitments hereunder.

The Lead Arrangers will exclusively manage, in consultation with you, all aspects of the syndication of the Facilities, including selection of additional Lenders (that are not Disqualified Parties), determination of when the Lead Arrangers will approach potential additional Lenders, awarding of any naming rights and the final allocations of the commitments in respect of the Facilities among the additional Lenders. You agree to, and to use commercially reasonable efforts to cause the Acquired Business to (including with a covenant to such effect in the Acquisition Agreement), actively assist the Lead Arrangers in achieving a timely syndication of the Facilities that is reasonably satisfactory to the Lead Arrangers and the Lenders participating in such Facilities. To assist the Lead Arrangers in their syndication efforts, you agree that you will, and will use commercially reasonable efforts to cause your representatives and advisors that are not employees and the Acquired Business and its representatives and advisors to, until the earlier of (1) 90 days after the Closing Date and (2) a Successful Syndication (as defined in the Fee Letter), (a) promptly prepare and provide all financial and other information as we may reasonably request with respect to you, the Acquired Business, your and their respective subsidiaries and the Transactions, including but not limited to financial projections (the "Projections") relating to the foregoing, (b) provide copies of any due diligence reports or memoranda prepared at your direction or at the direction of any of your affiliates by legal, accounting, tax or other advisors in connection with the Acquisition (subject to the delivery of customary non-disclosure agreements reasonably acceptable to the Lead Arrangers), (c) use commercially reasonable efforts to ensure that such syndication efforts benefit materially from your existing lending relationships and those of the Acquired Business and your and its respective subsidiaries, (d) make available to prospective Lenders your senior management and advisors and the senior management and advisors of the Acquired Business and your and its respective subsidiaries at times and locations mutually agreed upon, (e) host, with the Lead Arrangers, one or more meetings with prospective Lenders under each of the Facilities, at times and locations mutually agreed upon, (f) assist the Lead Arrangers in the preparation of one or more confidential information memoranda reasonably satisfactory to the Lead Arrangers and other marketing materials to be used in connection with the syndication of each of the Facilities and (g) obtain, at your expense, monitored public corporate credit/family ratings of Borrower and ratings of the Facilities and the Notes from Moody's Investors Service ("Moody's") and Standard & Poor's Ratings Group ("S&P") (the "Ratings") and to participate actively in the process of securing such ratings, including having your senior management and senior management of the Acquired Business meet with such rating agencies at times and locations mutually agreed upon.

At our request, you agree to prepare or cause to be prepared a version of the information package and presentation and other marketing materials to be used in connection with the syndication that do not contain material non-public information concerning Borrower or the Acquired Business, their respective affiliates or their securities. In addition, you agree that unless specifically labeled "Private — Contains Non-Public Information" by you prior to any dissemination of which you have reasonable prior notice to prospective Lenders in connection with the syndication of the Facilities, no information, documentation or other data disseminated to prospective Lenders in connection with the syndication of the Facilities, whether through an Internet website (including, without limitation, an IntraLinks workspace), electronically, in presentations at meetings or otherwise, will contain any material non-public information concerning Borrower or the Acquired Business, their respective affiliates or their securities.

Information.

You hereby represent and covenant that (but only to your knowledge with respect to information regarding the Acquired Business or any of its subsidiaries) (a) all written information (other than the Projections, other forward looking information and information of a general economic or industry nature) that has been or will be made available to us or any of the Lenders by you, the Acquired Business or any of your or its respective representatives in connection with the Transactions (the "Information"),

when taken as a whole, when furnished, is and will be complete and correct in all material respects and does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in the light of the circumstances under which such statements are made, not materially misleading (after giving effect to all supplements and updates thereto so long as any such supplements and updates were made prior to the time of reliance on such Information by the Lead Arrangers) and (b) the Projections that have been or will be made available to us or any of the Lenders by you, the Acquired Business or any of your or its respective representatives in connection with the Transactions have been and will be prepared in good faith based upon assumptions believed by you to be reasonable at the time made (it being understood that projections by their nature are inherently uncertain, and are subject to uncertainties and contingencies, many of which are beyond your control, and no assurances are being given by you that the results reflected in the Projections will be achieved). You agree that if at any time prior to the Closing Date any of the representations in the preceding sentence would be incorrect if the Information and Projections were being furnished, and such representations were being made, at such time, then you will promptly supplement, or cause to be supplemented (or use commercially reasonable efforts to promptly supplement any Information or Projections in respect of the Acquired Business or any of its subsidiaries), the Information and Projections so that such representations will be correct at such time. You also agree to promptly advise us and the Lenders of all developments materially affecting Borrower, the Acquired Business, any of their respective subsidiaries or affiliates or the Transactions promptly after your becoming aware of such developments. In issuing the commitments hereunder and in arranging and syndicating the Facilities, we are and will be using and relying on the Information without independent verification thereof.

Compensation.

As consideration for the commitments of the Lenders hereunder with respect to the Facilities and the agreements of the Lead Arrangers to structure, arrange and syndicate the Facilities and to provide advisory services in connection therewith, you agree to pay, or cause to be paid, the fees set forth in the Term Sheets and the Fee Letter. Once paid, such fees shall not be refundable under any circumstances.

Conditions.

The commitments of the Initial Lenders hereunder with respect to each of the Facilities and the agreements of the Lead Arrangers to perform the services described herein may be terminated by the Lead Arrangers if (i) there has been any Material Adverse Effect (as defined below) on the Acquired Business and its Subsidiaries since January 2, 2011; or (ii) any condition set forth in either Term Sheet or the Conditions Annex is not satisfied; it being understood that there are no conditions (implied or otherwise) to the commitments hereunder (including compliance with the terms of the Commitment Letter, the Fee Letter and the Facilities Documentation) other than those that are expressly stated to be conditions to the commitments or the initial funding under the Facilities on the Closing Date (and upon satisfaction of such conditions, the initial funding under the Facilities shall occur, except as amounts funded thereunder may be reduced as a result of a Qualified Equity Offering or the offering of the Notes).

As used in this paragraph and the foregoing paragraph, (i) "Material Adverse Effect" means with respect to any Person, any change, effect, development or event that (a) has or would reasonably be expected to have a material adverse effect on the condition (financial or otherwise), business, assets or results of operations of such Person and its Subsidiaries, taken as a whole or (b) materially impairs the ability of such Person and its Subsidiaries to consummate, or prevents or materially delays, the Acquisition or any of the other transactions contemplated by the Acquisition Agreement or would reasonably be

expected to do so; *provided*, *however*, that, subject to the last proviso of this sentence, in the case of clause (a) only, no changes, effects, developments or events resulting from, arising out of, or attributable to, any of the following shall be deemed to be or constitute a "Material Adverse Effect" or be taken into account when determining whether a "Material Adverse Effect" has occurred or may, would or could occur: (A) any changes, effects, developments or events in the economy or the financial, credit or securities markets in general (including changes in interest or exchange rates), (B) any changes, effects, developments or events in the industries in which such Person and its Subsidiaries operate, (C) any changes, effects, developments or events resulting from the announcement or pendency of the transactions contemplated by the Acquisition Agreement, the identity of the Borrower or the performance or compliance with the terms of the Acquisition Agreement (including, in each case, any loss of customers, suppliers or employees or any disruption in business relationships), (D) any failure, in and of itself, of such Person to meet internal forecasts, budgets or financial projections or fluctuations, in and of themselves, in the trading price or volume of such Person's common stock (it being understood that the facts, event, circumstances or occurrences giving rise or contributing to such failure or fluctuations may be deemed to be, constitute, or be taken into account when determining the occurrence of, a Material Adverse Effect), (E) acts of God, natural disasters, calamities, national or international political or social conditions, including the engagement by any country in hostility (whether commenced before, on or after the date of the Acquisition Agreement, and whether or not pursuant to the declaration of a national emergency or war), or the occurrence of a military or terrorist attack, or (F) any changes in Applicable Law or GAAP (or any interpretation thereof); *provided further, however*, that, with respect to clauses (A), (B), (E), and (F), the impact of such changes, effects, developments or events is not materially and disproportionately adverse to such Person and its Subsidiaries; (ii) "Person" means an individual, corporation, partnership, limited liability company, association, trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof; (iii) "Subsidiary" means, with respect to any Person, any entity of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions are at any time directly or indirectly owned by such Person; (iv) "Applicable Law" means, with respect to any Person, any federal, state or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Authority that is binding upon or applicable to such Person, its Subsidiaries or any of their respective assets, as the same may be amended from time to time unless expressly specified otherwise in the Acquisition Agreement; (v) "GAAP" means United States generally accepted accounting principles consistently applied; and (vi) "Governmental Authority" means any transnational, domestic or foreign federal, state or local governmental, regulatory or administrative authority, department, court, agency, commission or official, including any political subdivision thereof, or any non-governmental self-regulatory agency, commission or authority.

Notwithstanding anything in this Commitment Letter, the Fee Letter, the Financing Documentation or any other letter agreement or other undertaking concerning the financing of the Transactions to the contrary, (i) the only representations relating to the Borrower, the Acquired Business, its subsidiaries and its businesses the accuracy of which shall be a condition to availability of the Facilities on the Closing Date shall be (A) such of the representations made by the Acquired Business in the Acquisition Agreement as are material to the interests of the Lenders, but only to the extent that you (or Merger Sub) have the right to terminate your (or its) obligations under the Acquisition Agreement as a result of a breach of such representations in the Acquisition Agreement (the "Acquisition Agreement Representations") and (B) the Specified Representations (as defined below) and (ii) the terms of the Financing Documentation shall be in a form such that they do not impair availability of the Facilities on the Closing Date if the conditions set forth in this Commitment Letter are satisfied. For purposes hereof, "Specified Representations" means the representations and warranties relating as to corporate power and authority,

the due authorization, execution, delivery and enforceability of the Financing Documentation, the Financing Documentation not conflicting with charter documents or law, solvency, Federal Reserve margin regulations, validity, priority and perfection of security interests (subject to paragraph 2 of the Additional Bank Facilities Conditions section of the Conditions Annex), status of debt under the applicable Facility as senior debt, the Patriot Act and the Investment Company Act.

Clear Market.

From the date of this Commitment Letter until the earlier of (1) 90 days after the Closing Date and (2) a Successful Syndication of each of the Facilities and, if later, of the distribution of the Notes, you will ensure that no debt securities or bank financing for Borrower, the Acquired Business or any of your or its respective subsidiaries is announced, syndicated or placed without the prior written consent of the Lead Arrangers if such financing, syndication or placement would have, in the reasonable judgment of the Lead Arrangers, a detrimental effect upon the Transactions.

Indemnity and Expenses.

By your acceptance below, you hereby agree to indemnify and hold harmless the Commitment Parties and the other Lenders and their respective affiliates (including, without limitation, controlling persons) and the directors, officers, employees, advisors and agents of the foregoing (each, an "Indemnified Person") from and against any and all losses, claims, costs, expenses, damages or liabilities (or actions or other proceedings commenced or threatened in respect thereof) that arise out of or in connection with this Commitment Letter, the Fee Letter, the Facilities or any of the Transactions or the providing or syndication of the Facilities (or the actual or proposed use of the proceeds thereof), and to reimburse each Indemnified Person promptly upon its written demand for any legal or other expenses incurred in connection with investigating, preparing to defend or defending against, or participating in, any such loss, claim, cost, expense, damage, liability or action or other proceeding; *provided* that any legal expenses shall be limited to the expenses of one counsel for all Indemnified Persons taken as a whole and a single local counsel for all Indemnified Persons taken as a whole in each relevant jurisdiction and, solely in the case of a conflict of interest, one additional counsel in each relevant jurisdiction to each group of affected Indemnified Persons similarly situated; *provided*, *further*, that any such obligation to indemnify, hold harmless and reimburse an Indemnified Person shall not be applicable (i) to the extent determined by a final, non-appealable judgment of a court of competent jurisdiction (a) to have resulted solely from the gross negligence or willful misconduct of such Indemnified Person or any Related Indemnified Person or (b) to have arisen from a material breach of the obligations of such Indemnified Person under this Commitment Letter or the Fee Letter or (ii) to any dispute solely among Indemnified Persons other than (x) any claims against any Commitment Party in its capacity or in fulfilling its role as an administrative agent or arranger or any similar role under any Facility and (y) any claims arising out of any act or omission on the part of you or your affiliates. In the case of an investigation, action or proceeding to which the indemnity in this paragraph applies, such indemnity and reimbursement obligations shall be effective whether or not such investigation, action or proceeding is brought by you, your equity holders or creditors or an Indemnified Person, whether or not an Indemnified Person is otherwise a party thereto and whether or not any aspect of the Commitment Letter, the Fee Letter, the Facilities or any of the Transactions is consummated. To the extent legally permitted to do so and to the extent doing so will not violate any confidentiality or contractual obligations applicable to it, each Commitment Party agrees to use commercially reasonable efforts to inform you of the existence of any actions or proceedings known to it that are brought against it with respect to which it will be seeking indemnification hereunder, *provided* that the failure to so inform you shall not in any way affect your indemnification obligations hereunder. You also agree that no Indemnified Person shall have any liability (whether direct or indirect, in contract, tort, equity

or otherwise) to you or your subsidiaries or affiliates or to your or their respective equity holders or creditors arising out of, related to or in connection with any aspect of the Commitment Letter, the Fee Letter, the Facilities or any of the Transactions, except to the extent of direct (as opposed to special, indirect, consequential or punitive) damages determined in a final non-appealable judgment by a court of competent jurisdiction to have resulted from such Indemnified Person's or any of its Related Indemnified Person's gross negligence or willful misconduct. It is further agreed that the Commitment Parties shall have liability only to you (as opposed to any other person), and that each Initial Lender shall be liable solely in respect of its own commitment to the Facilities on a several, and not joint, basis with any other Lender. We agree that none of you and your subsidiaries, directors, officers, employees, advisors and agents shall be liable to us for any special, indirect, consequential or punitive damages arising from the Facilities; *provided however* that the foregoing shall not in any way limit your indemnification obligations to any Indemnified Person. Notwithstanding any other provision of this Commitment Letter, no Indemnified Person shall be liable for any damages arising from the use by others of information or other materials obtained through electronic telecommunications or other information transmission systems, other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnified Person or any of its Related Indemnified Persons as determined by a final and non-appealable judgment of a court of competent jurisdiction. You shall not, without the prior written consent of any Indemnified Person (which consent shall not be unreasonably withheld or delayed), effect any settlement of any pending or threatened proceeding in respect of which such Indemnified Person is or could have been a party and indemnity could have been sought hereunder by such Indemnified Person, unless such settlement (i) includes an unconditional release of such Indemnified Person from all liability or claims that are the subject matter of such proceeding and (ii) does not include a statement as to or an admission of fault, culpability, or a failure to act by or on behalf of such Indemnified Person; *provided*, that it is expressly agreed that we may withhold our consent to any settlement that does not satisfy the conditions set forth in (i) and (ii) of this sentence. In addition, if the Closing Date occurs, you hereby agree to reimburse us and each of the Lenders from time to time upon demand for all reasonable and documented out-of-pocket expenses (including, without limitation, reasonable legal fees and expenses of the counsel to the Commitment Parties identified in the Term Sheets and of a single local counsel to the Commitment Parties in each jurisdiction determined to be reasonably necessary or advisable by the Commitment Parties, appraisal, consulting and audit fees, and printing, reproduction, document delivery, travel, communication and publicity costs) incurred in connection with the syndication and execution of the Facilities, and the preparation, review, negotiation, execution and delivery of this Commitment Letter, the Fee Letter, the Financing Documentation and the administration, amendment, modification or waiver thereof (or any proposed amendment, modification or waiver).

For purposes hereof, a "Related Indemnified Person" of an Indemnified Person means (i) any controlling person or controlled affiliate of such Indemnified Person and (ii) the respective directors, officers, or employees of such Indemnified Person or any of its controlling persons or controlled affiliates; *provided* that each reference to a controlled affiliate or controlling person in this sentence pertains to a controlled affiliate or controlling person involved in the negotiation of this Commitment Letter or the syndication of the Facilities.

Confidentiality.

This Commitment Letter is delivered to you upon the condition that neither the existence of this Commitment Letter or the Fee Letter nor any of their contents shall be disclosed by you or any of your affiliates, directly or indirectly, to any other person, except that (i) such existence and contents may be disclosed (a) as may be compelled in a judicial or administrative proceeding or as otherwise required by law (including as required by the rules, regulations, schedules and forms of the Securities and

Exchange Commission (the "SEC") in connection with any filings made with the SEC in connection with the Transactions; *provided, however*, that it is agreed that the Fee Letter will not be filed with the SEC in connection with any such disclosure without our prior written consent), or as requested by a governmental authority (in which case, to the extent permitted by law, rule or regulation, you agree to inform us promptly thereof), (b) to your directors, officers, employees, legal counsel and accountants, in each case on a confidential and "need-to-know" basis and only in connection with the Transactions and (c) as provided in a written consent from the Commitment Parties, (ii) the Term Sheets and the existence of this Commitment Letter (but not this Commitment Letter, the contents of this Commitment Letter, the Fee Letter or the contents of the Fee Letter) may be disclosed to any rating agency in connection with the Transactions and (iii) you may disclose, on a confidential basis, the aggregate amount of the fees (including upfront fees and original issue discount) payable under the Fee Letter as part of generic disclosure regarding sources and uses (but without disclosing any specific fees set forth therein) in connection with any syndication of the Facilities or prospectus or offering memorandum related to the Notes (or any debt securities or loans issued pursuant to, or as contemplated by, the Fee Letter). In addition, this Commitment Letter and, so long as redacted in a manner reasonably acceptable to the Commitment Parties, the Fee Letter may be disclosed to the Acquired Business and its directors, officers, employees, advisors and agents, in each case on a confidential and "need-to-know" basis and only in connection with the Transactions.

Each Commitment Party will use all confidential information provided to it by or on behalf of you hereunder solely for the purpose of providing the services which are the subject of this Commitment Letter or other services agreed in writing and shall treat confidentially all such information; *provided* that nothing herein shall prevent a Commitment Party from disclosing any such information (i) pursuant to the order of any court or administrative agency or otherwise as required by applicable law or regulation or as requested by a governmental authority (in which case such Commitment Party, to the extent permitted by law, rule or regulation, agrees to inform you reasonably promptly thereof), (ii) upon the request or demand of any regulatory authority (including any self-regulatory authority) having jurisdiction over such Commitment Party or any of its affiliates (in which case such Commitment Party agrees to inform you promptly thereof prior to such disclosure, unless such Commitment Party is prohibited by applicable law from so informing you, or except in connection with any request as part of a regulatory examination), (iii) to the extent that such information becomes publicly available other than by reason of a breach of this paragraph, (iv) to the extent that such information is received by such Commitment Party from a third party that is not to such Commitment Party's knowledge subject to confidentiality obligations to you, (v) to the extent that such information is independently developed by such Commitment Party or any of its affiliates, (vi) to such Commitment Party's affiliates and its partners, officers, directors, employees, legal counsel, advisors, independent auditors and other experts, agents or representatives who are informed of the confidential nature of such information, (vii) to prospective Lenders, participants or assignees or any potential counterparty (or its advisors) to any swap or derivative transaction relating to the Borrower or any of its subsidiaries or any of their respective obligations, in each case who agree to be bound by the terms of this paragraph (or language substantially similar to this paragraph), (viii) for purposes of establishing a "due diligence" defense; (ix) to ratings agencies; (x) to any other party hereto; (xi) in connection with the exercise of any remedies hereunder or under any other Financing Documentation or any action or proceeding relating to this Commitment Letter or the Fee Letter or any other Financing Documentation or the enforcement of rights hereunder or thereunder; or (xii) with your consent. Each Commitment Party's obligations under this paragraph shall automatically terminate and be superseded by the confidentiality provisions in Financing Documentation upon the execution and delivery thereof and in any event shall terminate one year from the date hereof.

