# FORM 8-K

Current report filing

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## FILER

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# 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

Date of Report (date of earliest event reported): January 5, 2006 (December 29, 2005)

# OMNI U.S.A., INC.

(Exact Name of Registrant as Specified in Charter)

Nevada

(State of Other Jurisdiction of Incorporation)

| 0-17493 | 88-0237223 |
|---|---|
| (Commission File Number) | (I.R.S. Employer Identification Number) |
| 2236 Rutherford Road, Suite 107 - Carlsbad, California | 92008 |
| (Address of Principal Executive Offices) | (Zip Code) |

(760) 929-7500

(Registrant's Telephone Number, Including Area Code)

7502 Mesa Road, Houston, Texas 77028

(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)).

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**Section 1 — Registrant's Business and Operations**

**Item 1.01 Entry into a Material Definitive Agreement**

On December 29, 2005, Omni U.S.A., Inc., a Nevada corporation ("**we**" or "**Omni**"), our wholly-owned subsidiary Omni Merger Sub, Inc., a Michigan corporation ("**Merger Sub**"), Jeffrey Daniel and Edward Daniel entered into an Agreement and Plan of Merger (the "**Merger Agreement**") with Brendan Technologies, Inc., a Michigan corporation ("**Brendan**"), pursuant to which Merger Sub was merged with and into Brendan and Brendan became the surviving corporation in the merger and a wholly-owned subsidiary of Omni (the "**Merger**"). Brendan continued its corporate existence under the laws of the State of Michigan. The terms of the Merger were negotiated on an arm's length basis between Omni and Brendan.

Concurrently with the merger, 4,754,709 shares of Brendan common stock outstanding immediately before the Merger were converted into 19,018,836 shares of Omni common stock, a four for one ratio. Also concurrently with the merger, (i) 4,679,053 shares of Omni common stock were issued to the holders of Brendan Senior and Bridge Notes totaling $2,853,085 in aggregate principal and interest, a conversion rate of 1.64 shares per $1.00 under such debt; (ii) 250,000 shares of Omni common stock were issued to another Brendan note holder in exchange for a note with a principal balance of $125,000; and (iii) 900,000 shares of Omni common stock was issued to a consultant and as payment for outstanding indebtedness.

Common stock options and warrants exercisable into 973,500 shares of Brendan before the Merger are non exercisable for 3,894,000 common shares of Omni. The exercise price of the Omni stock options and warrants will be 25% of the exercise price of the Brendan stock options and warrants.

At the effective time of the merger, Omni appointed John Dunn II, Lowell Giffhorn, Theo Vermaelen and Steven Eisold to the Omni Board of Directors, and Jeffrey Daniel, Craig Daniel, Kevin Guan and Didi Duan resigned from the Omni Board of Directors. In addition, John Dunn II was appointed Chairman of the Board, President, Chief Executive Officer and Chief Technical Officer; Lowell Giffhorn was appointed Vice President and Chief Financial Officer; and George Dunn was appointed Vice President, Secretary and Chief Operating Officer of Omni. Jeffrey Daniel and Craig Daniel resigned from their positions as officers of Omni.

Concurrent with entering into the Merger Agreement, on December 29, 2005, we entered into a Stock Purchase Agreement ("**Stock Purchase Agreement**") with Jeffrey K. Daniel, Craig L. Daniel and Edward Daniel (the "**Daniels**") pursuant to which we sold to the Daniels all of the issued and outstanding shares of capital stock (the "**Subsidiary Shares**")of Omni U.S.A., Inc., a Washington corporation ("**Omni-Washington**") and Butler Products Corporation ("**Butler**"), each of which was previously a wholly-owned subsidiary, in exchange for a three-year promissory note due on December 29, 2008 in the amount of $672,000 (the "**Promissory Note**"). The company has assigned the Promissory Note to third parties for an aggregate amount of $400,000.

Prior to the transactions effected by the Stock Purchase Agreement and Merger Agreement, Omni-Washington and Butler constituted substantially all of our operations. Following the transactions effected by the Merger Agreement and the Stock Purchase Agreement, Brendan is now our sole wholly-owned subsidiary, and we conduct all our operations through Brendan.

The sale of the Subsidiary Shares occurred immediately after the Merger. The terms thereof were negotiated on an arm's length basis between the Daniels and the Brendan representatives.

## DESCRIPTION OF THE BUSINESS

### Business Overview

Brendan was formed on November 1, 1997, under the laws of the State of Michigan as Brendan Technologies, Inc., and does business as Brendan Scientific Corporation. Through Brendan we design, develop and market computational analytical software products for the laboratory testing industry. Brendan's laboratory workflow and analysis software platform manages the raw, computed and analytical data in testing laboratories and in manufacturing.

