

RELEASE AND TERMINATION AGREEMENT

MADE THIS day of June, 2011, to be effective as of June 3, 2011 (the "Effective Date"), by and among SOCKETLABS, INC., a Pennsylvania corporation, (the "Company"), and MANAGED FUSION, L.L.C., a Pennsylvania limited liability company, and NICHOLAS BERARDI, an adult individual (collectively, the "Contractor").

RECITALS:

WHEREAS, Company and Contractor are parties to a certain Agreement, dated January 29, 2010, (the "Software Agreement"), relating to ownership rights of various software as more fully described therein; and

WHEREAS, Company and Contractor are parties to a certain Confidentiality Agreement, dated October 26, 2009, (the "Confidentiality Agreement"), relating to the protection and preservation of certain confidential and proprietary information belonging to Company, as more fully described there; and

WHEREAS, from approximately October 26, 2009 to June 3, 2011, Contractor provided various services to Company as an independent contractor pursuant to one or more verbal agreements (collectively, the Independent Contractor Agreement"); and

WHEREAS, the Company and the Contractor wish to terminate their business relationship, and to confirm and define their respective future mutual obligations as more fully set forth herein;

NOW THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, other good and valuable consideration, the receipt and adequacy of which is acknowledged, and intending to be legally bound, the parties agree as follows:

1. Termination of Software Agreement. As of the Effective Date, the Software Agreement shall terminate and shall no longer have any force or effect, except for paragraphs 2, 4, 6, 7, 8, 9, 11 and 12 thereof, which by its terms shall survive and remain in full force and effect.

2. Termination of Independent Contractor Agreement. As of the Effective Date, the verbal Independent Contractor Agreement shall terminate and shall no longer have any force or effect without any further rights of remuneration by the Company to the Contractor except as may be otherwise provided for herein.

3. Survival of Confidentiality Agreement. The parties understand, acknowledge and agree that the Confidentiality Agreement remains in full force and effect pursuant to the terms thereof.

4. Payment to Contractor. Contractor acknowledges that Company has no obligation to make any payments whatsoever to Contractor except for any unbilled or unpaid invoices for services rendered under the Independent Contractor Agreement prior to the Effective Date. Notwithstanding the foregoing, in consideration for the ongoing obligations of Contractor as set forth herein, Company shall pay Contractor the following sums:

a. Five Thousand Two Hundred Dollars (\$5,200.00) to be mailed to Contractor on or before July 5, 2011.

b. Provided that Contractor has complied in all material respects with his obligations under this Agreement and the Confidentiality Agreement, Five Thousand Two Hundred Dollars (\$5,200.00) to be mailed to Contractor on or before August 12, 2011.

c. All payments hereunder shall be mailed by regular U.S. mail addressed to Contractor at XXXXXXXXXXXXXXXXXXXX (redacted because it was my address).

5. Continuing Obligations of Contractor. In addition to the obligation of Contractor to abide by the terms of the Confidentiality Agreement and the surviving provisions of the Software Agreement, and in consideration for the payment set forth in paragraph 4:

a. For a period of sixty (60) days from the date of execution of this Agreement, Contractor shall fully and promptly cooperate with Company to resolve any technical problems related to any work performed by Contractor under the Independent Contractor Agreement, including but not limited to the provision to Company of any passwords, security codes or other access information.

b. At or before execution of this Agreement, Contractor shall securely return to Company all property belonging to Company, including without limitation any and all keys, equipment, telephones, log files, software code and Confidential Information (as defined in the Confidentiality Agreement”) and any other property belonging to Company which is required to be returned pursuant to the Confidentiality Agreement or as a matter of law.

c. At or before execution of this Agreement, Contractor shall securely destroy any remaining copies of any Confidential Information (as defined in the Confidentiality Agreement”) in Contractor’s possession or control which may exist in any form. Contractor’s execution of this Agreement shall constitute confirmation by Contractor that he has fully and completely complied with the terms of this paragraph 5c, as well as all terms of the Confidentiality Agreement.

d. Within fifteen (15) days from the date of execution of this Agreement, Contractor shall provide to Company in writing an updated, complete and final schedule listing of all Category B and/or Category C Software, as defined by and required to be maintained pursuant to the Software Agreement.