Other Services.

You acknowledge and agree that we and/or our affiliates may be requested to provide additional services with respect to Borrower, the Acquired Business and/or their respective affiliates or other matters contemplated hereby. Any such services will be set out in and governed by a separate agreement(s) (containing terms relating, without limitation, to services, fees and indemnification) in form and substance satisfactory to the parties thereto. Nothing in this Commitment Letter is intended to obligate or commit us or any of our affiliates to provide any services other than as set out herein.

No Fiduciary Relationship.

You hereby acknowledge that we are acting solely as agents, lenders, bookrunners or arrangers, as applicable, in connection with the Facilities. You further acknowledge that we are acting pursuant to a contractual relationship created by this Commitment Letter that was entered into on an arm's length basis and in no event do the parties intend that any of us act or be responsible as a fiduciary to you or any of your subsidiaries, your stockholders or creditors or any other person in connection with any activity that we may undertake or have undertaken in furtherance of the Facilities, either before or after the date hereof. We hereby expressly disclaim any fiduciary or similar obligations to any such person, either in connection with the Facilities or this Commitment Letter or any matters leading up to either, and you hereby confirm your understanding and agreement to that effect. Each of you and we agree that you and we are each responsible for making our own independent judgments with respect to the Facilities, and that any opinions or views expressed by us to you regarding the Transactions, including but not limited to any opinions or views with respect to the price or market for your or your subsidiaries' debt, do not constitute advice or recommendations to you or any of your subsidiaries. You, on behalf of yourself and your subsidiaries, hereby waive and release, to the fullest extent permitted by law, any claims that you or any of your subsidiaries may have against us with respect to any breach or alleged breach of any fiduciary or similar duty in connection with the Transactions or any matters leading up to the execution of this Commitment Letter or the Financing Documentation.

Governing Law, Etc.

This Commitment Letter and the commitment of the Lenders shall not be assignable by you without the prior written consent of us and the Lenders, and any purported assignment without such consent shall be void. We reserve the right to employ the services of our affiliates in providing services contemplated by this Commitment Letter and to allocate, in whole or in part, to our affiliates certain fees payable to us in such manner as we and our affiliates may agree in our sole discretion. You also agree that each Initial Lender may at any time and from time to time assign all or any portion of its respective commitments hereunder to one or more of its respective affiliates; provided the Initial Lenders will not be relieved of all or any portion of their commitments hereunder prior to the Closing Date unless agreed in writing by you. The rights of each of the Lead Arrangers in their capacity as such shall be retained exclusively by such Lead Arranger or its affiliates. Such rights may not be, directly or indirectly, encumbered or assigned in any manner to any other person (other than its affiliates) without the consent of each other Lead Arranger. You further acknowledge that we may share with any of our affiliates, and such affiliates may share with us, any information related to Borrower, the Acquired Business, or any of your or its respective subsidiaries or affiliates (including, without limitation, information relating to creditworthiness) and the Transactions. We agree to treat, and cause any such affiliate to treat, all non-public information provided to us by you as confidential information in accordance with the section entitled "Confidentiality" above.

This Commitment Letter and the Fee Letter constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. No party has been authorized by any Commitment Party to make any oral or written statements or agreements that are inconsistent with this Commitment Letter and the Fee Letter. This Commitment Letter may not be amended or any provision hereof waived or modified except by an instrument in writing signed by us and you. This Commitment Letter may be executed in any number of counterparts, each of which shall be an original and all of which, when taken together, shall constitute one agreement. Delivery of an executed counterpart of a signature page of this Commitment Letter by facsimile transmission or other electronic transmission (i.e., a "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Commitment Letter. Headings are for convenience of reference only and shall not affect the construction of, or be taken into consideration when interpreting, this Commitment Letter. This Commitment Letter is intended to be for the benefit of the parties hereto and is not intended to confer any benefits upon, or create any rights in favor of, and may not be relied on by, any persons other than the parties hereto, the Lenders and, with respect to the indemnification provided under the heading "Indemnity and Expenses," each Indemnified Person.

This Commitment Letter shall be governed by, and construed in accordance with, the laws of the State of New York without regard to principles of conflicts of law to the extent that the application of the laws of another jurisdiction will be required thereby. Any right to trial by jury with respect to any claim or action arising out of this Commitment Letter is hereby waived. You hereby submit to the exclusive jurisdiction of the federal and New York State courts located in The City of New York (and appellate courts thereof) in connection with any dispute related to this Commitment Letter, the Fee Letter or any of the matters contemplated hereby or thereby, and agree that service of any process, summons, notice or document by registered mail addressed to you shall be effective service of process against you for any suit, action or proceeding relating to any such dispute. You irrevocably and unconditionally waive any objection to the laying of such venue of any such suit, action or proceeding brought in any such court and any claim that any such suit, action or proceeding has been brought in an inconvenient forum. Each of the parties hereto agrees that a final judgment in any such suit, action or proceeding may be enforced in any other jurisdiction by suit on the judgment or in any other manner provided by law.

Patriot Act.

We hereby notify you that pursuant to the requirements of the USA Patriot Act, Title III of Pub. L. 107-56 (signed into law October 26, 2001) (the "Patriot Act"), we and the other Lenders may be required to obtain, verify and record information that identifies Borrower and the Acquired Business, which information includes the name, address and tax identification number and other information regarding them that will allow us or such Lender to identify them in accordance with the Patriot Act. This notice is given in accordance with the requirements of the Patriot Act and is effective as to us and the Lenders.

Please indicate your acceptance of the terms of this Commitment Letter and the Fee Letter by returning to us executed counterparts of this Commitment Letter and the Fee Letter prior to 2:00 a.m., Los Angeles time, on April 4, 2011 (the "Deadline"). This Commitment Letter and the commitments of the Lenders hereunder and the agreement of the Lead Arrangers to provide the services described herein are also conditioned upon your acceptance of this Commitment Letter and the Fee Letter, and our receipt of executed counterparts hereof and thereof prior to the Deadline. Upon the earliest to occur of (A) the execution and delivery of the Financing Documentation by all of the parties thereto, (B) September 30, 2011, if the Financing Documentation shall not have been executed and delivered by all such parties, and the initial borrowings thereunder shall not have occurred, prior to that date and (C) if

earlier than the date set forth in clause (B), the date of termination of the Acquisition Agreement, the commitments of the Lenders hereunder and the agreement of the Lead Arrangers to provide the services described herein shall automatically terminate unless the Lenders and the Lead Arrangers shall, in their discretion, agree to an extension. The compensation, expense reimbursement, confidentiality, indemnification and governing law and forum provisions in this Commitment Letter and the Fee Letter shall survive termination of any or all of the commitments of the Lenders hereunder. The provisions under the headings "Syndication" and "Clear Market" above shall survive the execution and delivery of the Financing Documentation.

[Signature Page Follows]

We are pleased to have been given the opportunity to assist you in connection with the financing for the Transactions.

Very truly yours,

UBS LOAN FINANCE LLC

By: /s/ Kevin T. Plaff
Name: Kevin T. Plaff
Title: Executive Director

By: /s/ Kristine Shryock
Name: Director and Counsel
Title: Region Americas Legal

UBS SECURITIES LLC

By: /s/ Kevin T. Plaff
Name: Kevin T. Plaff
Title: Executive Director

By: /s/ Kristine Shryock
Name: Director and Counsel
Title: Region Americas Legal

CREDIT SUISSE SECURITIES (USA) LLC

By: /s/ SoVonna Day-Goins
Name: SoVonna Day-Goins
Title: Managing Director

CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH

By: /s/ Judith E. Smith
Name: Judith E. Smith
Title: Managing Director

By: /s/ Sanja Gazahi
Name: Sanja Gazahi
Title: Associate

Accepted and agreed to as of the date first written above:

DUCOMMUN INCORPORATED

By: /s/ Anthony J. Reardon
Name: Anthony J. Reardon
Title: President and Chief Executive Officer

ANNEX I

BANK FACILITIES

SUMMARY OF PRINCIPAL TERMS AND CONDITIONS[1]

Borrower:	Ducommun Incorporated, a Delaware corporation ("Borrower"). Borrower will own all of the equity interests of the Acquired Business on the Closing Date.
Joint Lead Arrangers and Joint Bookrunners:	UBS Securities LLC ("UBSS") and Credit Suisse Securities (USA) LLC ("CS Securities", and together with UBSS, the "Lead Arrangers").
Lenders:	A syndicate of banks, financial institutions and other entities, including UBS Loan Finance LLC ("UBS") and Credit Suisse AG, acting through such of its affiliates or branches as it deems appropriate ("CS"), arranged by the Lead Arrangers (collectively, the "Lenders").
Administrative Agent, Collateral Agent and Issuing Bank:	UBS AG, Stamford Branch.
Swingline Lender:	UBS Loan Finance LLC.
Type and Amount of Facilities:	Term Loan Facility: A term loan facility (the "Term Loan Facility") in an aggregate principal amount of $190.0 million, as such amount may be reduced as a result of the consummation of a Qualified Equity Offering. Revolving Credit Facility: A revolving credit facility (the "Revolving Credit Facility") in an aggregate principal amount of up to $40.0 million. The Term Loan Facility and the Revolving Credit Facility are herein referred to collectively as the "Bank Facilities."
Purpose:	Proceeds of the Term Loan Facility (and, if any, of a Qualified Equity Offering) and not more than an amount to be mutually agreed of the Revolving Credit Facility will be used on the

[1] All capitalized terms used but not defined herein shall have the meanings provided in the Commitment Letter to which this summary is attached.

	Closing Date to finance a portion of the Acquisition consideration and the Refinancing and to pay fees, commissions and expenses in connection therewith. Following the Closing Date, the Revolving Credit Facility will also be used by Borrower and its subsidiaries for working capital and general corporate purposes.
Maturity Dates:	Term Loan Facility: 6 years from the Closing Date.
	Revolving Credit Facility: 5 years from the Closing Date.
Availability:	Term Loan Facility: Upon satisfaction or waiver of the conditions precedent to drawing specified herein, a single drawing may be made on the Closing Date of the full amount of the Term Loan Facility.
	Revolving Credit Facility: Upon satisfaction or waiver of conditions precedent to drawing specified herein, borrowings may be made at any time on or after the Closing Date to but excluding the business day preceding the maturity date of the Revolving Credit Facility. No more than an amount to be agreed of the Revolving Credit Facility may be drawn as of the Closing Date.
Letters of Credit:	Not more than an amount to be agreed of the Revolving Credit Facility will be available for letters of credit, on terms and conditions to be set forth in the Bank Documentation. Each letter of credit shall expire not later than the earlier of (i) 12 months after its date of issuance and (ii) five business days prior to the maturity date of the Revolving Credit Facility (the "Letter of Credit Expiration Date"); *provided* that, subject to the terms of the Bank Documentation, a letter of credit may provide that it shall automatically renew for additional periods but in any event not beyond the Letter of Credit Expiration Date.
	Subject to the terms of the Bank Documentation, drawings under any letter of credit shall be reimbursed by Borrower on the same business day. To the extent that Borrower does not so reimburse the Issuing Bank, the Lenders under the Revolving Credit Facility shall be irrevocably obligated to reimburse the Issuing Bank pro rata based upon their respective Revolving Credit Facility commitments.
	The issuance of all letters of credit shall be subject to the customary procedures of the Issuing Bank.
Swingline Facility:	An amount to be agreed of the Revolving Credit Facility will be available for swingline borrowings, on terms and conditions to be set forth in the Bank Documentation.

Except for purposes of calculating the commitment fee described below, any swingline borrowings will reduce availability under the Revolving Credit Facility on a dollar-for-dollar basis.

Amortization: Term Loan Facility: The Term Loan Facility will amortize in equal quarterly installments in annual amounts equal to 1.0% of the original principal amount of the Term Loan Facility, with the balance payable on the maturity date.

Revolving Credit Facility: None.

Interest: At Borrower's option, loans will bear interest based on the Base Rate or, after the Closing Date, LIBOR (unless the Initial Bank Lenders otherwise agree that the loans initially funded on the Closing Date may bear interest at LIBOR), as described below (except that all swingline borrowings will accrue interest based on the Base Rate):

A. Base Rate Option

Interest will be at the Base Rate plus the applicable Interest Margin, calculated on the basis of the actual number of days elapsed in a year of 365 days and payable quarterly in arrears. The Base Rate is defined, for any day, a fluctuating rate per annum equal to the highest of (i) the Federal Funds Rate, as published by the Federal Reserve Bank of New York, plus 1/2 of 1%, (ii) the prime commercial lending rate of UBS AG, as established from time to time at its Stamford Branch and (iii) LIBOR for an interest period of one-month beginning on such day plus 1%; *provided* that the Base Rate shall be deemed to be not less than 2.25% per annum.

Base Rate borrowings will be in minimum amounts to be agreed upon and (other than swingline borrowings) will require one business day's prior notice.

B. LIBOR Option

Interest will be determined for periods to be selected by Borrower ("Interest Periods") of one, two, three or six months (or nine or twelve months if agreed to by all relevant Lenders) and will be at an annual rate equal to the London Interbank Offered Rate ("LIBOR") for the corresponding deposits of U.S. dollars, plus the applicable Interest Margin; *provided* that (i) prior to the completion of syndication of the Facilities (as determined by UBS and notified to Borrower), the interest period shall be one month and (ii) LIBOR shall be deemed to be not less than 1.25% per annum. LIBOR will be determined by the Administrative Agent at the start of each Interest Period and will be fixed

through such period. Interest will be paid at the end of each Interest Period or, in the case of Interest Periods longer than three months, quarterly, and will be calculated on the basis of the actual number of days elapsed in a year of 360 days. LIBOR will be adjusted for maximum statutory reserve requirements (if any).

LIBOR borrowings will require three business days' prior notice and will be in minimum amounts to be agreed upon.

Default Interest and Fees: Upon the occurrence and during the continuance of an event of default (after the election of the Administrative Agent or the Required Lenders) or a payment default or bankruptcy default, interest will accrue (i) in the case of principal on any loan, at a rate of 2.0% per annum plus the rate otherwise applicable to such loan and (ii) in the case of any other outstanding amount, at a rate of 2.0% per annum plus the non-default interest rate then applicable to Base Rate loans under the Revolving Credit Facility, and will be payable on demand.

Interest Margins: The applicable Interest Margin will be the basis points set forth in the following table:

	Base Rate Loans	LIBOR Loans
Term Loan Facility	2.25%	3.25%
Revolving Credit Facility	2.25%	3.25%

If (a) the public corporate credit/family rating of Borrower as of the Closing Date is (i) less than B1 (stable or positive outlook) by Moody's or (ii) less than B+ (stable or positive outlook) by S&P or (b) public corporate credit/family ratings have not been obtained from both Moody's and S&P on or prior to the Closing Date, each of the Interest Margins in the table above shall be increased by 25 basis points.

Commitment Fee: A Commitment Fee shall accrue on the unused amounts of the commitments under the Revolving Credit Facility. Such Commitment Fee will be 0.75% per annum. Accrued Commitment Fees shall accrue from the Closing Date and will be payable quarterly in arrears (calculated on a 360-day basis) and on the date of termination of commitments.

Letter of Credit Fees: Borrower will pay (i) the Issuing Bank a fronting fee equal to 12.5 basis points per annum and (ii) the Lenders under the Revolving Credit Facility letter of credit participation fees equal to the Interest Margin for LIBOR Loans under the Revolving

	Credit Facility, in each case, on the undrawn amount of all outstanding letters of credit. In addition, Borrower will pay the Issuing Bank customary issuance, amendment and other fees.
Mandatory Prepayments:	The Term Loan Facility shall be prepaid in an amount equal to (a) 100% of the net proceeds received from the sale or other disposition of all or any part of the assets of Borrower or any of its subsidiaries after the Closing Date other than dispositions of inventory in the ordinary course of business and other than amounts reinvested in assets to be used in Borrower's business within 12 months of such disposition and subject to other exceptions to be agreed, (b) 100% of the net proceeds received by Borrower or any of its subsidiaries from the issuance of debt or preferred stock after the Closing Date, other than the Notes or other Qualifying Subordinated Debt (to be defined in the Bank Documentation) which refinances borrowings under the Bridge Facility and other exceptions to be agreed, (c) 100% of all casualty and condemnation proceeds received by Borrower or any of its subsidiaries, subject to reinvestment rights to be agreed and (d) 50% of excess cash flow of Borrower and its subsidiaries (to be defined in a manner to be agreed), subject to stepdowns to 25% and 0% based upon leverage ratios to be agreed; *provided* that any voluntary prepayments of loans (including loans under the Revolving Credit Facility to the extent accompanied by permanent reductions of the commitments thereunder) made with internally generated cash flow shall be credited against excess cash flow prepayment obligations on a dollar-for-dollar basis.
Optional Prepayments:	Permitted in whole or in part, with prior notice but without premium or penalty (except LIBOR breakage costs and except as set forth below) and including accrued and unpaid interest, subject to limitations as to minimum amounts of prepayments.
Prepayment Premium:	In the event that, within one year of the Closing Date, (a) the Term Loan Facility is refinanced with the proceeds of indebtedness with a lower applicable margin or yield than that applicable to the Term Loan Facility or (b) the Term Loan Facility is repriced with a lower applicable margin or yield than that applicable to the Term Loan Facility through an amendment, and a lender under the Term Loan Facility does not approve of such amendment and its term loans are mandatorily assigned to a lender that does approve of such amendment, then any of the foregoing refinancings or assignments shall be made at 101% of the principal amount so refinanced or assigned.
Application of Prepayments:	Prepayments will be applied to scheduled amortization payments (i) in the case of optional prepayments, as directed by Borrower and (ii) in the case of mandatory prepayments, on a pro rata basis

(inclusive of the payment due upon maturity of the Term Loan Facility).

Guarantees: The Bank Facilities will be fully and unconditionally guaranteed on a joint and several basis by all of the existing and future direct and indirect wholly-owned domestic subsidiaries of Borrower (collectively, the "Guarantors"). Borrower hereby agrees that prior to the Closing Date it shall not issue, sell, dispose of or otherwise distribute any equity interests of any of its direct or indirect domestic subsidiaries (including, without limitation, Merger Subsidiary (as defined in the Acquisition Agreement)) to the extent that any such issuance, sale, disposition or distribution would adversely affect the providing of a guarantee of the Bank Facilities or a grant of security therefor by any such subsidiary.