Brendan evolved from the initial work of its founder John R. Dunn II, Ph.D., now our Chairman, President, Chief Executive Officer and Chief Technical Officer. Brendan's first commercialized product is StatLIA®, a software designed specifically for immunoassay testing. Since Dr. Dunn's early work on StatLIA® over nine years ago, StatLIA® has been developed with software engineers, mathematicians and laboratory professionals who specialize in laboratory testing. Over the past five years, StatLIA® has been used in laboratories, undergoing revisions and additions to further develop the product.

### StatLIA®

Immunoassays, one of the world's largest and fastest growing testing technologies, is used to test for metabolites found in AIDS, hepatitis, cancer, environmental pollutants, side effects of new drugs and thousands of other biological and environmental substances. Immunoassays are a broadly applicable technology allowing low cost, rapid analysis through high throughput testing. Immunoassays are used extensively in pharmaceutical, hospital, clinical reference, academic and industrial research, environmental, agricultural, food processing and veterinarian laboratories throughout the world.

StatLIA® uses comprehensive statistics to directly or indirectly analyze the performance of each of the nine immunoassay components (label, tracer, antibody, buffer, incubation, separation, standards, controls and unknowns). StatLIA® stores a fixed set of stable reference assays which are statistically compared to a single assay or multiple assays to detect changes in reagents or incubation conditions. With a reference set of at least two assays, standard curve and control specimen parameters in today's assay are statistically compared to the same parameter in the reference assays to identify any statistically significant differences.

StatLIA® is intended to address the following:

- *Insufficient Quality* - Error rates in Immunoassay testing is estimated to be as high as 4%. Testing errors and the inability to directly locate error sources is costly and time consuming. We believe that StatLIA® will reduce the error rates and enhance the tester's ability to locate the error source.

- *Lack of Automation* - Immunoassay testing is very labor intensive due to many manual steps in the processing, tracking and analysis of the data produced. With high throughput testing becoming the industry norm, the data needs to be managed with even greater efficiency. We believe that StatLIA® will reduce such labor costs.

- *Regulatory Compliance* - Federal regulations are placing increasing demands for compliance with the Food and Drug Administration's ("**FDA**") quality assurance regulations. We believe that StatLIA® will meet the growing need for automated software that can assist laboratories in complying with the regulation.

- *Need for Better Data Management* - Improved technologies have allowed greater automation in Immunoassay testing, increasing throughput volumes but requiring better connectivity and standardization for the management of the data generated. We believe that StatLIA® will address the need for greater connectivity and standardization.

Brendan first targeted the immunoassay market with StatLIA® because it is a fragmented and large market that may allow Brendan to sell its software to testing equipment distributors and original equipment manufacturers ("**OEM**s"), and earn a share of business from large organizations.

Users of StatLIA® include device and reagent manufacturers, pharmaceutical companies, clinical diagnostic centers and government testing laboratories. Distributors of StatLIA® include device and reagent manufacturers and their distributors, as well as Brendan's direct sales force.

**Customer Base**

Brendan has used most of its capital to date in the development of StatLIA® and the expansion of the program to encompass all of the differing immunoassay technologies and workflow configurations found in research and clinical laboratories. Existing customers who have used StatLIA® in laboratories include several large pharmaceutical companies, clinical diagnostic organizations, reagent manufacturers and research entities. This client base also serves as a source of revenue for additional instruments and workstations, and support and maintenance renewal fees.

Many of our institutional clients operate under rigorous FDA regulations, or the European equivalent, and the FDA requires that new software products be validated.

**Strategy**

*Industry Analysis*

Using data obtained from Morgan Stanley Dean Witter, Global Industry Analysts, and other published industry and marketing reports, and instrument manufacturer sales figures, we estimate this market to represent over $1 billion in revenue and does not include the food processing, agricultural, veterinarian, or the rapidly expanding environmental immunoassay markets. This also does not include software applications for other technologies. According to the Health Industry Manufacturer's Association, more than $50 billion in medical devices, diagnostic products and health information systems are currently purchased annually in the United States and more than $120 billion worldwide. This represents only the clinical market segment and not pharmaceutical, research, environmental and other segments.

Conventional laboratory software falls into two primary areas: laboratory management or instrumentation. Laboratory management software handles billing, report generation, and other administrative tasks. The software is not designed for complex technical computation. Software for the testing instruments operate as dedicated systems and is basically designed only to generate results. It is not designed for the complete statistical analysis and data management and record keeping requirements for pharmaceutical, clinical or research labs, nor is it designed to exist in a cooperative environment with other immunoassay instruments.

StatLIA® was introduced to meet this need, which we believe no other commercial software available meets. By using StatLIA® for their assay validation and documentation as well as standardizing on it as one uniform system throughout their organization, pharmaceutical companies may save substantial time and resources supplying the necessary documentation to get new drugs to market and clinical laboratories may increase productivity and reliability while reducing costs.