6. Company References. In response to any inquiries to Company regarding Contractor’s services pursuant to the Independent Contractor Agreement, Company shall state

only that Contractor performed services to Company as an independent contractor from approximately October 26, 2009 to June 3, 2011, and Contractor worked under the direct supervision of John Alessi, Company's President.

7. Contractor's Release of Company. In consideration for the payment set forth in paragraph 4, and intending to be legally bound, Contractor promises, agrees and generally releases as follows:

Except as to such rights or claims as may be created by this Agreement, and upon payment of the consideration set forth above which Contractor acknowledges constitutes good and valuable consideration to which it would not otherwise be entitled, Contractor hereby releases, remises, acquits and forever discharges Company, its officers, directors, employees, agents, attorneys, servants and/or former employees, individually and in their representative capacities, and their respective successors and assigns, heirs, executors, administrators and personal representatives, from all manner of actions and causes of actions, suits, debts, dues, accounts, bonds, controversies, sums of money, covenants, reckonings, contracts, torts, promises, agreements, judgments, claims, demands and liabilities of any kind or nature whatsoever at law or in equity, whether known or unknown, asserted or unasserted, especially including, but not limited to any and all claims for compensation, commission, benefits, damages, expenses, wages, severance pay, vacation pay, fringe benefits, reinstatement, reemployment, emotional distress or other monies or accountings, including punitive damages, liquidated damages, exemplary damages or compensatory damages, physical, mental or emotional distress, pain and suffering, back pay, front pay, severance pay, pension and/or health or medical benefits for herself, expert witness costs, costs and attorneys' fees, and any other legal or equitable relief of or relating to Contractor's business relationship with Company or termination thereof, or which could be asserted in the future or any other cause, reason, matter or thing whatsoever from the beginning of the world to the date of this Agreement, or which did, could or should have arisen or have been alleged or stated in any complaint or charge, or which could have been or was instituted, filed or otherwise processed or started before, with, or to any state or federal court or any federal, state or local agency which he ever had, now has or which his immediate family, heirs, executors, administrators, successors or assigns, trustees, or any of them, hereafter can, shall or may have for, or by reason of any cause, matter or thing whatsoever, whether known or unknown, from the beginning of the world to the date of the execution of this Agreement. The aforesaid release also includes, but is not limited to any causes or claims as might arise under or through any federal or state constitutions, public policy, statutes, regulations or policies or any other federal or state law, statute, decision, order, policy or regulation, including but not limited to the Age Discrimination in Employment Act of 1967, the Older Workers' Benefit Protection Act, Pennsylvania Human Relations Act, the Civil Rights Act of 1866, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Americans with Disabilities Act, Equal Pay Act, the Family Medical Leave Act, the United States or Pennsylvania constitutions, the Pennsylvania Worker's Compensation Act, the Pennsylvania Unemployment Compensation Act, the Pennsylvania Wage Payment and Collection Law and any amendments to any of these Acts, any federal, state and local statute or law relating to hours, wages, and other terms and conditions of employment, or fair employment practices, or other employment discrimination laws, any other federal, state, or local statute, or any other cause of action, referring or concerning discrimination on account of age, race, sex, religion, national

origin, handicap or color, the Fair Standards Act, the state and/or federal Equal Pay Act, any wage and hour laws of the Commonwealth of Pennsylvania, or any of the counties, cities, or other subdivisions, any federal, state or local Civil Rights and/or Human Relations/Discrimination Acts, Fair Employment codes or laws or labor codes, any Vocational or Rehabilitation or Handicap Act, statute or regulation, Contractors Retirement Income Security Acts of 1974 (ERISA), Consolidated Omnibus Budget Reconciliation Act (COBRA), Occupation Safety and Health Act, and amendments to any and all of these Acts, any other health, medical, insurance, pension, profit sharing, or fringe benefit related statute, law or rule, workers compensation laws, the common law, any criminal laws or codes, civil codes, constitutions, action in tort or wrongful discharge or breach of contract, or breach of covenant of good faith and fair dealing, or express or implied public policy of the United States, Commonwealth of Pennsylvania, or any other state.