Security: The Bank Facilities and any hedging or cash management obligations to which a Lender or an affiliate of a Lender is a counterparty will be secured by perfected first priority pledges of all of the equity interests in each of Borrower's direct and indirect domestic subsidiaries (other than domestic subsidiaries that are direct or indirect subsidiaries of foreign subsidiaries) and of 65% of the equity interests in each of Borrower's direct foreign subsidiaries, and perfected first priority security interests in and mortgages on all tangible and intangible assets (including, without limitation, accounts receivable, inventory, equipment, general intangibles, intercompany notes, insurance policies, investment property, intellectual property, material owned real property, material leased real property (subject to the Borrower's inability to provide material leased real property as collateral after its use of commercially reasonable efforts to do so), deposit accounts and proceeds of the foregoing) of Borrower and the Guarantors, wherever located, now or hereafter owned, subject to the last sentence of this paragraph. All the above-described pledges, security interests and mortgages shall be created on terms, and pursuant to documentation, reasonably satisfactory to the Administrative Agent, and none of the collateral shall be subject to any other pledges, security interests or mortgages, subject to exceptions to be agreed upon. Assets will be excluded from the collateral in circumstances to be agreed and in circumstances where the Administrative Agent reasonably determines in writing that the cost of obtaining a security interest in such assets is excessive in relation to the value afforded thereby.

Incremental Facilities: The Bank Documentation will permit Borrower to add one or more incremental term loan facilities to the Bank Facilities (each, an "Incremental Term Facility") and/or increase commitments under the Revolving Credit Facility (any such increase, an "Incremental Revolving Facility"; the Incremental Term Facilities and the Incremental Revolving Facilities are collectively referred

to as "Incremental Facilities") in an aggregate amount of up to $75.0 million; *provided* that (i) no Lender will be required to participate in any such Incremental Facility, (ii) no event of default or default exists or would exist after giving effect thereto, (iii) all financial covenants would be satisfied on a pro forma basis on the date of incurrence (or, in the case of any Incremental Revolving Facility, assuming that the Revolving Credit Facility and such Incremental Revolving Facility were fully drawn as of the date such Incremental Revolving Facility was established) and for the most recent determination period, after giving effect to such Incremental Facility and other customary and appropriate pro forma adjustment events, including any acquisitions or dispositions or repayment of indebtedness after the beginning of the relevant determination period but prior to or simultaneous with the borrowing under such Incremental Facility, (iv) the maturity date of any such Incremental Term Facility shall be no earlier than the maturity date of the Term Loan Facility, (v) the weighted average life to maturity of any Incremental Term Facility shall be no shorter than the weighted average life to maturity of the Term Loan Facility, (vi) the interest margins for the Incremental Term Facility shall be determined by Borrower and the Lenders of the Incremental Term Facility; *provided* that in the event that the interest margins for any Incremental Term Facility are greater than the Interest Margins for the Term Loan Facility by more than 50 basis points, then the Interest Margins for the Term Loan Facility shall be increased to the extent necessary so that the interest margins for the Term Loan Facility are equal to the Interest Margins for the Incremental Term Facility, less 50 basis points; *provided*, *further*, that in determining the Interest Margins applicable to the Term Loan Facility and the Incremental Term Facility, (x) original issue discount ("OID") or upfront fees (which shall be deemed to constitute like amounts of OID) payable by Borrower to the Lenders of the Term Loan Facility or the Incremental Term Facility in the primary syndication thereof shall be included (with OID being equated to interest based on an assumed four-year life to maturity), (y) the effect of any "LIBOR floors" or "Base Rate floors" shall be included and (z) customary arrangement or commitment fees payable to the Lead Arrangers (or their affiliates) in connection with the Term Loan Facility or to one or more arrangers (or their affiliates) of the Incremental Term Facility shall be excluded and (vii) any Incremental Revolving Facility shall be on terms and pursuant to documentation applicable to the Revolving Credit Facility and any Incremental Term Facility shall be on terms and pursuant to documentation to be determined, *provided* that, to the extent such terms and documentation are not consistent with the Term Facility (except to the extent permitted by clause (iv) or (vi) above), they shall be reasonably satisfactory to the Administrative Agent.

Conditions to Initial Borrowings:	Conditions precedent to initial borrowings under the Bank Facilities will be limited to those set forth in the Commitment Letter and in Annex III to the Commitment Letter and the accuracy in all material respects (unless the relevant representation is already qualified by materiality, in which case such representation must be true in all respects) of the Acquisition Agreement Representations and the Specified Representations.
Conditions to Each Borrowing:	Conditions precedent to each borrowing or issuance under the Bank Facilities will be limited to (1) the absence of any continuing default or event of default (other than with respect to the borrowings on the Closing Date only), (2) subject, in the case of borrowings on the Closing Date only, to the limitations set forth in the penultimate sentence under "Conditions" in the Commitment Letter, the accuracy in all material respects of all representations and warranties (unless such representation is already qualified by materiality, in which case such representation must be true in all respects), (3) receipt of a customary borrowing notice or letter of credit request, as applicable, and (4) there being no legal bar to the lenders making the loan or the issuance.
Representations and Warranties:	Representations and warranties will apply to Borrower and its subsidiaries, will be subject to materiality levels and/or exceptions to be negotiated and reflected in the Bank Documentation, and are limited to the following: Accuracy and completeness of financial statements (including pro forma financial statements); absence of undisclosed liabilities; no material adverse change; corporate existence; compliance with law; corporate power and authority; enforceability of the Bank Documentation; no conflict with law or material contractual obligations; governmental authorization; no material litigation; no default; ownership of property; liens; intellectual property; taxes; Federal Reserve regulations; ERISA; Investment Company Act; Foreign Corrupt Practices Act; export control matters; equity interests and subsidiaries; environmental matters; solvency; accuracy and completeness of disclosure; Patriot Act and anti-terrorism law compliance; creation and perfection of security interests; labor matters; use of proceeds; insurance; and delivery of documents in connection with the Acquisition.
Affirmative Covenants:	Affirmative covenants will apply to Borrower and its subsidiaries, will be subject to thresholds and/or exceptions to be negotiated and reflected in the Bank Documentation and will be limited to the following: Delivery of financial statements and reports (including annual reports, quarterly financial reports, quarterly reports relating to project backlog, financial officer's certificates, public reports,

management letters, budgets and documents and other information reasonably requested by the Administrative Agent); delivery of notices of default, litigation and other material events; payment of obligations and taxes; continuation of business and maintenance of existence, properties and material rights and privileges; compliance with all applicable laws and regulations (including, without limitation, environmental matters, taxation, FCPA, export control regulations and ERISA); maintenance of property and insurance; maintenance of books and records; right of the Lenders to inspect property and books and records; agreement to hold annual meetings of Lenders; use of proceeds; further assurances (including, without limitation, with respect to security interests in after acquired-property and addition of subsidiaries as guarantors); information regarding collateral; commercially reasonable efforts to maintain public corporate credit/family ratings of Borrower and ratings of the Facilities from Moody's and S&P (but not to maintain a specific rating); and agreement to establish an interest rate protection program and/or have fixed rate financing on a percentage to be determined of the aggregate funded indebtedness of Borrower and its subsidiaries, but in any event, which percentage shall not exceed 50% of such aggregate funded indebtedness.

Negative Covenants: Negative covenants will apply to Borrower and its subsidiaries and will be subject to thresholds and/or exceptions to be negotiated and reflected in the Bank Documentation and will be limited to the following:

1. Limitation on dispositions of assets and changes of business and ownership; *provided* that the Borrower shall be permitted to sell its receivables pursuant to non-recourse forward receivables sales programs on terms and conditions to be mutually agreed.
2. Limitation on mergers and acquisitions.
3. Limitations on dividends, stock repurchases and redemptions and other restricted payments.
4. Limitation on indebtedness (including guarantees and other contingent obligations and including the requirement to subordinate intercompany indebtedness on terms reasonably satisfactory to the Lead Arrangers) and preferred stock and prepayment, amendment and redemption thereof.
5. Limitation on loans, investments and advances.
6. Limitation on liens and further negative pledges.

7. Limitation on transactions with affiliates.

8. Limitation on sale and leaseback transactions.

9. Limitation on capital expenditures.

10. Limitation on restrictions affecting subsidiaries.

11. No modification or waiver of charter documents of Borrower and its subsidiaries and instruments governing subordinated indebtedness in any manner materially adverse to the Lenders without the consent of the Required Lenders.

12. No change to fiscal year.

13. Limitation on issuance or sale of (i) Disqualified Capital Stock (to be defined) and (ii) equity of subsidiaries to third parties.

14. Limitation on creation of subsidiaries that will not be Guarantors.

15. Limitations to ensure compliance with anti-terrorism laws.

Financial Covenants: A maximum total leverage ratio covenant will apply to Borrower and its consolidated subsidiaries and will apply solely to the Revolving Credit Facility.

The foregoing covenant will be tested only if, at any time during the relevant fiscal quarter, (i) (a) the sum of any amounts outstanding under the Revolving Credit Facility (including swingline borrowings) plus (b) the amount drawn under any Letters of Credit exceeds $1,000,000; or (ii) the aggregate amount of outstanding Letters of Credit exceeds $5,000,000.

Events of Default: Events of default will be subject to materiality levels, default triggers, cure periods and/or exceptions to be negotiated and reflected in the Bank Documentation and will be limited to the following: nonpayment, breach of representations and covenants, cross-defaults, loss of lien on collateral, invalidity of guarantees, bankruptcy and insolvency events, ERISA events, judgments and change of control (to be defined). A breach of a financial covenant shall only constitute an Event of Default under the Revolving Credit Facility, and not an Event of Default under the Term Loan Facility, until the earlier of (x) the date that is 45 days after the date such Event of Default occurred and is continuing with respect to the Revolving Credit Facility and (y) the date on which the Administrative Agent or the Lenders under the Revolving

Credit Facility have accelerated the Revolving Credit Facility or have commenced the exercise of remedies with respect to the Revolving Credit Facility (such period referred to herein as the "Standstill").

Assignments and Participations: Each Lender may assign all or, subject to minimum amounts to be agreed, a portion of its loans and commitments under one or more of the Bank Facilities. Assignments will require payment of an administrative fee to the Administrative Agent and the consents of the Administrative Agent and Borrower, which consents shall not be unreasonably withheld; *provided* that no consent of Borrower shall be required (i) for an assignment to an existing Lender or an affiliate of an existing Lender, (ii) during an event of default or (iii) prior to the completion of the primary syndication of the Bank Facilities (as determined by the Lead Arrangers) (it being understood and agreed that as per the terms of the Commitment Letter, the Lenders will not syndicate the Bank Facilities to Disqualified Parties); and *provided further* that the Borrower shall be deemed to have consented to any assignment in respect of the Bank Facilities if it has not objected thereto within five business days after written notice thereof. In addition, each Lender may sell participations in all or a portion of its loans and commitments under one or more of the Bank Facilities; *provided* that no purchaser of a participation shall have the right to exercise or to cause the selling Lender to exercise voting rights in respect of the Bank Facilities (except as to certain basic issues).

Term loans issued pursuant to the Term Loan Facility may be purchased and assigned on a non-pro rata basis through Dutch auction or similar procedures to be agreed that are offered to all Lenders on a pro rata basis in accordance with procedures to be agreed (the "Debt Buyback") and subject to restrictions and other customary limitations to be agreed so long as (i) no default or event of default has occurred and is continuing, (ii) the loans purchased are immediately cancelled, (iii) no proceeds from loans under the Revolving Loan Facility shall be used to fund such purchases and assignments, (iv) at the time of and after giving effect to such purchase and assignment, availability under the Revolving Loan Facility plus unrestricted cash and cash equivalents at the Borrower and the Guarantors shall not be less than an amount to be agreed, and (v) no other material benefits in connection with the Facilities Documents are received (other than the non-pro rata loan repayment).

Expenses and Indemnification: All reasonable and documented out-of-pocket expenses (including but not limited to reasonable legal fees and expenses of the counsel to the Commitment Parties identified in this Term Sheet and of a single local counsel to the Commitment Parties in each

jurisdiction determined to be reasonably necessary or advisable by the Commitment Parties) and expenses incurred in connection with due diligence and travel, courier, reproduction, printing and delivery expenses) of the Commitment Parties, the Administrative Agent, the Collateral Agent and the Issuing Bank associated with the syndication of the Bank Facilities and with the preparation, execution and delivery, administration, amendment, waiver or modification (including proposed amendments, waivers or modifications) of the documentation contemplated hereby are to be paid by Borrower. In addition, all documented out-of-pocket expenses (including but not limited to reasonable legal fees and expenses) of the Lenders and the Administrative Agent for workout proceedings, enforcement costs and documentary taxes associated with the Bank Facilities are to be paid by Borrower.

Borrower will indemnify the Lenders, the Commitment Parties, the Administrative Agent, the Collateral Agent and the Issuing Bank and their respective affiliates, and hold them harmless from and against all reasonable and documented out-of-pocket expenses (including but not limited to reasonable legal fees and expenses of one counsel for all indemnified persons taken as a whole and a single local counsel for all indemnified persons taken as a whole in each relevant jurisdiction and, solely in the case of a conflict of interest, one additional counsel in each relevant jurisdiction to each group of affected indemnified persons similarly situated) and liabilities arising out of or relating to the Transactions and any actual or proposed use of the proceeds of any loans made under the Bank Facilities; *provided*, *however*, that no such person will be indemnified for costs, expenses or liabilities to the extent determined by a final, non-appealable judgment of a court of competent jurisdiction to have been incurred solely by reason of the gross negligence or willful misconduct of such person or such person's controlled affiliates, officers and directors.

Yield Protection, Taxes and Other Deductions:

The Bank Documentation will contain yield protection provisions, customary for facilities of this nature, protecting the Lenders in the event of unavailability of LIBOR, breakage losses, reserve and capital adequacy requirements.

All payments are to be free and clear of any present or future taxes, withholdings or other deductions whatsoever (other than income taxes in the jurisdiction of the Lender's applicable lending office and other exceptions set forth in the Bank Documentation). The Lenders will use commercially reasonable efforts to minimize to the extent possible any applicable taxes and Borrower will indemnify the Lenders and the Administrative Agent

	for such taxes paid by the Lenders and the Administrative Agent, as the case may be.
Required Lenders:	Lenders holding at least a majority of total loans and commitments under the Bank Facilities ("Required Lenders"), with certain amendments requiring the consent of Lenders holding a greater percentage (or all) of the total loans and commitments under the Bank Facilities; *provided however* that amendments, modifications, terminations or waivers of the financial covenants (other than changes to the definitions related thereto and other than changes to the Standstill, each of which shall require the affirmative vote of the Required Lenders) shall only require the consent of lenders holding at least a majority of total loans and commitments under the Revolving Credit Facility.
Governing Law and Forum:	The laws of the State of New York, except as to real estate and certain other collateral documents required to be governed by local law. Each party to the Bank Documentation will waive the right to trial by jury and will consent to the exclusive jurisdiction of the state and federal courts located in The City of New York.
Counsel to the Commitment Parties, the Administrative Agent, the Issuing Bank and the Collateral Agent:	Latham & Watkins LLP.

ANNEX II

BRIDGE FACILITY

SUMMARY OF PRINCIPAL TERMS AND CONDITIONS[1]

Borrower:	Ducommun Incorporated, a Delaware corporation ("Borrower"). Borrower will own all of the equity interests of the Acquired Business on the Closing Date.
Joint Lead Arrangers and Joint Bookrunners:	Credit Suisse Securities (USA) LLC ("CS Securities") and UBS Securities LLC ("UBSS" and, and together with CS Securities, the "Lead Arrangers").
Lenders:	A syndicate of banks, financial institutions and other entities, including Credit Suisse AG, acting through such of its affiliates or branches as it deems appropriate ("CS") and UBS Loan Finance LLC ("UBS"), arranged by the Lead Arrangers.
Administrative Agent:	CS (in such capacity, the "Administrative Agent").
Type and Amount of Bridge Facility:	$200.0 million senior unsecured bridge loan facility (the "Bridge Facility").
Purpose:	Proceeds of borrowings under the Bridge Facility (the "Initial Loans") will be used to finance a portion of the Acquisition and the Refinancing and to pay fees, commissions and expenses in connection therewith.
Conversion into Extended Term Loans:	If any Initial Loan has not been repaid in full on or prior to the first anniversary of the Closing Date (the "Rollover Date"), whether or not an Accelerated Rollover Event (as defined in the Fee Letter) has occurred, subject to payment of the Conversion Fee (as defined in the Fee Letter) and unless Borrower or any significant subsidiary thereof is subject to a bankruptcy or other insolvency proceeding, the Initial Loans shall automatically be converted into term loans (each, an "Extended Term Loan" and, together with the Initial Loans, the "Loans") maturing on the 7th anniversary of the Closing Date (the "Final Maturity Date"), subject to the Lenders' rights to convert Initial Loans into Exchange Notes as set forth below. Any Initial Loan not converted into an Extended Term Loan on the Rollover Date shall mature on the Rollover Date.

[1] All capitalized terms used but not defined herein shall have the meanings provided in the Commitment Letter to which this summary is attached.

Exchange into Exchange Notes:	Each Lender of an Initial Loan or Extended Term Loan that is (or will immediately transfer its Exchange Notes to) an Eligible Holder (as defined in Exhibit A) will have the option, at any time on or after the Rollover Date (in the case of an Extended Term Loan) or the occurrence of an Accelerated Rollover Event (in the case of an Initial Loan), to receive notes (the "Exchange Notes") in exchange for such Initial Loans or Extended Term Loans having the terms set forth in the term sheet attached hereto as Exhibit A; *provided* that a Lender may not elect to exchange its outstanding Extended Term Loans for Exchange Notes unless the conditions set forth in Exhibit A under "Principal Amount" have been satisfied. In connection with each such exchange, Borrower shall (i) deliver to the Lender that is receiving Exchange Notes, and to such other Lenders as the Initial Bridge Lenders request, an offering memorandum of the type customarily utilized in an offering of high yield securities under Rule 144A of the Securities Act of 1933, as amended ("Rule 144A") covering the resale of such Exchange Notes by such Lenders, in such form and substance as reasonably acceptable to Borrower and the Initial Bridge Lenders, and keep such offering memorandum updated in a manner as would be required pursuant to a customary Rule 144A securities purchase agreement, (ii) execute an exchange agreement containing provisions customary in Rule 144A securities purchase agreements (including indemnification provisions) and a registration rights agreement customary in Rule 144A offerings, in each case, if requested by the Initial Bridge Lenders, (iii) deliver or cause to be delivered such opinions and accountants' comfort letters addressed to the Initial Bridge Lenders and such certificates as the Initial Bridge Lenders may request as would be customary in Rule 144A offerings and otherwise in form and substance reasonably satisfactory to the Initial Bridge Lenders and (iv) take such other actions, and cause its advisors, auditors and counsel to take such actions, as reasonably requested by the Initial Bridge Lenders and are customary for Rule 144A debt offerings in connection with issuances or resales of Exchange Notes, including providing such information regarding the business and operations of Borrower and its subsidiaries as is reasonably requested by any prospective holder of Exchange Notes and customarily provided in due diligence investigations in connection with purchases or resales of securities under Rule 144A.
Availability:	Upon satisfaction of conditions precedent to drawing specified in the Commitment Letter and the annexes thereto and compliance with the provisions under "Take-out Financing" and, if a Take-Out Demand is delivered, "Take-out Demand", in the Fee Letter, a single drawing may be made on the Closing Date of the full amount of the Bridge Facility.