*Market*

We believe that through Brendan we have the opportunity to introduce a product to serve an under-served niche market: the software used in biomedical and non-biomedical testing laboratories. The testing industry generates more than $100 billion in revenues each year to run tests for drug development, medical diagnostics and treatments, water and soil samples, infectious disease research, food contaminants, and numerous other health and industry-critical applications.

Brendan has focused on the analytical segment of the market. This is the computation, storage and analysis of the raw signal data generated by a testing instrument. However, the majority of the software used to analyze these tests is a part of the instrument software that is provided by the instrument manufacturer. These routines do not provide all of the capabilities and are not as extensive as the data currently computed by StatLIA®.

StatLIA® allows laboratories to interface all of their immunoassay testing instruments into one uniform system. As one system, as compared to the more common system using several isolated testing instruments, the StatLIA® system can be easily interfaced to Brendan's main database for reporting patient results and recording clinical trial data, among other processes. The system also integrates into a laboratory's network, so that multiple computers can be used to prepare, compute, analyze and report all assay data, thereby increasing workflow. StatLIA®'s superior quality control process not only determines the accuracy of the test more reliably than the software currently available, but also pinpoints the specific cause of a problem in a bad test, dramatically reducing laboratory downtime and reagent costs.

*Competition*

Almost all immunoassay software is produced and sold by manufacturers bundled with their instruments. These programs are included to stimulate sales of their instruments and are not usually marketed as stand-alone products. Conventional laboratory software falls into two primary areas: laboratory management or instrumentation functionality. Laboratory management software handles billing, report generation and other administrative tasks. The software is not designed for complex technical computation. On the other hand, software for testing instruments operates as a dedicated system and is designed primarily to generate testing data. This software has limitations meeting the complete statistical analysis, data management, data utilization and record keeping demands of pharmaceutical, clinical or research labs, nor is it designed to exist in a cooperative environment with other testing instruments.

Prior to Brendan, we believe that no company has focused as extensively on the gap between instrument operational software and administrative LIM software. Brendan has worked with several industry-leading labs to develop StatLIA® and we believe that StatLIA® is a unique software product that surpasses any software currently available for this market.

To date, the majority of StatLIA® sales have been replacing existing OEM software on testing equipment. This software, bundled with the instruments, is Brendan's current main competition.

Existing equipment-specific software include Softmax, used for Molecular Device's microplate readers and KC4 used for BioTek Instrument's microplate readers. We believe instrument manufacturers are excellent prospects for distribution agreements to incorporate or bundle our software with their instruments.

**Employees**

Brendan currently has eight full time employees, one contract programmer, and three part time employees. Brendan has entered Employment Agreements with certain of its employees.

In November 2004, we entered into an employment agreement with our Chairman, President and Chief Executive Officer, John Dunn II, which expires on November 1, 2011. The employment agreement provides for an annual salary of $108,000. The agreement also provides that we may terminate the agreement with 30 days written notice if termination is without cause. Our obligation would be to pay Dr. Dunn monthly payments equal to his base salary for 24 months. In addition, all of Dr. Dunn's options would immediately vest. The agreement also provides that Dr. Dunn can terminate employment if we merge with or consolidates with another entity, or we are subject in any way to a transfer of a substantial amount of our assets, resulting in the assets, business or operations of ours being controlled by an entity or individual other than Brendan.

In November 2004, we entered into an employment agreement with our Vice President of Marketing and Chief Operating Officer, George Dunn, which expires on November 1, 2011. The employment agreement provides for an annual salary of $96,000. The agreement also provides that we may terminate the agreement with 30 days written notice if termination is without cause. Our obligation would be to pay Mr. Dunn monthly payments equal to his base salary for 24 months. In addition, all of Mr. Dunn's options would immediately vest. The agreement also provides that Mr. Dunn can terminate employment if we merge with or consolidates with another entity, or we are subject in any way to a transfer of a substantial amount of our assets, resulting in the assets, business or operations of ours being controlled by an entity or individual other than Brendan.

**Section 2 — Financial Information**

**Item 2.01 Completion of Acquisition or Disposition of Assets**

On December 29, 2005, Omni completed the acquisition of all of the capital stock of Brendan pursuant to the Merger Agreement and completed the disposition of all the shares of capital stock of Omni-Washington and Butler pursuant to the Stock Purchase Agreement. Please see the disclosures regarding the Merger Agreement and the Stock Purchase Agreement and the transactions contemplated thereby in Item 1.01 above, which is hereby incorporated into this Item 2.01 by reference.