8. Miscellaneous Provisions.

a. Confidentiality/Non-Disparagement. Company and Contractor agree that they will not materially and adversely interfere with each other's business affairs, including, without limitation, making false or disparaging remarks either orally or in writing concerning each other or their respective affairs. Company and Contractor further represent and agree that the terms, amounts and facts of this Agreement, as well as any information disclosed by either of them in the negotiations leading to this Agreement shall remain completely confidential, and shall not be disclosed by either of them, directly or indirectly, personally or by agency, to anyone, including but not limited to any past, present or future employers of Contractor, any media person, or any other persons. In response to any inquiries to Company and Contractor, their respective counsel, or any of their representatives concerning the status of any matter covered by this Agreement, the response will be given that the parties have resolved amicably any differences they have had, and where necessary and appropriate, it will be stated that the parties reached a settlement which by its terms must remain confidential.

The parties acknowledge and agree that this confidentiality provision is an essential element of this Agreement, and if they, or any of their agents should violate this confidentiality provision, the non-disclosing party shall be entitled to full recourse at law or in equity for any damages actually suffered as a result of such violation. This paragraph shall not apply to any disclosure in legal proceeding to enforce the rights or obligations contained in this agreement, or to any disclosure required by law or by order of a court of competent jurisdiction, provided, however, that such disclosure shall be pursuant to an Order protecting its confidentiality.

b. Successors and Assigns. This Agreement shall extend to, be binding upon, and inure to the benefit of the parties hereto and their respective heirs, representatives, successors and assigns.

c. Severance. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable to any extent, the validity of the remaining parts, terms or provisions of this Agreement shall not be affected thereby, and such illegal or invalid part, term or provision shall be deemed not to be part of this Agreement. The

remaining provisions shall nevertheless survive and continue in full force and effect without being invalidated in any way.

d. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, and there are no warranties, representations or other agreements between the parties hereto in connection with the subject matter hereof except as set forth specifically herein or contemplated hereby.

e. Amendments. No supplement, modification or waiver of this Agreement shall be binding unless executed in writing by the parties hereto.

f. Governing Law. This Agreement shall in all respects be interpreted, enforced and governed under the laws of the Commonwealth of Pennsylvania, without regard to the conflict of law provisions thereof.

g. Interpretation. The parties acknowledge and agree that:

(1) the rule of construction to the effect that any ambiguities are resolved against the drafting party shall not be employed in the interpretation of this Agreement; and

(2) the provisions and terms of this Agreement shall be construed fairly as to all parties and not strictly in favor or against any party regardless of which party was generally responsible for the preparation of this Agreement.

h. Counterparts; Facsimile Execution. This Agreement may be executed and exchanged by facsimile or other electronic form, and/or in any number of counterparts, each of which facsimile or electronic signature shall be deemed an original signature and each of which counterpart, when taken together, shall constitute one and the same agreement, and as such, shall be fully binding upon and enforceable against the parties.

i. Consultation with Counsel. Each party acknowledges and understands that upon execution and delivery hereof, this Agreement shall be legally and validly binding. Each party further acknowledges that he or it has been advised to consult with an attorney prior to signing this Agreement, and that he or it has, in fact, either consulted with independent counsel, and has discussed and understands the terms, conditions, obligations and consequences of this Agreement, or has waived the right to do so.

**THE REMAINDER OF THIS PAGE IS BLANK
SIGNATURE PAGE FOLLOWS**

IN WITNESS WHEREOF, and intending to be legally bound, the parties have executed this Agreement as of the date first above written.

Attest/Witness

SOCKETLABS, INC.

By: _____
JOHN ALESSI, Pres.

MANAGED FUSION, L.L.C.

By: _____
NICHOLAS BERARDI, Pres.

NICHOLAS BERARDI