Interest:	Unless an Accelerated Rollover Event has occurred, the Initial Loans will initially accrue interest at a rate per annum equal to the three-month London Interbank Offered Rate ("LIBOR") as determined by the Administrative Agent for a corresponding U.S. dollar deposit amount (adjusted quarterly) plus a spread (the "Spread"). The Spread will be 675 basis points if the Notes are rated at least B3 (stable or positive outlook) by Moody's and at least B- (stable or positive outlook) by S&P. If the ratings in the preceding sentence are not obtained and met, the Spread will initially be 750 basis points. If the Initial Loans are not repaid in full within 30 days following the Closing Date, the Initial Loans will thereafter accrue interest at the Total Cap (as defined in the Fee Letter). LIBOR will be adjusted for maximum statutory reserve requirements (if any); *provided* that LIBOR shall be deemed to be not less than 1.25% per annum. Interest on the Initial Loans will be payable in arrears at the end of each three-month period and at the Rollover Date and upon the occurrence of an Accelerated Rollover Event. Extended Term Loans will accrue interest at the Total Cap. Calculation of interest shall be on the basis of actual days elapsed in a year of 360 days.
Default Interest:	Upon the occurrence and during the continuance of an event of default or a payment default, interest will accrue on the amount of any loan or other amount outstanding under the Bridge Facility at a rate of 2.0% per annum plus the rate otherwise applicable to the loans under the Bridge Facility and will be payable on demand; *provided* that after the Rollover Date, the Initial Loans (i.e., if the conditions to conversion into Extended Term Loans are not satisfied) will accrue interest at a rate of 2.0% per annum in excess of the Total Cap.
Mandatory Prepayment:	Borrower will be required, prior to an Accelerated Rollover Event, to prepay Initial Loans, and on or after an Accelerated Rollover Event, offer to prepay Initial Loans and Extended Term Loans, on a pro rata basis, at par plus accrued and unpaid interest, in an amount equal to (a) 100% of the net proceeds received from the sale or other disposition of assets of Borrower or any of its subsidiaries after the Closing Date, other than dispositions of inventory in the ordinary course of business and other exceptions to be agreed and subject to reinvestment rights to be agreed, (b) 100% of the net proceeds received by Borrower or any of its subsidiaries from the issuance of debt or preferred stock after the Closing Date, other than exceptions to be agreed, (c) 100% of the net proceeds received from the issuance of common equity by, or equity contributions to, Borrower after the Closing Date,

	other than exceptions to be agreed, and (d) 100% of all casualty and condemnation proceeds received by Borrower or any of its subsidiaries, subject to reinvestment rights to be agreed. The foregoing prepayment obligation (other than the obligation to prepay pursuant to clause (b) with proceeds from issuance of Notes or other Qualifying Subordinated Debt (to be defined in the Bridge Documentation)) shall be subject to prior prepayment of the Bank Facilities if required thereunder. Notwithstanding the foregoing, in the event that any Lender purchases debt securities from the Borrower pursuant to a Take-out Demand, the net cash proceeds received by the Borrower in respect of such debt securities may, at the option of such Lender or affiliate, be applied first to prepay the Initial Loans held by such Lender or affiliate prior to being applied to prepay the Initial Loans held by other Lenders.
Optional Prepayments:	Prior to the issuance of a Take-out Demand, the Initial Loans may be prepaid, in whole or in part, at the option of Borrower, at any time with prior notice, at par plus accrued and unpaid interest and breakage costs. Until the 4th anniversary of the Closing Date, prepayment of Extended Term Loans and, following the issuance of a Take-out Demand, the Initial Loans will be subject to a customary "make-whole" premium calculated using a discount rate equal to the yield on comparable Treasury securities plus 50 basis points. Thereafter, Extended Term Loans will be prepayable at the option of Borrower at a premium equal to 50% of the coupon on the Extended Term Loans, declining ratably to par thereafter. In addition, Extended Term Loans and, following the issuance of a Take-out Demand, Initial Loans will be prepayable at the option of Borrower prior to the third anniversary of the Closing Date with the net cash proceeds of qualified equity offerings of Borrower at a premium equal to the coupon on Extended Term Loans; *provided* that after giving effect to such prepayment at least 65% of the aggregate principal amount of Initial Loans and Extended Term Loans originally made shall remain outstanding.
Guarantees:	The Bridge Facility will be guaranteed on a senior basis by each subsidiary of Borrower that guarantees the Bank Facilities.
Security:	None.
Ranking:	*Pari passu* with Bank Facilities.
Conditions to Borrowing:	Conditions precedent to borrowing under the Bridge Facility will be limited to those set forth in the Commitment Letter and in Annex III to the Commitment Letter and the accuracy in all

	material respects (unless the relevant representation is already qualified by materiality, in which case such representation must be true in all respects) of the Acquisition Agreement Representations and the Specified Representations.
Representations and Warranties:	Substantially the same as those in the Bank Documentation, with such changes as are necessary or appropriate for the Bridge Facility.
Affirmative and Negative Covenants:	Substantially the same as those in the Bank Documentation, with such changes as are necessary or appropriate for the Bridge Facility, as well as compliance with the obligation to cause the Take-out Financing to be consummated promptly following issuance of the Take-out Financing and to pay the Conversion Fee on the Rollover Date; *provided* that restrictive covenants will be incurrence-based consistent with high yield instruments; *provided further, however*, that the debt, liens and restricted payments covenants may be more restrictive than the corresponding covenants contained in the Bank Documentation.
Financial Covenants:	None.
Events of Default:	Events of default will be subject to materiality levels, default triggers, cure periods and/or exceptions to be negotiated and reflected in the Bridge Documentation and will be limited to the following: nonpayment, breach of representations and covenants, cross-payment default and cross-acceleration, invalidity of guarantees, bankruptcy and insolvency events, ERISA events, judgments and change of control (to be defined).
Assignments and Participations:	Each Lender may assign all or, subject to minimum amounts to be agreed, a portion of its loans and commitments under the Bridge Facility (subject to limitations on assignments to Disqualified Parties in connection with the syndication of the Bridge Facility). Assignments will require payment of an administrative fee to the Administrative Agent. In addition, each Lender may sell participations in all or a portion of its loans and commitments under the Bridge Facility; *provided* that no purchaser of a participation shall have the right to exercise or to cause the selling Lender to exercise voting rights in respect of the Bridge Facility (except as to certain basic issues).
Expenses and Indemnification:	All reasonable and documented out-of-pocket expenses (including but not limited to reasonable legal fees and expenses of the counsel to the Commitment Parties identified in this Term Sheet and of a single local counsel to the Commitment Parties in each jurisdiction determined to be reasonably necessary or advisable by the Commitment Parties and expenses incurred in connection with due diligence and travel, courier, reproduction, printing and

	delivery expenses) of the Lenders, the Commitment Parties and the Administrative Agent associated with the syndication of the Bridge Facility and with the preparation, execution and delivery, administration, amendment, waiver or modification (including proposed amendments, waivers or modifications) of the documentation contemplated hereby are to be paid by Borrower. In addition, all out-of-pocket expenses (including but not limited to reasonable legal fees and expenses) of the Lenders and the Administrative Agent for workout proceedings, enforcement costs and documentary taxes associated with the Bridge Facility are to be paid by Borrower. Borrower will indemnify the Lenders, the Commitment Parties and the Administrative Agent and their respective affiliates, and hold them harmless from and against all reasonable and documented out-of-pocket expenses (including but not limited to reasonable legal fees and expenses of one counsel for all indemnified persons taken as a whole, a single local counsel for all indemnified persons taken as a whole in each relevant jurisdiction and, solely in the case of a conflict of interest, one additional counsel in each relevant jurisdiction to each group of affected indemnified persons similarly situated) and liabilities arising out of or relating to the Transactions and any actual or proposed use of the proceeds of any loans made under the Bridge Facility; *provided*, *however*, that no such person will be indemnified for costs, expenses or liabilities to the extent determined by a final, non-appealable judgment of a court of competent jurisdiction to have been incurred solely by reason of the gross negligence or willful misconduct of such person.
Yield Protection, Taxes and Other Deductions:	The Bridge Documentation will contain tax and yield protection provisions substantially similar to those set forth in the Bank Documentation.
Requisite Lenders:	Lenders holding at least a majority of total loans and commitments under the Bridge Facility, with certain modifications or amendments requiring the consent of Lenders holding a greater percentage (or all) of the total Loans and commitments under the Bridge Facility.
Governing Law and Forum:	The laws of the State of New York. Each party to the Bridge Documentation will waive the right to trial by jury and will consent to the exclusive jurisdiction of the state and federal courts located in The City of New York.
Counsel to the Commitment Parties and the Administrative Agent:	Latham & Watkins LLP.

Exhibit A to
ANNEX II

Summary of Principal Terms and Conditions
of Exchange Notes

Capitalized terms used but not defined herein have the meanings given (or incorporated by reference) in the Summary of Principal Terms and Conditions of the Bridge Facility to which this Exhibit A is attached.

Issuer:	Borrower will issue Exchange Notes under an indenture which complies with the Trust Indenture Act (the "Indenture"). Borrower in its capacity as issuer of the Exchange Notes is referred to as the "Issuer."
Guarantors:	Same as Initial Loans.
Principal Amount:	The Exchange Notes will be available only in exchange for the Initial Loans (on the earlier of (x) the Rollover Date and (y) the occurrence of an Accelerated Rollover Event) or the Extended Term Loans (at any time after issuance of such Extended Term Loans). The principal amount of any Exchange Note will equal 100% of the aggregate principal amount of the Initial Loans or the Extended Term Loans for which it is exchanged. In the case of the initial exchange by Lenders, the minimum amount of Extended Term Loans to be exchanged for Exchange Notes shall not be less than $25.0 million.
Maturity:	The Exchange Notes will mature on the Final Maturity Date.
Interest Rate:	The Exchange Notes will bear interest at a rate equal to the Total Cap (taking into account any increase in the Total Cap resulting from an Accelerated Rollover Event) and will be payable semi-annually in arrears. Calculation of interest shall be on the basis of the actual number of days elapsed in a year of twelve 30-day months.
Default Interest:	In the event of a payment default on the Exchange Notes, interest on the Exchange Notes will accrue at a rate of 2.0% per annum in excess of the rate otherwise applicable to the Exchange Notes, and will be payable in accordance with the provisions described above under the heading "Interest Rate."
Ranking:	Same as Initial Loans.
Mandatory Offer to Purchase:	The Issuer will be required to offer to purchase the Exchange Notes upon a Change of Control (to be defined in the Indenture) at 101% of the principal amount thereof plus accrued interest to the date of purchase.

Optional Redemption:	Until the 4th anniversary of the Closing Date, the Exchange Notes will be redeemable at a customary "make-whole" premium calculated using a discount rate equal to the yield on comparable U.S. Treasury securities plus 50 basis points. Thereafter, the Exchange Notes will be redeemable at the option of the Issuer at a premium equal to 50% of the coupon on the Exchange Notes, declining ratably to par thereafter. In addition, Exchange Notes will be redeemable at the option of the Issuer prior to the third anniversary of the Closing Date with the net cash proceeds of qualified equity offerings of Borrower at a premium equal to the coupon on the Exchange Notes; *provided* that after giving effect to such redemption at least 65% of the aggregate principal amount of Exchange Notes originally issued shall remain outstanding.
Registration Rights:	The Issuer will be required to: • within 60 days after the Rollover Date, file a registration statement for an offer to exchange the Exchange Notes for publicly registered notes with identical terms; • use its reasonable best efforts to cause the registration statement to become effective under the Securities Act within 150 days after the Rollover Date; • complete the exchange offer within 180 days after the Rollover Date; and • file a shelf registration statement for the resale of the Exchange Notes if it cannot complete an exchange offer within those time periods listed above and in certain other circumstances. If the Issuer does not comply with these obligations (a "Registration Default"), the Issuer shall pay liquidated damages to each holder of Exchange Notes with respect to the first 90-day period immediately following the occurrence of the first Registration Default in an amount equal to 0.50% per annum on the principal amount of Exchange Notes held by such holder. The amount of the liquidated damages will increase by an additional 0.50% per annum on the principal amount of Exchange Notes with respect to each subsequent 90-day period until all Registration Defaults have been cured, up to a maximum amount of liquidated damages for all Registration Defaults of 1.00% per annum. In addition, unless and until the Issuer has consummated the exchange offer and, if required, caused the shelf registration statement to become effective, the holders of the Exchange Notes

	will have the right to "piggy-back" the Exchange Notes in the registration of any debt securities (subject to customary scale-back provisions) that are registered by the Issuer (other than on a Form S-4) unless all the Exchange Notes and Extended Term Loans will be redeemed or repaid from the proceeds of such securities.
Right to Transfer Exchange Notes:	Each holder of Exchange Notes shall have the right to transfer its Exchange Notes in whole or in part, at any time to an Eligible Holder and, after the Exchange Notes are registered pursuant to the provisions described under "Registration Rights," to any person or entity; *provided* that if the Issuer or any of its affiliates holds Exchange Notes, such Exchange Notes shall be disregarded in any voting. "Eligible Holder" will mean (a) an institutional "accredited investor" within the meaning of Rule 501 under the Securities Act, (b) a "qualified institutional buyer" within the meaning of Rule 144A, (c) a person acquiring the Exchange Notes pursuant to an offer and sale occurring outside of the United States within the meaning of Regulation S under the Securities Act or (d) a person acquiring the Exchange Notes in a transaction that is, in the opinion of counsel reasonably acceptable to the Issuer, exempt from the registration requirements of the Securities Act; *provided* that in each case such Eligible Holder represents that it is acquiring the Exchange Notes for its own account and that it is not acquiring such Exchange Notes with a view to, or for offer or sale in connection with, any distribution thereof (within the meaning of the Securities Act) that would be in violation of the securities laws of the United States or any state thereof.
Covenants:	Those typical for an indenture governing a high yield note issue of a new issuer.
Events of Default:	Those typical for an indenture governing a high yield note issue of a new issuer.
Governing Law:	The laws of the State of New York.

ANNEX III

CONDITIONS TO CLOSING[1]

The commitment of the Lenders under the Commitment Letter with respect to each of the Facilities, the agreements of the Commitment Parties to perform the services described in the Commitment Letter, the consummation of the Transactions and the funding of the Facilities are subject to the conditions set forth in the Commitment Letter and satisfaction of each of the conditions precedent set forth immediately below in items (1) through (7).

1. The Commitment Parties shall have reviewed, and be satisfied with, the Acquisition Agreement and the disclosure schedules and exhibits thereto (it being understood that the Commitment Parties are satisfied with the final draft of the Acquisition Agreement, final draft of the disclosure schedules and final draft of the exhibits, in each case received by counsel to the Lead Arrangers at 8:25 p.m. Pacific time on April 3, 2011). The Acquisition and the other Transactions shall be consummated substantially concurrently with the initial funding of the Facilities in accordance with the foregoing final draft of the Acquisition Agreement, without any waiver or amendment thereof or any consent thereunder that would materially adversely affect the Commitment Parties (it being understood and agreed that (a) any change in the purchase price and/or (b) any waiver or amendment of any condition contained therein regarding any rejection or disapproval by the SEC of any of the material terms or conditions of that certain Offer of Settlement of the Acquired Business executed by the Acquired Business on March 18, 2011, is deemed to materially adversely affect the Commitment Parties) unless consented to by the Commitment Parties. Immediately following the Transactions, neither Borrower nor any of its subsidiaries (including, for the avoidance of doubt, the Acquired Business and its subsidiaries) shall have any indebtedness or preferred equity other than certain limited indebtedness to be agreed, and no default shall exist under any material indebtedness of Borrower or any of its subsidiaries. The Commitment Parties shall have received reasonably satisfactory evidence of repayment of all indebtedness to be repaid on the Closing Date and the discharge (or the making of arrangements for discharge) of all liens other than liens permitted to remain outstanding under the Financing Documentation.

2. The Commitment Parties shall have received (i) promptly after available, audited consolidated balance sheets and related statements of income, stockholders' equity and cash flows of (x) Borrower for each of the last three fiscal years ending December 31, 2010 and (y) the Acquired Business for each of the last three fiscal years ending more than 60 days prior to the Closing Date (the "Audited Financial Statements"), (ii) promptly after available and in any event within 45 days after the end of each fiscal quarter since the date of the most recent audit for each of the Borrower and the Acquired Business, unaudited consolidated balance sheets and related statements of income and cash flows of each of Borrower and the Acquired Business for such fiscal quarter, for the period elapsed from the beginning of the most recent fiscal year to the end of such fiscal quarter and for the comparable periods of the preceding fiscal year (the "Unaudited Financial Statements") (with respect to which the independent auditors shall have performed an SAS 100 review), (iii) a pro forma consolidated and consolidating balance sheet and related statements of income and cash flows for Borrower (the "Pro Forma Financial Statements"), as well as pro forma levels of EBITDA ("Pro Forma EBITDA"), for the last fiscal year covered by the

[1] All capitalized terms used but not defined herein shall have the meanings provided in the Commitment Letter to which this Annex III is attached.

Audited Financial Statements and for the latest four-quarter period ending with the latest period covered by the Unaudited Financial Statements, promptly after the historical financial statements for such periods are available, in each case after giving effect to the Transactions and (iv) forecasts of the financial performance of Borrower and its subsidiaries (x) on an annual basis, through 2018 and (y) on a quarterly basis for the next eight quarters. The financial statements referred to in clauses (i) and (ii) shall be prepared in accordance with accounting principles generally accepted in the United States. The Pro Forma Financial Statements shall be prepared on a basis consistent with pro forma financial statements set forth in a registration statement filed with the SEC.

3. To the extent required by the Acquisition Agreement, all necessary governmental and material third party approvals in connection with the Transactions shall have been obtained and shall be in effect or any such requirement shall be waived in accordance with the Acquisition Agreement (other than any such approvals, the failure of which to obtain could not reasonably be expected to materially adversely affect (in the Commitment Parties' reasonable determination) the interests of the Commitment Parties or as approved in writing by the Commitment Parties). Without limiting the foregoing, to the extent required by the Acquisition Agreement, all requisite shareholder approvals and consents required by applicable law or the transactional documents with respect to the Acquisition Agreement and the governing documents of Borrower necessary to effect the merger contemplated by the Acquisition Agreement shall have been obtained and shall be in full force and effect.

4. The Lenders shall have received all opinions, certificates and closing documentation customarily delivered to lenders for transactions of this type as the Commitment Parties shall reasonably request, in form and substance reasonably satisfactory to the Commitment Parties, including but not limited to a solvency certificate in substance reasonably satisfactory to the Lenders and substantially in the form attached as Annex IV or, in lieu thereof, at the option of Borrower, a solvency opinion from a nationally recognized valuation firm.

5. At least five business days prior to the Closing Date, Borrower and each of the Guarantors shall have provided the documentation and other information to the Lenders that is required by regulatory authorities under applicable "know your customer" and anti-money-laundering rules and regulations, including, without limitation, the Patriot Act.

6. All costs, fees, expenses (including, without limitation, legal fees and expenses and the fees and expenses of appraisers, consultants and other advisors) and other compensation payable to the Lenders, the Commitment Parties, the Administrative Agent or the Collateral Agent shall have been paid to the extent due.

7. All of the requirements referred to in the Commitment Letter under "Syndication" shall have been satisfied, the Closing Date shall not occur less than 25 consecutive days after the delivery to the Lead Arrangers of the final confidential information memorandum referred to therein and the Borrower shall have obtained the Ratings prior to the commencement of such consecutive 25 day period; *provided* that such consecutive 25 day period must either (a) end on or prior to June 30, 2011, (b) begin on or after July 5, 2011 and end on or prior to August 19, 2011 or (c) begin on or after September 6, 2011 and end on or prior to September 27, 2011; *provided further* that, notwithstanding the foregoing, such 25 consecutive day period referred to above shall be reduced to (x) 15 consecutive business days solely with respect to a syndication of the Facilities beginning on July 5, 2011 so long as the Lead Arrangers have received such a final confidential information memorandum by June 28, 2011 and (y) 22 consecutive days solely with respect to the period set forth in the preceding clause (c).

Additional Bank Facilities Conditions

In addition, the commitment of the Lenders under the Commitment Letter with respect to the Bank Facilities and the funding of the Bank Facilities are subject to the following additional conditions precedent set forth below.

1. Prior to or concurrently with the initial borrowings under the Bank Facilities, Borrower shall have received gross proceeds of $200.0 million either from the issuance and sale of the Notes or from borrowings under the Bridge Facility (as such amount may be reduced by underwriting fees or any issuance of the Notes with original issue discount).

2. All documents and instruments required to perfect the Collateral Agent's security interest in the collateral described under the heading "Security" in the Bank Term Sheet shall have been executed and delivered and, if applicable, be in proper form for filing, and none of such collateral shall be subject to any other pledges, security interests or mortgages, except customary permitted liens and other limited exceptions permitted under the Bank Documentation; *provided*, *however*, that, with respect to any such collateral the security interest in which may not be perfected by filing of an intellectual property security agreement with the relevant United States patent, trademark or copyright office, filing of a UCC financing statement, or possession of such collateral, if the perfection of the Collateral Agent's security interest in such collateral may not be accomplished prior to the Closing Date without undue burden or expense or after your use of commercially reasonable efforts to do so, then delivery of documents and instruments for perfection of such security interest shall not constitute a condition precedent to the initial borrowings under the Bank Facilities if Borrower agrees to deliver or cause to be delivered such documents and instruments, and take or cause to be taken such other actions as may be required to perfect such security interests, within a period after the Closing Date reasonably acceptable to the Commitment Parties.

Additional Bridge Facility Conditions

In addition, the commitment of the Lenders under the Commitment Letter with respect to the Bridge Facility and the funding of the Bridge Facility are subject to the following additional conditions precedent set forth below.

1. Prior to or concurrently with the borrowings under the Bridge Facility, the Bank Documentation shall have been executed and delivered, and Borrower shall have received aggregate gross proceeds of $190.0 million from borrowings under the Term Loan Facility (as such amount may be reduced due to a Qualified Equity Offering or any permitted original issue discount).

2. Borrower shall have engaged the Investment Bank referred to in the Fee Letter to place the Securities referred to therein. The Borrower shall have complied with the provisions under the captions "Take-out Financing" and, if a Take-out Demand is delivered, "Take-out Demand", in the Fee Letter. Without limitation of the foregoing, Borrower shall have (i) prepared a customary preliminary prospectus, offering memorandum or private placement memorandum (all as determined by, and in a form reasonably satisfactory to, the Investment Bank but in any event including all financial statements and other information that would be required in a registration statement on Form S-1 for an offering registered under the Securities Act) except, in the event the Securities will not be offered and sold in a registered offering, for a consolidating footnote to the financial statements for guarantors and non-guarantors and any other exceptions customary for a Rule 144A offering) relating to the Notes, and thereafter prepared supplements to or a final version of such prospectus, offering memorandum or private placement

memorandum (promptly upon request by, and in a form reasonably satisfactory to, the Investment Bank) (collectively, the "Offering Document") and delivered such Offering Document not less than 25 consecutive days prior to the Closing Date (it being understood that (A) if any of the financial information in the Offering Document becomes "stale" under the applicable provisions of Regulation S-X during any such 25 consecutive day period, then such period shall be deemed not to have occurred and a new 25 consecutive day period shall only commence upon delivery of an Offering Document that does not contain any such "stale" financial information and (B) the consecutive 25 day period must either (a) end on or prior to June 30, 2011, (b) begin on or after July 5, 2011 and end on or prior to August 19, 2011 or (c) begin on or after September 6, 2011 and end on or prior to September 27, 2011; *provided that*, notwithstanding the foregoing, such 25 consecutive day period shall be reduced to 22 consecutive days solely with respect to the period set forth in the preceding clause (c)), (ii) delivered customary "comfort letters" (including customary "negative assurances") from the independent registered public accountants of Borrower and the Acquired Business with respect to the financial information of Borrower and the Acquired Business contained in the Offering Document, (iii) caused the senior management and other representatives of Borrower and the Acquired Business to provide access in connection with due diligence investigations and to participate in a customary high-yield "road show," for a consecutive 25 day period commencing on the date of delivery of a final Offering Document (at no time during which period the financial information in the Offering Document shall be "stale") (*provided* that such consecutive 25 day period must either (a) end on or prior to June 30, 2011, (b) begin on or after July 5, 2011 and end on or prior to August 19, 2011 or (c) begin on or after September 6, 2011 and end on or prior to September 27, 2011; *provided* that, notwithstanding the foregoing, such 25 consecutive day period shall be reduced to (x) 15 consecutive business days solely with respect to a roadshow beginning on July 5, 2011 so long as the Lead Arrangers have received such a final Offering Document by June 28, 2011 and (y) 22 consecutive days solely with respect to the period set forth in the preceding clause (c)) and (iv) the Borrower shall have obtained the Ratings in respect of the Notes prior to the commencement of such consecutive 25 day period (or such consecutive 22 day period solely with respect the preceding clause (c)). To the extent the Take-out Financing is not consummated on or prior to the Closing Date, this condition shall continue as a covenant following the Closing Date (with the references to specific dates and periods being updated and disregarded as necessary).

ANNEX IV

FORM OF SOLVENCY CERTIFICATE
for
DUCOMMUN INCORPORATED
AND ITS SUBSIDIARIES

_____, 2011

Pursuant to Section [__] of the [insert description of credit agreement] (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), the undersigned hereby certifies, solely in its capacity as chief financial officer of Borrower, and not individually, as follows:

1. Capitalized terms used but not otherwise defined herein shall have the meanings assigned to them in the Credit Agreement.

2. In reaching the conclusions set forth in this certificate, I have conducted such reviews, analyses and inquiries reasonably deemed necessary or appropriate under the circumstances. In conducting my review and analysis, and as a basis for arriving at the conclusions in this certificate, I utilized methodologies, procedures, and considerations deemed relevant and customary under the circumstances. I also assessed general economic, industry, market, financial and other conditions and my experience in general.

3. As of the Closing Date, immediately after the consummation of the Transactions to occur on the Closing Date and immediately following the making of each Loan and issuance of each Letter of Credit and after giving effect to the application of the proceeds of each Loan and each Letter of Credit:

    a. The fair value of the assets of each Loan Party, at a fair valuation, exceeds its debts and liabilities, subordinated, contingent or otherwise;

    b. The present fair saleable value of the property of each Loan Party is greater than the amount that will be required to pay the probable liability of its debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured;

    c. Each Loan Party is able to pay its debts and liabilities, subordinated, contingent or otherwise, as such liabilities become absolute and matured; and

    d. Each Loan Party does not have unreasonably small capital with which to conduct the business in which it is engaged as such business is now conducted and is proposed to be conducted following the Closing Date.

For purposes of this certificate, the amount of any contingent liability at anytime shall be computed as the amount that would reasonably be expected to become an actual and matured liability, and any subrogation and/or contribution rights will be considered in determining the amount of such liability.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has executed this Certificate in its capacity as chief financial officer of Borrower, on behalf of Borrower, as of the date first stated above.

DUCOMMUN INCORPORATED

By: _____
Name:
Title:

Exhibit 10.2

Execution Version

VOTING AGREEMENT dated as of April 3**,** 2011 (this "Agreement"), by and among Ducommun Incorporated, a Delaware corporation ("Parent"), and the individuals and other parties listed on **Schedule A** attached hereto (each, a "Stockholder" and, collectively, the "Stockholders").

WHEREAS, Parent, DLBMS, Inc., a Delaware corporation and a wholly-owned subsidiary of Parent ("Merger Sub"), and LaBarge, Inc., a Delaware corporation (the "Company"), propose to enter into an Agreement and Plan of Merger dated as of the date hereof (as the same may be amended or supplemented, the "Merger Agreement;" terms used but not defined herein shall have the meanings set forth in the Merger Agreement) providing for the merger of Merger Sub with and into the Company, as a result of which the Company will become a wholly-owned subsidiary of Parent (the "Merger"), upon the terms and subject to the conditions set forth in the Merger Agreement;

WHEREAS, each Stockholder is the record and/or beneficial owner of the number of shares of capital stock of the Company set forth opposite such Stockholder's name on **Schedule A** hereto (such shares of capital stock of the Company being referred to herein as such Stockholder's "Original Shares;" the Original Shares, together with any other shares of capital stock of the Company or other voting securities of the Company of which such Stockholder acquires record and/or beneficial ownership after the date hereof and during the term of this Agreement (including, without limitation, by purchase, as a result of a stock dividend, stock split, recapitalization, combination, exchange or change of such Original Shares or through the exercise of any warrants, stock options or similar instruments), excluding the shares of capital stock of the Company set forth on **Schedule B** hereto under the column "Shares Potentially Transferred," being collectively referred to herein as such Stockholder's "Subject Shares"); and

WHEREAS, as a condition to its willingness to enter into the Merger Agreement, Parent has required that each Stockholder enter into this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the representations, warranties, covenants and agreements set forth herein and in the Merger Agreement, the parties hereto, intending to be legally bound, agree as follows:

1. Representations and Warranties of Each Stockholder. Each Stockholder hereby, severally and not jointly, represents and warrants to Parent in respect of himself, herself or itself as follows:

(a) Organization; Authority, Execution and Delivery; Enforceability.

(i) With respect to each Stockholder that is not a natural person, such Stockholder (i) is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization and (ii) has the requisite corporate or other comparable power and authority to execute and deliver this Agreement, to consummate the transactions contemplated by this Agreement and to comply with and perform its obligations under the provisions of this Agreement. The execution and delivery of this Agreement by each Stockholder that is not a natural person, the consummation by such Stockholder of the transactions contemplated by this Agreement and the compliance by such Stockholder with, and the performance by such

Stockholder of its obligations under, the provisions of this Agreement have been duly authorized by all necessary corporate or other comparable action on the part of such Stockholder and no other corporate or other comparable proceedings on the part of such Stockholder are necessary to authorize this Agreement or to consummate the transactions contemplated by this Agreement.

(ii) With respect to each Stockholder who is a natural person, such Stockholder has full legal power and capacity to execute and deliver this Agreement and to perform such Stockholder's obligations hereunder. If such Stockholder is married, and any of the Subject Shares of such Stockholder constitute community property or otherwise need spousal or other approval for this Agreement to be legal, valid and binding, this Agreement has been duly and validly executed and delivered by such Stockholder's spouse and, assuming due authorization, execution and delivery by Parent, constitutes a legal, valid and binding obligation of such Stockholder's spouse, enforceable against such Stockholder's spouse in accordance with its terms.

(iii) This Agreement has been duly executed and delivered by such Stockholder and, assuming the due authorization, execution and delivery by Parent, constitutes a valid and binding obligation of such Stockholder, enforceable against such Stockholder in accordance with its terms. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby and compliance by such Stockholder with, and performance by such Stockholder of his, her or its obligations under, the provisions hereof do not and will not conflict with, or result in any violation or breach of, or default (with or without notice or lapse of time, or both) under, or give rise to a right of, or result in, termination, cancellation or acceleration of any obligation or to loss of a material benefit under, or result in the creation of any Lien in or upon any of the properties or assets of such Stockholder under, or give rise to any increased, additional, accelerated or guaranteed rights or entitlements under, any provision of (i) with respect to each Stockholder that is not a natural person, the articles of incorporation or bylaws, partnership agreement or limited liability company agreement (or similar organizational documents) of such Stockholder, (ii) any Contract to which such Stockholder is a party or any of the properties or assets of such Stockholder is bound or affected or (iii) subject to the governmental filings and other matters referred to in the following sentence, any (A) statute, law, ordinance, rule or regulation or (B) judgment, order or decree, in each case, applicable to such Stockholder or his, her or its properties or assets. No consent, approval, order or authorization of, or registration, declaration or filing with, any Governmental Authority is required by or with respect to such Stockholder in connection with the execution and delivery of this Agreement by such Stockholder, the consummation by such Stockholder of the transactions contemplated by this Agreement or the compliance by such Stockholder with the provisions of this Agreement, except for (1) filings under the HSR Act and any other applicable competition, merger control, antitrust or similar law, (2) filings with the Securities and Exchange Commission ("SEC") and (3) such other consents, approvals, orders, authorizations, registrations, declarations and filings the failure of which to be obtained or made individually or in the aggregate would not impair in any material respect the ability of such Stockholder to perform his, her or its obligations under this Agreement.

(b) Subject Shares. The Stockholder is the record and/or beneficial owner of, or is trustee of a trust that is the record holder of, and whose beneficiaries are the beneficial owners of, and the Stockholder or such trust has good and marketable title to, the Subject Shares

set forth opposite his, her or its name on **Schedule A** attached hereto, free and clear of any Liens. For the avoidance of doubt, the shares of capital stock of the Company set forth on **Schedule B** hereto under the column "Shares Potentially Transferred" shall not be subject to this Agreement. Other than as set forth on **Schedule A** and **Schedule B** hereto, such Stockholder does not own (of record or beneficially) or have the right to vote any (i) shares of capital stock of the Company or voting securities of the Company or (ii) securities of the Company convertible into or exchangeable for shares of capital stock or voting securities of the Company. Such Stockholder (individually or, where applicable, jointly with other Stockholders who are parties hereto) has the sole right to vote, Transfer (as defined in Section 2(c)) and demand appraisal rights and sole power to agree to all of the matters set forth in this Agreement in each case with respect to all of such Subject Shares. None of such Subject Shares is subject to any voting trust or other agreement, arrangement or restriction with respect to the voting or the Transfer of such Subject Shares that would in any way limit the ability of such Stockholder to perform his, her or its obligations under this Agreement.

(c) Pending and Threatened Actions. There is no action, suit, investigation, complaint or other proceeding pending against any such Stockholder or, to the knowledge of such Stockholder, threatened against such Stockholder that restricts or prohibits (or, if successful, would restrict or prohibit) the exercise by Parent of its rights under this Agreement or the performance by any party of its obligations under this Agreement.

(d) Finders' Fees. Except as provided in the Merger Agreement, no broker, investment banker, financial advisor or other person is entitled to any broker's, finder's, financial adviser's or other similar fee or commission in connection with the transactions contemplated by the Merger Agreement or this Agreement based upon arrangements made by or on behalf of such Stockholder.

(e) Reliance. Such Stockholder understands and acknowledges that Parent and Merger Sub are entering into the Merger Agreement in material reliance upon such Stockholder's execution and delivery of this Agreement and the agreements, representations and warranties of such Stockholder contained herein.

2. Covenants of each Stockholder. Each Stockholder, severally and not jointly, agrees as follows:

(a) At any meeting of the stockholders of the Company called to vote upon the Merger Agreement, the Merger or any of the other transactions contemplated by the Merger Agreement, or at any postponement or adjournment thereof, or in any other circumstances upon which a vote, consent, adoption or other approval (including by written consent solicitation) with respect to the Merger Agreement, the Merger or any of the other transactions contemplated by the Merger Agreement is sought, such Stockholder shall (i) when a meeting is held, appear at such meeting or otherwise cause the Subject Shares to be counted as present thereat for the purpose of establishing a quorum, and respond to each request by the Company or Parent for written consent, if any, and (ii) vote (or cause to be voted) all the Subject Shares of such Stockholder (owned of record or beneficially) in favor of, and consent to (or cause to be consented to), the approval of (A) the Merger Agreement, the Merger and each of the other transactions contemplated by the Merger Agreement, in each case whether or not the Board of

Directors of the Company recommends such approval, and (B) any "golden parachute" compensation agreements and understandings subject to Section 14A(b)(1) of the Securities Exchange Act of 1934.

(b) At any meeting of the stockholders of the Company and at any postponement or adjournment thereof or in any other circumstances upon which a vote, consent, adoption or other approval (including by written consent solicitation) is sought, such Stockholder shall (i) when a meeting is held, appear at such meeting or otherwise cause the Subject Shares to be counted as present thereat for the purpose of establishing a quorum, and respond to each request by the Company or Parent for written consent, if any, and (ii) vote (or cause to be voted) all the Subject Shares of such Stockholder (owned of record or beneficially) against, and not consent to (and cause not to be consented to), any of the following (or any agreement to enter into, effect, facilitate or support any of the following): (A) any merger agreement or merger involving the Company or other Acquisition Proposal (other than the Merger Agreement and the Merger), or other proposal, action or transaction involving the Company or any of its Stockholders, which amendment or other proposal, action or transaction could reasonably be expected to prevent or impede or interfere or delay the consummation of the Merger or the other transactions contemplated by the Merger Agreement or the consummation of the transactions contemplated by this Agreement, (B) any change in the Company's present capitalization or dividend policy or any amendment or other change to the Company's Certificate of Incorporation or Bylaws, or (C) any proposal for any recapitalization, reorganization, liquidation, dissolution, amalgamation, merger, sale of assets or other business combination between the Company and any other Person (other than the Merger), in each case whether or not the Board of Directors of the Company recommends approval of such proposal, action or transaction (collectively, "Frustrating Transactions").

(c) Such Stockholder shall not (i) sell (constructively or otherwise), transfer, pledge, assign, hypothecate, grant, encumber, gift, tender into any tender or exchange offer or otherwise dispose of (whether by sale, merger, consolidation, liquidation, dissolution, dividend, distribution or otherwise) (collectively, "Transfer"), or consent to or permit any Transfer of, any Subject Shares or any interest therein, or enter into any Contract, option or other arrangement with respect to the Transfer (including any profit sharing or other derivative arrangement) of any Subject Shares or beneficial ownership or voting power thereof or therein, to any Person other than pursuant to this Agreement or the Merger Agreement, unless prior to any such Transfer the transferee of such Subject Shares enters into a voting agreement with Parent on terms substantially identical to the terms of this Agreement, (ii) enter into any voting arrangement, whether by proxy, voting agreement or otherwise, in connection with, directly or indirectly, any Acquisition Proposal or Frustrating Transaction with respect to any Subject Shares, other than pursuant to this Agreement, or (iii) knowingly take any action that would make any representation or warranty of such Stockholder contained herein untrue or have the effect of preventing or disabling such Stockholder from performing its obligations under this Agreement; provided, however, prior to the consummation of the Merger, Craig E. LaBarge may Transfer record ownership of the shares set forth on **Schedule C** hereto, in accordance with the transfer description set forth on Schedule C hereto, provided and only to the extent that Craig E. LaBarge remains the beneficial owner of such shares following such Transfer. In the event of a Transfer in violation of this provision, such Stockholder shall instruct the Company that such Transfer shall be void. Such Stockholder understands and agrees that if such Stockholder attempts to

Transfer, vote or provide any other person with the authority to vote any of the Subject Shares, other than in compliance with this Agreement, such Stockholder shall instruct the Company to not, (i) permit any such Transfer on its books and records, (ii) issue a new certificate representing any of the Subject Shares or (iii) record any such vote unless and until such Stockholder shall have complied with the terms of this Agreement.

(d) Such Stockholder hereby consents to and approves the actions taken by the Board of Directors of the Company in approving the Merger Agreement and this Agreement, the Merger and the other transactions contemplated by the Merger Agreement. The Stockholder hereby waives, and agrees not to exercise or assert, any appraisal, dissenters' or similar rights under Section 262 of Delaware Law or other applicable law in connection with the Merger.

(e) In the event that a Stockholder acquires record or beneficial ownership of, or the power to vote or direct the voting of, any additional securities of the Company or other voting interests with respect to the Company, such securities or voting interests shall, without further action of the parties, be subject to the provisions of this Agreement, and the number and kind of Subject Shares held by such Stockholder set forth on **Schedule A** hereto will be deemed amended accordingly and such securities or voting interests shall automatically become subject to the terms of this Agreement. Such Stockholder shall promptly notify Parent and the Company of any such event.

(f) Prior to the Termination Date (as defined below), such Stockholder shall not, and shall not authorize or permit to the extent applicable any of its Subsidiaries or any of its or their respective directors, officers, employees, investment bankers, financial advisors, attorneys, accountants and other advisors, agents and representatives, directly or indirectly, to:

(i) solicit, initiate, endorse, encourage or facilitate any inquiry, proposal or offer with respect to, or the making or completion of, any Acquisition Proposal, or any inquiry, proposal or offer that is reasonably likely to lead to any Acquisition Proposal;

(ii) enter into, continue or otherwise participate in any discussions or negotiations regarding, or furnish to any Person any information or data with respect to, or otherwise cooperate in any way with, any Acquisition Proposal;

(iii) execute or enter into any agreement constituting or relating to any Acquisition Proposal, or approve or recommend or propose to approve or recommend any Acquisition Proposal or any Contract constituting or relating to any Acquisition Proposal (or authorize, propose or agree to do any of the foregoing actions); or

(iv) make, or in any manner participate in, a "solicitation" (as such term is used in the rules of the SEC) of proxies or powers of attorney or similar rights to vote, or seek to advise or influence any Person with respect to the voting of shares of capital stock of the Company intending to facilitate any Acquisition Proposal or cause stockholders of the Company not to vote to approve the Merger or any other transaction contemplated by the Merger Agreement.

(g) Such Stockholder will immediately cease and cause to be terminated all existing discussions or negotiations with any Person conducted heretofore with respect to any of the matters described in Section 2(f) above.

3. Grant of Irrevocable Proxy; Appointment of Proxy.

(a) Each Stockholder hereby irrevocably grants to, and appoints, Parent and Anthony J. Reardon, Joseph P. Bellino and James S. Heiser, in their respective capacities as officers or authorized representatives of Parent, and any individual who shall hereafter succeed to any such office of Parent, and each of them individually, and any individual designated in writing by any of them, as such Stockholder's irrevocable proxy and attorney-in-fact (with full power of substitution), for and in the name, place and stead of such Stockholder, to vote all of such Stockholder's Subject Shares (owned of record or beneficially), or grant a consent or approval in respect of such Subject Shares, (i) in favor of the approval of the Merger Agreement and the approval of the terms thereof and of the Merger and each of the other transactions contemplated by the Merger Agreement, (ii) against any Acquisition Proposal or any Frustrating Transaction and (iii) otherwise in accordance with Section 2 of this Agreement. The proxy granted in this Section 3 shall expire upon the termination of this Agreement. Such Stockholder understands and acknowledges that Parent is entering into the Merger Agreement in material reliance upon such Stockholder's execution and delivery of this Agreement.

(b) Each Stockholder, severally and not jointly, represents that any proxies heretofore given in respect of such Stockholder's Subject Shares are not irrevocable, and such Stockholder hereby revokes all such proxies.

(c) Each Stockholder hereby affirms that the irrevocable proxy set forth in this Section 3 is given in connection with the execution of the Merger Agreement, and that such irrevocable proxy is given to secure the performance of the duties of the Stockholder under this Agreement. Such Stockholder hereby further affirms that the irrevocable proxy is coupled with an interest and may under no circumstances be revoked except as provided herein. Such irrevocable proxy is executed and intended to be irrevocable in accordance with the provisions of Section 212 of Delaware Law.

4. No Inconsistent Agreements. Each Stockholder hereby covenants and agrees that, except as contemplated by this Agreement, such Stockholder (a) has not entered into, and shall not enter into at any time prior to the Termination Date, any voting agreement or voting trust with respect to any Subject Shares and (b) has not granted, and shall not grant at any time prior to the date of termination of this Agreement, a proxy or power of attorney with respect to any Subject Shares, in either case, that is inconsistent with such Stockholder's obligations pursuant to this Agreement.

5. Further Assurances. Each Stockholder shall take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other parties in doing, all things reasonably necessary, proper or advisable to consummate and make effective the transactions contemplated by this Agreement. No Stockholder shall commit or agree to take any action that would in any way limit the ability of such Stockholder to perform his, her or its obligations under this Agreement. Without limiting the generality of the foregoing, each

Stockholder shall, from time to time, execute and deliver, or cause to be executed and delivered, such additional or further consents, documents and other instruments as Parent may request for the purpose of effectuating the matters covered by this Agreement, including the grant of the proxies set forth in Section 3.

6. Additional Matters. Each Stockholder agrees that this Agreement and the obligations hereunder shall attach to such Stockholder's Subject Shares and shall be binding upon any Person to which legal or beneficial ownership of, or voting rights in respect of, such Subject Shares shall pass, whether by operation of law or otherwise, including such Stockholder's heirs, devisees, guardians, administrators, or permitted successors or assigns, and each Stockholder further agrees to take all actions reasonably necessary to effectuate the foregoing. In the event of any stock split, stock dividend, reclassification, merger, reorganization, recapitalization or other change in the capital structure of the Company affecting the capital stock of the Company, the number and kind of Subject Shares listed on **Schedule A** hereto opposite the name of each Stockholder shall be adjusted appropriately.

7. Assignment. Neither this Agreement nor any of the rights, interests or obligations under this Agreement shall be assigned, in whole or in part, by operation of law or otherwise, by either a Stockholder or Parent without the prior written consent of the other party. Any purported assignment in violation of this Section 7 shall be null and void. Subject to the preceding sentences of this Section 7, this Agreement shall be binding upon, inure to the benefit of and be enforceable by, the parties hereto and their respective permitted successors and assigns.

8. Termination. This Agreement shall terminate upon the earlier of (i) the Effective Time, (ii) the End Date and (iii) the termination of the Merger Agreement in accordance with its terms; provided that the provisions set forth in Section 10, 11, and 13-15 shall survive the termination of this Agreement; provided further, that any liability incurred by any party hereto as a result of a breach of a term or condition of this Agreement prior to such termination shall survive the termination of this Agreement. Nothing in this Section 8 shall relieve or otherwise limit the liability of any party for breach of this Agreement prior to the termination of this Agreement.

9. General Provisions.

(a) Amendments. This Agreement is between each Stockholder and Parent severally and not jointly and may not be amended except by an instrument in writing signed by Parent and such amending Stockholder. Any such amendment shall be effective only as to Parent and such amending Stockholder.

(b) Notice. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed given if delivered personally, telecopied (with confirmation) or sent by overnight or same-day courier (providing proof of delivery) to Parent in accordance with Section 11.01 of the Merger Agreement and to the Stockholders at their respective addresses set forth on **Schedule A** hereto (or at such other address for a party as shall be specified by like notice).

(c) Interpretation. When a reference is made in this Agreement to a Section or a Schedule, such reference shall be to a Section of, or a Schedule to, this Agreement unless otherwise indicated. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation." The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The term "or" is not exclusive. The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms. References herein to the masculine, feminine or neuter gender shall include all genders. Any agreement or instrument defined or referred to herein or in any agreement or instrument that is referred to herein means such agreement or instrument as from time to time amended, modified or supplemented. References to a Person are also to his, her or its permitted successors and assigns.

(d) Counterparts; Effectiveness. This Agreement may be executed in counterparts (including by facsimile or by PDF file), all of which shall be considered one and the same agreement. This Agreement shall become effective by a Stockholder against Parent when one or more counterparts have been signed by Parent and delivered to such Stockholder. This Agreement shall become effective against any Stockholder when one or more counterparts have been executed by such Stockholder and delivered to Parent. Each party need not sign the same counterpart. The effectiveness of this Agreement shall be conditioned upon the execution and delivery of the Merger Agreement by each of the parties named therein as a party thereto.

(e) Entire Agreement; No Third-Party Beneficiaries. This Agreement (including the documents and instruments referred to herein) (i) constitutes the entire agreement and supersedes all prior and contemporaneous agreements and understandings, both written and oral, among the parties hereto with respect to the subject matter of this Agreement and (ii) is not intended to confer upon any Person other than the parties hereto and their respective successors and permitted assigns any rights or remedies.

(f) Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE, WITHOUT REGARD TO ANY PRINCIPLES OF CONFLICTS OF LAWS OF SUCH STATE.

(g) Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible to the fullest extent permitted by applicable law in an acceptable manner and to the end that the transactions contemplated hereby are fulfilled to the extent possible.

(h) Voidability. If prior to the execution hereof, the Board of Directors of the Company shall not have duly and validly authorized and approved by all necessary corporate

action, this Agreement, the Merger Agreement and the transactions contemplated hereby and thereby, so that by the execution and delivery hereof Parent or Merger Sub would become, or could reasonably be expected to become, an "interested Stockholder" with whom the Company would be prevented for any period pursuant to Section 203 of Delaware Law from engaging in any "business combination" (as such terms are defined in Section 203 of Delaware Law), then this Agreement shall be void and unenforceable until such time as such authorization and approval shall have been duly and validly obtained.

(i) Waiver. No failure or delay of any party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such right or power, or any course of conduct, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the parties hereunder are cumulative and are not exclusive of any rights or remedies which they would otherwise have hereunder. Any agreement on the part of a party to any such waiver shall be valid only if set forth in a written instrument executed and delivered by such party.

10. Enforcement. The parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached for which a monetary remedy would be inadequate. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in any federal court located in the State of Delaware or any Delaware state court, in addition to any other remedy to which they are entitled at law or in equity. Each of the parties hereby further waives (a) any defense in any action for specific performance that a remedy at law would be adequate and (b) any requirement under any law to post security as a prerequisite to obtaining equitable relief.

11. Submission to Jurisdiction. The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in the Delaware Court of Chancery or, if such court shall not have jurisdiction, any federal court sitting in Delaware, so long as one of such courts shall have subject matter jurisdiction over such suit, action or proceeding, and that any cause of action arising out of this Agreement shall be deemed to have arisen from a transaction of business in the State of Delaware, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that he, she or it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing, each party agrees that service of process on such party as provided in Section 9(b) of this Agreement shall be deemed effective service of process on such party.

12. Stockholder Capacity. No Person executing this Agreement who is or becomes during the term hereof a director or officer of the Company makes any agreement or

understanding herein in his or her capacity as such director or officer. Each Stockholder signs solely in his or her capacity as the record holder and beneficial owner of, or the trustee of a trust whose beneficiaries are the beneficial owners of, such Stockholder's Subject Shares and nothing herein shall limit or affect any actions taken or proposed to be taken by a Stockholder, or any partner, employee, agent or representative of a Stockholder, in his or her capacity as an officer or director of the Company, including in connection with engaging in actions permitted under Section 6.02 of the Merger Agreement.

13. WAIVER OF JURY TRIAL. EACH OF THE PARTIES TO THIS AGREEMENT HEREBY IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

14. No Presumption Against Drafting Party. Each of the parties to this Agreement acknowledges that he, she or it has been represented by counsel in connection with this Agreement and the transactions contemplated by this Agreement. Accordingly, any rule of law or any legal decision that would require interpretation of any claimed ambiguities in this Agreement against the drafting party has no application and is expressly waived.

15. Confidentiality. Each Stockholder agrees (a) to hold any non-public information regarding this Agreement and the Merger in strict confidence and (b) except as required by law or legal process not to divulge any such non-public information to any third Person.

16. Disclosure. Each Stockholder hereby authorizes Parent and the Company to publish and disclose in any announcement or disclosure required by the SEC and in the Company Proxy Statement such Stockholder's identity and ownership of the Subject Shares and the nature of such Stockholder's obligations under this Agreement.

Signature Pages Follow

IN WITNESS WHEREOF, Parent has caused this Agreement to be signed by its officer thereunto duly authorized and each Stockholder has signed this Agreement, all as of the date first written above.

DUCOMMUN INCORPORATED

By: /s/ Anthony J. Reardon
Name: Anthony J. Reardon
Title: President and Chief Executive Officer

[Signature page of the Stockholders follow]

IN WITNESS WHEREOF, the undersigned Stockholders have signed this Agreement, all as of the date first written above.

/s/ Craig E. LaBarge
Craig E. LaBarge

/s/ Randy L. Buschling
Randy L. Buschling

/s/ Donald H. Nonnenkamp
Donald H. Nonnenkamp

/s/ William D. Bitner
William D. Bitner

/s/ Teresa K. Huber
Teresa K. Huber

/s/ John R. Parmley
John R. Parmley

/s/ Larry LeGrand
Larry LeGrand

/s/ John G. Helmkamp, Jr.
John G. Helmkamp, Jr.

Schedule A

Stockholder	Address	Shares Subject to Voting Agreement
Craig E. LaBarge	#1 Fordyce Lane St. Louis, MO 63124	1,214,454
Randy L. Buschling	905 Prairie View Ct. Washington, MO 63090	192,453
Donald H. Nonnenkamp	708 Havenwood Circle St. Louis, MO 63122	124,851
William D. Bitner	18810 Timberlake Dr. Claremore, OK 74017	16,602
Teresa K. Huber	1009 Wagner Ct. Harrison City, PA 15636	38,454
John R. Parmley	5424 Rose Bud Circle Joplin, MO 64804	48,834
Larry LeGrand	c/o Plancorp LLC 540 Maryville Center Dr. Suite 105 St Louis, MO 63141 Attn: Lawrence J LeGrand	1,116,321
John G. Helmkamp, Jr.	4900 Manitou Trail Godfrey, IL 62035	336,685

Schedule B

	Shares Currently Held	Shares Potentially Transferred	Shares Subject to Voting Agreement
Dorothy LeGrand	5,000	(5,000)	0
Pierre LaBarge GST Exempt Trust FBO Denise L. LaBArge	193,746	(13,000)	180,746
Pierre LaBarge GST Exempt Trust FBO Marie A. Miller	193,746	(13,000)	180,746
Pierre LaBarge GST Exempt Trust FBO Jon L. LaBarge	193,747	(13,000)	180,747
Pierre LaBarge GST Exempt Trust FBO Pierre L. LaBarge III	193,746	(13,000)	180,746
Pierre LaBarge GST Exempt Trust FBO Craig E. LaBarge	212,754	(13,000)	199,754
Pierre LaBarge GST Exempt Trust FBO Mark J. LaBarge	193,746	(13,000)	180,746
Pierre LaBarge Non GST Exempt Trust FBO Marie A. Miller	7,836		7,836
	1,194,321	(83,000)	1,111,321

Schedule C

Stockholder	Shares to be Transferred
Craig E. LaBarge Trust U/A DTD 7/10/1996	256,944(1)
Craig E. LaBarge LaBarge Inc. Retirement Savings Plan (401k)	231,854(2)

(1) Certain shares to be transferred to Charitable Remainder Trust prior to the consummation of the Merger with Craig E. LaBarge maintaining voting power over such shares

(2) Shares to be withdrawn from LaBarge, Inc. Retirement Savings Plan 401(k) plan and reissued in the individual name of Craig E. LaBarge prior to the consummation of the Merger with Craig E. LaBarge maintaining voting power over such shares

FOR IMMEDIATE RELEASE

Ducommun to Acquire LaBarge

Transaction Transforms Company into Leading EMS Provider

LOS ANGELES, California (April 4, 2011) - Ducommun Incorporated (NYSE: DCO) today announced that it has entered into a definitive agreement to acquire all outstanding stock of LaBarge, Inc. (AMEX: LB). LaBarge, with revenue of $324 million for the twelve months ended January 2, 2011, is a widely recognized supplier of electronics manufacturing services (EMS) operating across many high-growth industries. The acquisition will nearly double Ducommun's revenue base, improve the Company's position as a Tier 2 leader in both aerostructures and electronics, and bring access to new customers and markets.

Pursuant to the terms of the definitive agreement, Ducommun will acquire all issued and outstanding shares of LaBarge at $19.25 per share in cash for a total purchase price of approximately $340 million, including the assumption of LaBarge's outstanding debt ($30 million as of January 2, 2011). The closing of the transaction is subject to the approval of LaBarge shareholders and certain other customary conditions, including expiration of applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976. Once completed, LaBarge will be combined with the Company's Ducommun Technologies (DTI) subsidiary and renamed Ducommun LaBarge Technologies, under the leadership of LaBarge's current chief operating officer, Randy Buschling. Based on management's assumptions, the transaction is expected to be accretive to Ducommun's earnings in the full year 2012.

"This is one of the most strategically significant moves Ducommun has ever made, one which will transform our Company into a larger, stronger entity focused on serving our customers in aerostructures and electronics," said Anthony J. Reardon, president and chief executive officer of Ducommun. "LaBarge is a leading supplier of critical electronics systems and subsystems for the aerospace and defense, industrial, energy and medical markets, with a compatible corporate culture, excellent management team, and outstanding workforce. Noted for having deep, long-term relationships with its customers, LaBarge also provides high-end engineering and design support, prototyping, program management, and testing.

- more -

"The acquisition solidifies Ducommun as a premier Tier 2 provider of both structural and electronic assemblies. By adding LaBarge to Ducommun Technologies, we will form one of the largest global aerospace and defense providers of EMS for high margin, low volume/high mix applications. We look forward to this next, exciting stage of our development."

In connection with the acquisition, Ducommun has fully committed debt financing provided by certain affiliates of UBS Investment Bank and Credit Suisse.

UBS Investment Bank is acting as the exclusive financial advisor to Ducommun in the acquisition of LaBarge.

Conference Call

A teleconference hosted by Anthony J. Reardon, the Company's president and chief executive officer, and Joseph P. Bellino, the Company's vice president and chief financial officer, will be held today, April 4, 2011 at 10:00 AM ET (7:00 AM PT) to discuss the LaBarge transaction and strategic rationale. To participate in the teleconference, please call 800-299-7928 (International 617-614-3926) approximately ten minutes prior to the conference time stated above. The participant passcode is 81970257. Mr. Reardon and Mr. Bellino will be speaking on behalf of the Company and anticipate the presentation and Q&A period to last approximately 45 minutes.

This call is being webcast by Thomson/CCBN and can be accessed directly at the Ducommun Incorporated website at www.ducommun.com. Conference call replay will be available after that time at the same link or by dialing 617-801-6888, passcode 48073359. The webcast is also being distributed over Thomson/CCBN's Investor Distribution Network to both institutional and individual investors. Individual investors can listen to the call through Thomson/CCBN's individual investor center at www.earnings.com or by visiting any of the investor sites in Thomson/CCBN's Individual Investor Network. Institutional investors can access the call via Thomson/CCBN's password-protected event management site, StreetEvents (www.streetevents.com).

About Ducommun Incorporated

Founded in 1849, Ducommun Incorporated provides engineering and manufacturing services to the aerospace and defense industry. The company is a supplier of critical components and assemblies for commercial aircraft, military aircraft, and missile and space programs through its three business units: Ducommun AeroStructures (DAS), Ducommun Technologies (DTI), and Miltec. Additional information can be found at www.ducommun.com.

CONTACT: Joseph P. Bellino
Vice President and Chief Financial Officer
(310) 513-7211

or

Chris Witty
Investor Relations
(646) 438-9385 / cwitty@darrowir.com

Certain statements contained in this press release regard matters that are not historical facts and are forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, as amended, and the rules promulgated pursuant to the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended. Such statements include statements regarding the proposed acquisition of LaBarge, including but not limited to statements regarding benefits of the acquisition, as well as statements regarding the proposed financing of the acquisition. Because such forward-looking statements contain risks and uncertainties, actual results may differ materially from those expressed in or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to: (1) the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement or voting agreement; (2) the outcome of any legal proceedings that have been or may be instituted against LaBarge and/or Ducommun and others following announcement of the merger agreement; (3) the inability to complete the merger due to the failure to obtain stockholder approval or the failure to satisfy other conditions to the completion of the merger, including the expiration of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act 1976, as amended; (4) the failure to obtain the necessary debt financing arrangements set forth in commitment letters received in connection with the merger; (5) the interest rate on any borrowings incurred to finance the acquisition and operations of Ducommun and its subsidiaries following the acquisition; (6) risks that the proposed transaction disrupts current plans and operations and the potential difficulties in employee retention as a result of the merger; (7) difficulties integrating LaBarge's business, operations and employees into Ducommun's business and operations; (8) the inability to recognize the benefits of the merger, including any potential synergies, growth, cost savings or accretive value; (9) the method of accounting for the acquisition; (10) the inability to maintain current customer and supplier relationships following the merger; (11) the amount of the costs, fees, expenses and charges related to the merger and the actual terms of certain financings that will be obtained for the merger; and (12) the impact of the indebtedness incurred to finance the consummation of the merger. The businesses of Ducommun and LaBarge are also subject to a number of risks as described in the SEC filings of Ducommun and LaBarge, copies of which may be obtained by contacting the investor relations departments of each company via their websites www.ducommun.com and www.labarge.com. Many of the factors that will determine the outcome of the subject matter of this press release are beyond Ducommun's or LaBarge's ability to control or predict. Ducommun undertakes no obligation to release publicly the results of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Additional Information and Where to Find It

In connection with the proposed merger, LaBarge will file a proxy statement with the SEC. When completed, a definitive proxy statement and a form of proxy will be mailed to the stockholders of LaBarge. LABARGE'S STOCKHOLDERS ARE URGED TO READ THE PROXY STATEMENT WHEN IT BECOMES AVAILABLE BECAUSE IT WILL CONTAIN IMPORTANT INFORMATION ABOUT THE MERGER. LaBarge's stockholders will be able to obtain, without charge, a copy of the proxy statement (when available) and other relevant documents filed by LaBarge with the SEC from the SEC's website at www.sec.gov or the investor relations section of LaBarge's website at www.labarge.com, or by written request to LaBarge, Inc., c/o Corporate Secretary, 9900 Clayton Road, St. Louis, MO 63124.

Ducommun and LaBarge and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from LaBarge's stockholders with respect to the proposed merger. Information about Ducommun's directors and executive officers is set forth in Ducommun's 2011 proxy statement on Schedule 14A filed with the SEC on March 29, 2011 and its Annual Report on Form 10-K for the year ended December 31, 2010, filed with the SEC on February 22, 2011. Information about LaBarge's directors and executive officers, including their ownership of LaBarge Common Stock, is set forth in LaBarge's 2010 proxy statement on Schedule 14A, filed with the SEC on October 18, 2010. Investors may obtain additional information regarding the interests of the participants in the proposed merger, which may be different than those of LaBarge's stockholders generally, by reading the proxy statement and other relevant documents regarding the proposed merger, when filed with the SEC.

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DUCOMMUN INC.
LaBarge Acquisition Conference Call

Moderator: Chris Witty
April 4, 2011
10:00 am EST

Operator: Good day ladies and gentlemen and welcome to a special conference call to review Ducommun's recently-announced agreement to acquire LaBarge, Incorporated. At this time, all participants are in a listen-only mode. Following management's prepared remarks we'll hold a Q&A session.

To ask a question, please press star followed by 1 on your touch-tone phone. If anyone has difficulty hearing the conference, please press star zero for operator assistance.

As a reminder, this conference is being recorded today, April 4th, 2011. I would now like to turn the conference over to the moderator, Chris Witty.

Moderator (Chris): Thank you and welcome everybody. With me today is Tony Reardon, Ducommun's President and CEO, and Joe Bellino, Vice President and CFO. Our conference call today will include a presentation that is available on Ducommun's website at www.ducommun.com.

I would now like to provide a brief Safe Harbor statement...

This conference call may include forward-looking statements that represent the Company's expectations and beliefs concerning future events that involve risks and uncertainties and may cause the Company's actual performance to be materially different from the performance indicated or implied by such statements.

All statements other than statements of historical facts included in this conference call are forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. Important factors that could cause actual results to differ materially from the Company's expectations are disclosed in this conference call and in the Company's Annual Report and Form 10-K for the fiscal year ended December 31, 2010.

All subsequent written and oral forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by the cautionary statements. Unless otherwise required by law, the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise after the date of this conference call.

IN ADDITION, PLEASE REVIEW THE SPECIFIC DISCLOSURES ON PAGE 1 OF THE PRESENTATION AS RELATES TO THE TRANSACTION BETWEEN DUCOMMUN AND LABARGE.

I'd like to turn it over now to Ducommun's President and CEO, Tony Reardon. Tony?

Tony Reardon - President & Chief Executive Officer:

Thank you, Chris, and hello everyone. We are very excited to have this call to discuss our pending acquisition of LaBarge. This truly is a transformational event for Ducommun, creating an entity with approximately $730 million in sales. It will be the largest acquisition Ducommun has ever made and brings us closer to our vision of becoming a leading Tier-2 provider of manufacturing services in both aerostructures and electronic assemblies.

Beginning with slide 2, let me start by answering the obvious question – Why LaBarge? The acquisition of LaBarge will nearly double the size of Ducommun and significantly strengthen our Ducommun Technologies unit. As Joe Bellino and I have said to investors many times, we see strategic acquisitions as an important part of our overall growth plan. Acquisitions enhance our customer relationships and bolster our organic growth. But we said we would be prudent in what we look for, as there needs to be the right cultural and technological fit, along with the requisite attractive returns, to justify the process of acquiring a business and dedicating ourselves to its successful integration.

We believe the acquisition of LaBarge has the potential to be a home run for us on all fronts. Joe will talk about the transaction economics in a minute, but let me stress what this will do for our Ducommun Technologies subsidiary.

The combined business will be one of the largest electronics manufacturing services (or EMS) provider dedicated to the aerospace and defense market, focused on higher margin, low volume, high mix applications. These are customized, complex, mission-critical products. This will also expand Ducommun's value-added services by including engineering and design, program management, and aftermarket support. LaBarge will broaden our existing A&D platforms and add access to new, high growth programs, allowing for substantial cross-selling opportunities for current customers as well as new ones. The strategic fit couldn't be better. Both companies have a similar business approach and corporate culture, and the name LaBarge is well known and respected across the industrial landscape. LaBarge has an excellent management team and an outstanding workforce.

Overall, the acquisition will increase our market opportunities in growth sectors, add to our technological capabilities, improve Ducommun's long-term margin profile, and result in a broader customer base. The transaction is expected it to be earnings accretive in the full year 2012, as Joe will review in a moment.

Turning to Slide 3, LaBarge, founded in 1953, is a proven leader in electronics manufacturing for customers in a diverse group of markets, with sole source capabilities. One of LaBarge's areas of expertise, as I mentioned a moment ago, is in the high margin, high-mix, low-volume manufacturing of custom, complex, high-reliability, mission-critical products. As of January 2, 2011, LaBarge had run-rate sales of approximately $324 million, and its revenue has grown, on average, 14% annually over the past decade. The company also boasts an EBITDA margin of 12%. LaBarge is broadly based across a number of growth

industries and key, Tier-1 OEMs including Raytheon, Boeing, GE, Owens Illinois, and United Technologies.

Slide 4 highlights LaBarge's portfolio of products including circuit boards, wiring systems, sophisticated electronics, and a variety of assemblies and subassemblies for high performance applications. With its strong management team, LaBarge has rapidly built itself into a leading niche provider of electronic manufacturing services since its founding. The company's gross margins have ranged between approximately 19% and 22% over the past five years.

As shown on Slide 5, LaBarge's end-markets include the aerospace & defense, industrial, natural resources and medical fields. From missile systems to electronic test equipment and respiratory care devices, the company has a firm footing in a variety of growth markets. By combining LaBarge with Ducommun Technologies, we will bolster our A&D offerings while fueling expansion by opening up new industries and cross-selling opportunities.

This is clearly shown on Slide 6. As you can see, the combined company will operate across a diverse set of businesses and platforms. A significant shift in overall segment mix will occur, with 63% of the new entity comprised of Ducommun LaBarge Technologies. This unit will have more exposure to highly engineered products and services and be led by a senior team of individuals from both entities, with LaBarge's chief operating officer, Randy Buschling, serving as senior vice president of the division. And while our traditional aerospace and defense business will continue to account for the largest market segment — approximately 75% of the combined company — we will now be able to leverage our capabilities to take part in other fast-growth industries such as wind power, industrial test equipment, and medical devices. The portion of our total business in defense will also be reduced to 50% from around 60% today, balancing our portfolio.

Turning to Slide 7, we believe there are significant cross-selling opportunities between our two organizations from a customer perspective. The combined entity, with approximately $730 million in run-rate revenue at the end of 2010, serves a large list of blue chip OEMs and strengthens our existing relationships with the likes of Boeing, Northrop Grumman, and Raytheon. In addition, Ducommun will open up new avenues in commercial aerospace for LaBarge's existing product lines while, at the same time, we will gain access to non-aerospace & defense customers such as American Superconductor and Owens Illinois, providing increased opportunities within the energy and industrial sectors. We believe these end-markets may experience strong growth over the next five years.

Slide 8 illustrates the complementary nature of LaBarge's products and services with those of Ducommun Technologies. We will now be able to expand on our capabilities and provide a full portfolio of electronic subassemblies, components, and systems at a time when such products are becoming ever more important to automation, flight controls, and energy management. We view this as increasing our target market and increasing the attractiveness of our offerings, leading to both higher growth and stronger margins. The transaction also solidifies Ducommun as the largest provider of airborne and ground-based non-OEM radar manufacturing support services in the U.S.

As an example of how our product portfolio will be bolstered, Slide 9 shows how both companies have significant capabilities on the Black Hawk — which is also Ducommun's largest military platform. LaBarge provides overhead panel assemblies, harnesses, and circuit card assemblies for this important customer, strengthening existing products sold through both Ducommun Technologies and Ducommun Aerostructures. As our investors know, the Black Hawk is one of the most robust military platforms, currently with four variants, and Sikorsky has a firm backlog from the U.S. Army for approximately 1,200 aircraft, with a run-rate

of around 140 per year. We continue to see this program as a very important part of our future.

Similarly, for the Joint Strike Fighter, we will be able to offer a broader array of products and technologies with the primary goal of becoming a reliable Tier-2 partner of higher-end assemblies. We see a great deal of promise and opportunity as the combined organization brings more value to these customers and markets going forward.

I will now hand it over to Joe Bellino, our Vice President and Chief Financial Officer, to talk about the transaction mechanics. Joe?

Joe Bellino - Vice President & Chief Financial Officer:

Thank you, Tony, and good day everybody. I'm really pleased to talk about this exciting acquisition. As Slide 10 indicates, the overall transaction value will be approximately $340 million, with an offer price of $19.25 a share in cash – representing a 22% premium over the last 90 trading days. Closing is expected by the end of June after regulatory approvals and a vote by the LaBarge stockholders.

The transaction value implies a multiple of approximately 8.7x LTM EBITDA, excluding synergies, and the acquisition is expected to be accretive in the full year 2012, excluding the impact of transaction expenses and assuming current debt market conditions.

Given the strategic fit between the two companies, we are expecting to generate run-rate cost synergies of approximately 2% of LaBarge revenue, spread over a variety of areas including manufacturing efficiencies, corporate overhead, component sourcing, and improved customer penetration.

Let me expand on this by saying that we have a proven track record of business integration. Our last major acquisition of DynaBil, in 2008, demonstrates Ducommun's ability to acquire and quickly integrate companies that can propel our company forward. We expect LaBarge to be an even bigger contributor than DynaBil but one focused on growing Ducommun Technologies instead of our aerostructures business. To that end, we plan to create a joint integration team and lay out a detailed timetable to combine our two entities and create the synergies previously mentioned. In so doing, we will utilize best practices in both organizations — and we know LaBarge to be an excellent resource in terms of manufacturing efficiencies, CRM, and supply chain management.

In addition to this cross-fertilization of best practices, we will, as Tony previously mentioned, aggressively look for cross-selling opportunities and insourcing of components. For example, Ducommun buys a large number of printed circuit boards and assemblies annually, many of which could be switched to LaBarge. Conversely, LaBarge buys certain components for its Black Hawk overhead cockpit panels that could be sourced from Ducommun. These are just a couple simple examples of the powerful benefits of combining our operations, but we see many, many areas where — working together — we can grow the business and improve our financial results.

Turning to Slide 11, we show how we are financing the acquisition …

We are planning to raise approximately $390 million of debt consisting of a new Secured Term Loan of $190 million and $200 million of new Senior Notes, to complete this acquisition. The debt proceeds will go towards the equity purchase price of approximately $310 million; repayment of the existing debt of both companies of $34 million; and funding the combined expenses and fees, leaving excess cash of roughly $15 million on our balance sheet. In addition, we will have a $40 million revolver in place at closing.

We have received committed debt financing from UBS and Credit Suisse for the acquisition.

Pro forma for the transaction, our net debt/LTM Adjusted EBITDA, including investments in new programs as of 12/31/2010 and reflecting first-year synergies, is expected to be 4.0x. Given our expected growth in EBITDA and the historically strong free-cash-flow-generating ability of both Ducommun and LaBarge, we will be focused on reducing this ratio going forward.

With that, I'd like to turn the call back over to Tony.

Tony Reardon - President & Chief Executive Officer

Thanks, Joe. Before turning the call over to questions, let me review some highlights of this transaction. As shown on Slide 12, we firmly believe that LaBarge is an excellent strategic fit for Ducommun. We are acquiring a premier electronics manufacturing platform and adding substantial capabilities that will mesh well with our own. We believe LaBarge is an organization that, combined with Ducommun Technologies, has the potential of becoming an even greater business — creating value for our stockholders while bringing Ducommun an exceptional customer base and broad industrial presence. We see this as a key part of our expansion strategy, one which will result in faster growth, higher margins, and less cyclicality. As always, we will do everything we can to merge the operations seamlessly and provide for the best long-term returns for our investors.

I'd be remiss if I didn't commend teams from LaBarge and Ducommun for the work they have done during what was a robust due diligence period. Individuals from both companies have contributed greatly to this process and will be an important part of our success going forward, so I sincerely thank all parties involved.

We look forward to a very exciting time in the months ahead, in which a new Ducommun takes another step in its evolution in becoming a leading Tier-2 supplier of advanced electronics and aerostructure assemblies. We are combining companies with similar cultures to be a better partner to our customers and provide better returns to our shareholders.

I’d now like to open it up for any questions anybody may have. Operator?

Exhibit 99.3

Ducommun
Acquisition of LaBarge

April 4, 2011

Ducommun Incorporated

Forward-Looking Statements/Additional Information

Forward-Looking Statements

Certain statements contained in this press release regard matters that are not historical facts and are forward-looking statements within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, as amended, and the rules promulgated pursuant to the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended. Such statements include statements regarding the proposed acquisition of LaBarge, including but not limited to statements regarding benefits of the acquisition, as well as statements regarding the proposed financing of the acquisition. Because such forward-looking statements contain risks and uncertainties, actual results may differ materially from those expressed in or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to: (1) the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement or voting agreement; (2) the outcome of any legal proceedings that have been or may be instituted against LaBarge and/or Ducommun and others following announcement of the merger agreement; (3) the inability to complete the merger due to the failure to obtain stockholder approval or the failure to satisfy other conditions to the completion of the merger, including the expiration of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act 1976, as amended; (4) the failure to obtain the necessary debt financing arrangements set forth in commitment letters received in connection with the merger; (5) the interest rate on any borrowings incurred to finance the acquisition and operations of Ducommun and its subsidiaries following the acquisition; (6) risks that the proposed transaction disrupts current plans and operations and the potential difficulties in employee retention as a result of the merger; (7) difficulties integrating LaBarge’s business, operations and employees into Ducommun’s business and operations; (8) the inability to recognize the benefits of the merger, including any potential synergies, growth, cost savings or accretive value; (9) the method of accounting for the acquisition; (10) the inability to maintain current customer and supplier relationships following the merger; (11) the amount of the costs, fees, expenses and charges related to the merger and the actual terms of certain financings that will be obtained for the merger; and (12) the impact of the indebtedness incurred to finance the consummation of the merger. The businesses of Ducommun and LaBarge are also subject to a number of risks as described in the SEC filings of Ducommun and LaBarge, copies of which may be obtained by contacting the investor relations departments of each company via their websites www.ducommun.com and www.labarge.com. Many of the factors that will determine the outcome of the subject matter of this press release are beyond Ducommun’s or LaBarge’s ability to control or predict. Ducommun undertakes no obligation to release publicly the results of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Additional Information

In connection with the proposed merger, LaBarge will file a proxy statement with the SEC. When completed, a definitive proxy statement and a form of proxy will be mailed to the stockholders of LaBarge. LABARGE’S STOCKHOLDERS ARE URGED TO READ THE PROXY STATEMENT WHEN IT BECOMES AVAILABLE BECAUSE IT WILL CONTAIN IMPORTANT INFORMATION ABOUT THE MERGER. LaBarge’s stockholders will be able to obtain, without charge, a copy of the proxy statement (when available) and other relevant documents filed by LaBarge with the SEC from the SEC’s website at www.sec.gov or the investor relations section of LaBarge’s website at www.labarge.com, or by written request to LaBarge, Inc., c/o Corporate Secretary, 9900 Clayton Road, St. Louis, MO 63124.

Ducommun and LaBarge and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from LaBarge’s stockholders with respect to the proposed merger. Information about Ducommun’s directors and executive officers is set forth in Ducommun’s 2011 proxy statement on Schedule 14A filed with the SEC on March 29, 2011 and its Annual Report on Form 10-K for the year ended December 31, 2010, filed with the SEC on February 22, 2011. Information about LaBarge’s directors and executive officers, including their ownership of LaBarge Common Stock, is set forth in LaBarge’s 2010 proxy statement on Schedule 14A, filed with the SEC on October 18, 2010. Investors may obtain additional information regarding the interests of the participants in the proposed merger, which may be different than those of LaBarge’s stockholders generally, by reading the proxy statement and other relevant documents regarding the proposed merger, when filed with the SEC.

DCO LISTED NYSE

Acquiring LaBarge: A Transformational Event

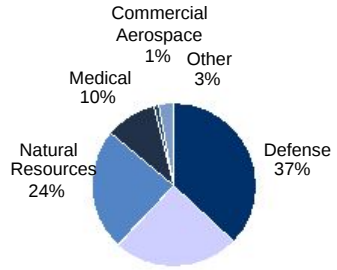
- Strengthens Ducommun's market position as a significant Tier 2 supplier for both structural and electronic assemblies
- Creates platform for Ducommun Technologies as a leading global A&D provider of Electronics Manufacturing Services (EMS) for low volume/high mix applications
- Excellent strategic fit that broadens Ducommun's customer base and brings market diversification
- Bolsters growth profile and long-term operating margins
- Acquisition of a premier franchise, adding substantial technical capabilities in highly-compatible corporate culture with an excellent management team and outstanding workforce
- Transaction expected to be accretive to earnings in full year 2012 while maintaining financial flexibility

LaBarge at a Glance

- A proven leader in electronics manufacturing services to customers in a diverse group of markets
- Expertise in high-mix, low-volume manufacture of custom, complex, high-reliability, mission-critical products
- Broad range of capabilities in electronics and interconnects to electro-mechanical and high-end final assemblies
- Extensive value-added services, such as engineering and design, program management and aftermarket support

- Headquarters – St. Louis, MO
- Founded in 1953
- Employees – Approximately 1,600
- FYE – June 30, based on 52-week fiscal year
- LTM Revenue (1/2/11) – $324 million
- LTM EBITDA (1/2/11) – $39 million
- LTM EBITDA Margin (1/2/11) – 12%

LTM End Market Revenue Mix



Source: LaBarge public filings as of 1/2/11

Customer Overview

Aerospace & Defense

Industrial

Natural Resources

Medical

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A Full Service EMS Provider

Broad Based Specialized Capabilities

Interconnect Systems

Printed Circuit Card Assemblies

Higher-Level Assemblies

Systems Integration

Leading Provider of Niche Electronics Manufacturing Services (EM

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LaBarge Market Diversification

Defense

- Missile systems
- Radar systems
- Aircraft applications
- Shipboard systems

Industrial

- Glass container manufacturing systems
- Electronic test equipment
- Semiconductor capital equipment

Natural Resources

- Wind power generation systems
- Oilfield services equipment
- Mine automation
- Agricultural applications

Medical

- Surgical systems
- Patient monitoring and therapy devices
- Respiratory care devices
- Biodecontamination equipment

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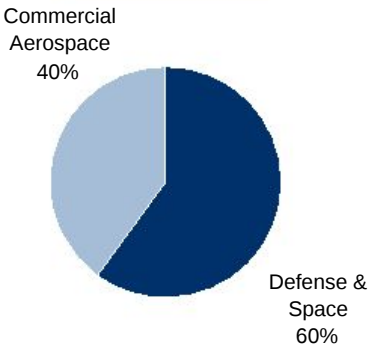
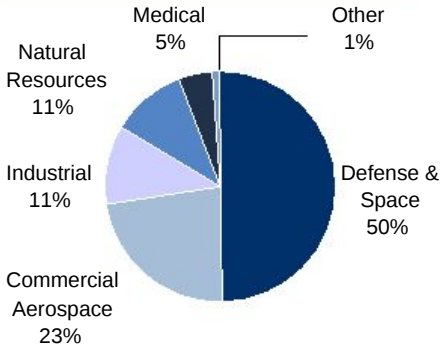
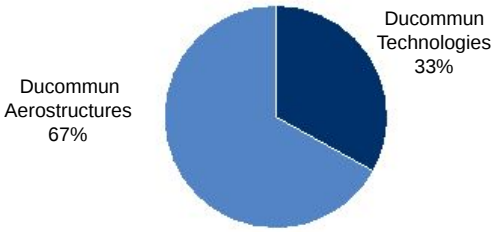
Broadens Industry Focus and Product Portfoli

Ducommun Revenue

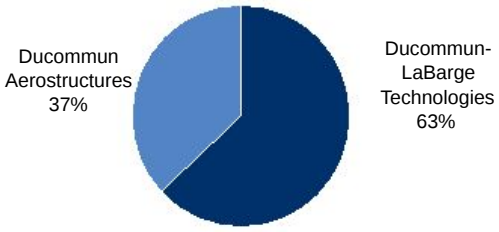


Ducommun/LaBarge Pro Forma Revenue





CY 2010 Sales = $408mm
CY 2010 EBITDA = $44mm
CY 2010 Margin = 10.7%



CY 2010 Sales = $732mm
CY 2010 EBITDA = $83mm
CY 2010 Margin = 11.3%

Source: Ducommun and LaBarge public filings

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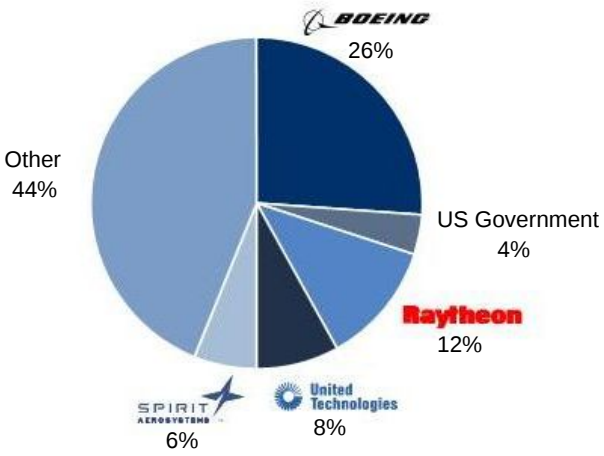
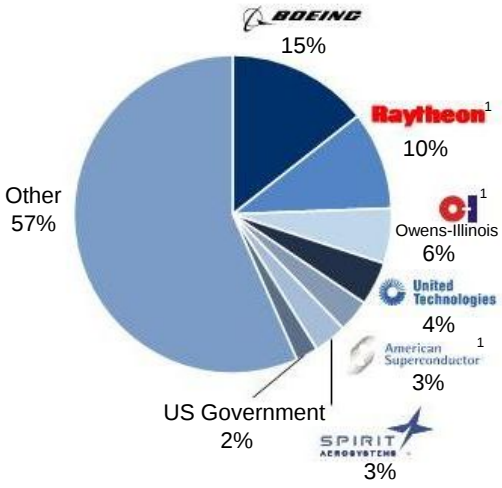
Diversified, Blue-Chip Customer Base

Ducommun Revenue



CY 2010 Sales:
$408 million

Ducommun/LaBarge Pro Forma Revenue



CY 2010 PF Sales:
$732 million

Significant Customer Cross-Selling Opportunities

Source: Ducommun public investor presentation and LaBarge public filings
Note:
1 Based on LaBarge FY 2010 revenue

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Acquisition Builds DCO's Technology Products

Ducommun Incorporated

Integrated Electronic Assemblies

Wiring Harness

Temperature Control Interconnect Systems

Display Systems / EMS Assemblies

Display Panels

Raytheon AESA Radar Rack

Advanced Microwave Switches

Microwave Transfer Switch

Microwave Multi Position Switch

High Performance Motors & Resolvers

Resolver

Stepper Motors

LaBarge inc

Interconnect Systems

Multi-Branched Harness

High-Flexibility Molded Gimbal Cable

PCB Assemblies

Military Radar Systems

Factory Automation

Higher Level Assemblies

RF & Digital Assembly

Complex Wired Chassis

Systems Integration

Quality Systems

Testing Capabilities

High Synergy Potential

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Increased Content on Growing A&D Platforms

Expansion of Current Platforms

UH-60 Black Hawk

Ducommun Incorporated

- Firewalls
- Window assemblies
- Hellfire rack
- Door assemblies
- Erosion shields /leading edge for rotary wings
- Exhaust ducts

LaBarge Inc

- Overhead panel assemblies
- Circuit card assemblies and coaxial cables
- Cockpit and airframe harnesses

F-35 Joint Striker Fighter

Ducommun Incorporated

- Engine ducts

LaBarge Inc

- Cable harnesses
- Circuit card assemblies
- Power supplies

Transaction Overview

- Ducommun's purchase price per LaBarge share: $19.25
- Total enterprise value paid for business: ~$340 million, excluding transaction and financing fees
- Total purchase price multiple for business: enterprise value/CY 2010 EBITDA of 8.7x
- Anticipate generation of annual pre-tax savings and synergies of approximately 2% of LaBarge run-rate revenue
- Total cost of transaction, including all transaction and financing fees, ~$370 million
- Transaction is expected to be accretive to earnings in full year 2012
- Acquisition is forecast to increase Ducommun's:
  - EBITDA Margins
  - Cash flow from operations
- ***Closing expected 2Q 2011***

Sources and Uses

Sources

	($mm)
Senior Secured Term Loan	190.0
Senior Notes	200.0
TotalSources	**390.0**

Uses

	($mm)
Purchase of 100% of LaBarge Equity	310.3
Refinance Ducommun and LaBarge Debt	33.5
New Cash on Balance Sheet	14.7
Transaction and Financing Fees	31.5
TotalUses	**390.0**

Notes:
1 Reflects balance sheets as of 12/31/2010 for Ducommun and 1/2/2011 for LaBarge
2 Ducommun will have access to a $40 million revolving credit facility upon closing
3 Represents transaction and financing fees for Ducommun and LaBarge

Committed Financing Structure in Place to Support the Transactio

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In Summary: A Great Strategic Fit

Increases Overall Electronics Manufacturing Service Nature of Portfolio	■ Creates a leading provider of low-volume/high-mix custom, complex, high reliability mission-critical services and products to the A&D industry ■ Expands Ducommun's value-added service offerings including engineering and design, program management ■ Ability to offer complete system integration services to a broader customer base
Expansion of Ducommun's Existi Technology Produc Portfolio	■ Creates platform for Ducommun Technologies as the largest non-OEM A&D EMS provider for radar rack solutions ■ Complements Ducommun Technologies' existing integrated electronics assembly product offerings ■ High level of commonality between products
End-Market Diversification & A& Platform Expansio	■ Creates a full service EMS provider with highly specialized capabilities ■ Expands existing A&D platforms and adds access to new high growth programs ■ Diversification of customer base and expands growth opportunities
Creates Significant Synergy Opportuniti	■ Corporate cost synergies ■ Supply chain and operational improvements

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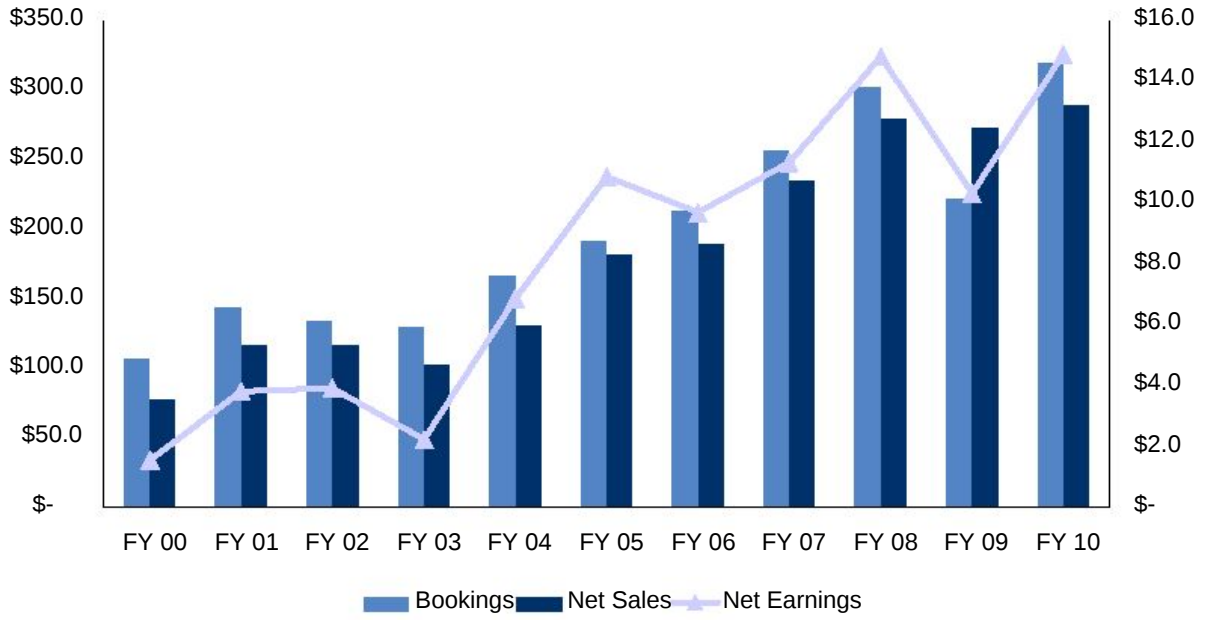
Appendix

LaBarge: A Decade of Solid Growth

Bookings, Sales & Earnings – Last 10 Years

(dollars in millions)



Note: Fiscal year ends on June 30

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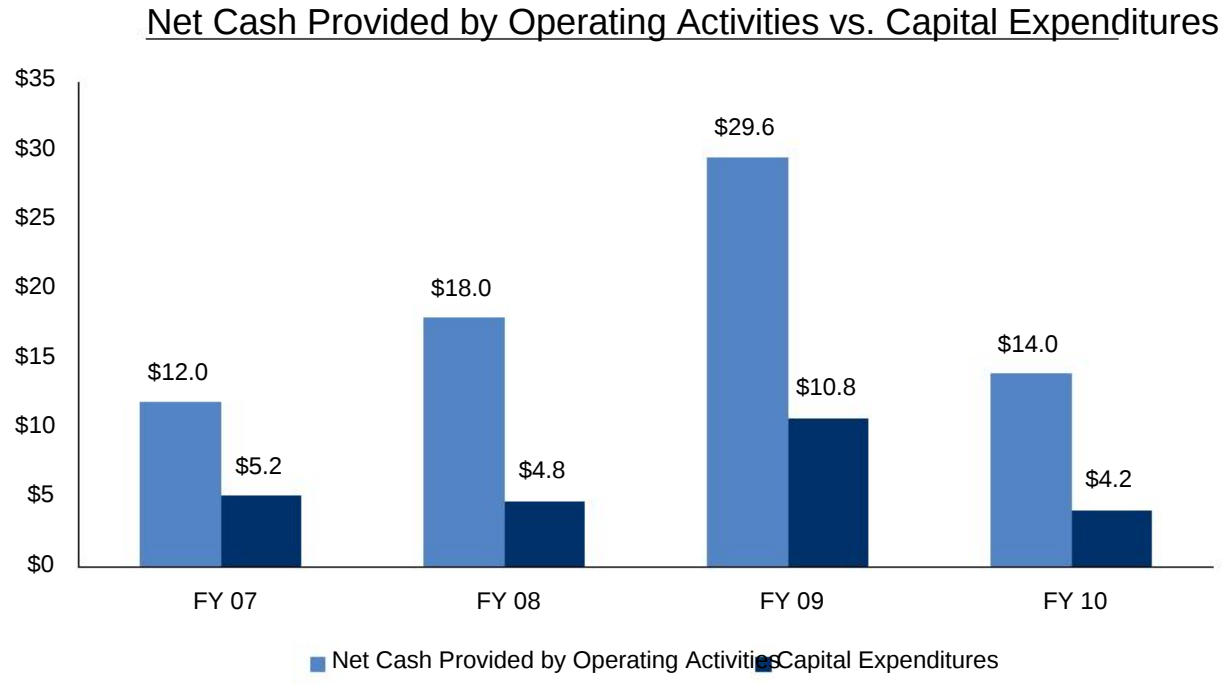
LaBarge Cash Flow Averages $18M Annually



Note: Fiscal year ends on June 30; net cash provided by operating activities averaged $18 million from FY07 through FY10

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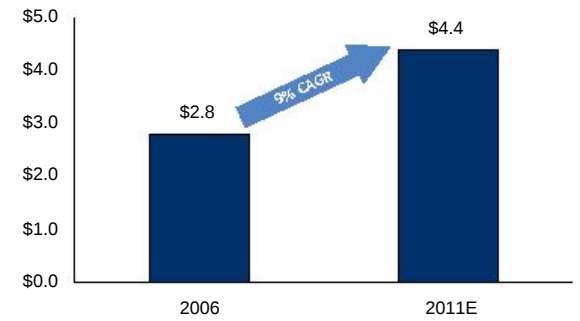
Overall Growth in EMS

Defense EMS Growth (2006–2011E)

($ in billions)

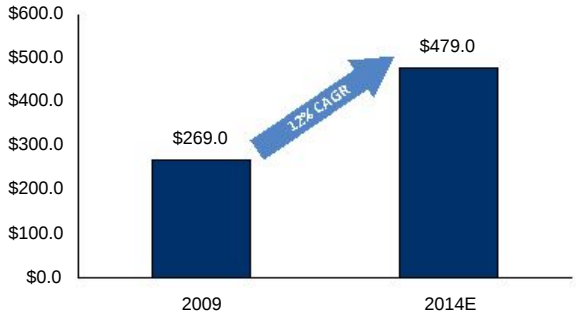


- $2.8bn in 2006 to $4.4bn by 2011
- Significant opportunity to penetrate sector not historically served well by EMS providers
- Reduces total manufacturing costs in increasingly complex systems
- Enables primes to focus on core systems expertise

Source: Technology Forecasters

Overall Market Size and Growth

($ in billions)



- $269bn in 2009 to $479bn by 2014
- OEMs are becoming increasingly comfortable using EMS partners for complete system manufacturing
- Outsourcing will continue to drive market growth

Source: IPC Market Research

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Acquisition Pro Forma Capitalization

Actual and Pro Forma Capitalization as of 12/31/10

($mm, unless noted)	Ducommun (12/31/10)	Capitalization (%)	Adjusted Cum. EBITDA Multiple (x)	Adjusted Pro Forma (12/31/10)	Capitalization (%)	Adjusted Cum. EBITDA Multiple[3] (x)
Cash	10.3			27.4		
Revolving Credit Facility[1]	–	–	–	–	–	–
Promissory Notes[2]	3.3	1.3	0.1	–	–	–
New Senior Secured Term Loan	–	–	0.1	190.0	29.7	2.1
New Senior Notes	–	–	0.1	200.0	31.3	4.3
Net Debt	(7.0)	–	Net Cash	362.6	–	4.0
Total Book Equity	254.2	98.7		249.4	39.0	
Total Book Cap	**257.5**	**100.0**		**639.4**	**100.0**	

Notes:
1 Upon close of the transaction, Ducommun will have a new revolving credit facility of $40mm
2 Related to the acquisition of DynaBil Industries
3 Pro forma 12/31/2010 EBITDA including year-one synergies and adjusted for start-up costs in new product development programs

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Established 1849

Ducommun Incorporated