**Section 3 — Securities and Trading Markets**

**Item 3.02 Unregistered Sales of Equity Securities**

On December 29, 2005, Omni issued 24,847,889 shares of common stock to the previous shareholders, noteholders and certain other persons. In addition, Omni issued stock options and warrants exercisable for up to 3,894,000 shares of common stock to employees, directors and consultants of Brendan. The issuance of the stock, stock options, and warrants was exempt from the registration requirements of the Securities Act pursuant to Section 4(2) thereunder.

The following table indicates the individuals, number of common shares issued, and the percentage of total common shares outstanding that were issued as a result of the Merger Agreement on December 29, 2005:

| Shareholder | Number of Common Shares Issued | % of total outstanding shares |
|---|---|---|
| John R. Dunn II | 4,880,000 | 18.7% |
| Robert L. Tabor | 4,730,589 | 18.1% |
| Robert Kirk | 2,049,658 | 7.9% |
| Massoud Kharrazian | 1,487,136 | 5.7% |
| George P. Dunn | 1,416,000 | 5.4% |
| Danny Wu | 1,066,664 | 4.1% |
| Theo Vermaelen | 654,359 | 2.5% |
| Stephen Eisold | 599,494 | 2.3% |
| David Dean Wade | 400,000 | 1.5% |
| Gretchen A. Decker | 400,000 | 1.5% |
| Kenneth H. Swartz | 400,000 | 1.5% |
| Michael J. Fitzpatrick | 400,000 | 1.5% |
| Robert H. Lane | 400,000 | 1.5% |
| Bjorn J. Steinholt | 320,000 | 1.2% |
| Robert E. Dettle | 293,449 | 1.1% |
| Liberta Ltd. | 266,664 | 1.0% |
| As a group less than 1% | 5,083,876 | 19.5% |

**Section 4 — Matters Related to Accountants and Financial Statements**

**Item 4.01. Changes in Registrant's Certifying Accountant**

On December 29, 2005, Omni completed the acquisition of all of the capital stock of Brendan pursuant to the Merger Agreement and completed the disposition of all of the capital assets of Omni-Washington and Butler pursuant to the Stock Purchase Agreement. On December 29, 2005, Omni provided notice to Harper & Pearson Company ("**Harper & Pearson**") that they would no longer be retained as Omni's independent registered accounting firm. Harper & Pearson's reports on the consolidated financial statements of Omni and its subsidiaries for the two most recent fiscal years ended June 30, 2005, did not contain any adverse opinion or disclaimer of opinion, nor were they qualified or modified as to uncertainty, audit scope, or accounting principles.

On December 29, 2005, the Board of Directors of Omni elected to engage Farber & Hass LLP ("**Farber & Hass**") to serve as Omni's independent registered accounting firm.

During the Company's two most recent fiscal years ended June 30, 2005 and the subsequent interim period through December 29, 2005, there were no disagreements between Omni and Harper & Pearson on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements, if not resolved to Harper & Pearson's satisfaction, would have caused them to make reference to the subject matter of the disagreement in their reports on the financial statements for such years.

Omni has authorized Harper & Pearson to respond fully to the inquiries of Farber & Hass concerning the subject matter of the reportable event and has provided Harper & Pearson with a copy of the foregoing disclosures. Attached as Exhibit 99.3 is a copy of Harper & Pearson's letter, dated January 4, 2006, stating its agreement with the statements related to it.

During Omni's two most recent fiscal years ended June 30, 2005, and the subsequent interim period through December 29, 2005, Omni did not consult Farber & Hass with respect to the application of accounting principles to a specific transaction, either completed or contemplated, or the type of audit opinion that might be rendered on Omni's consolidated financial statements, or any other matters of reportable events as set forth in Items 304(a)(2)(i) and (ii) of Regulation S-B.

**Section 5 — Corporate Governance and Management**

**Item 5.01. Changes in Control of Registrant**

On December 29, 2005, Omni completed the acquisition of all of the capital stock of Brendan pursuant to the Merger Agreement and completed the disposition of all of the capital stock of Omni-Washington and Butler pursuant to the Stock Purchase Agreement. As a result of these transactions and the issuance of common stock to the shareholders, noteholders and certain other persons, there was a change in control of Omni. Please see the disclosures regarding the Merger Agreement and the Stock Purchase Agreement and the transactions contemplated thereby in Item 1.01 above, which is hereby incorporated into this Item 5.01 by reference.

**Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers**

On December 29, 2005, Omni completed the acquisition of all of the capital stock of Brendan pursuant to the Merger Agreement and completed the disposition of all of the capital stock of Omni-Washington and Butler pursuant to the Stock Purchase Agreement. As a result of these transactions, new directors and officers were appointed to fulfill vacancies provided by the resignation of the officers and directors of Omni. Please see the disclosures regarding the Merger Agreement and the Stock Purchase Agreement and the transactions contemplated thereby in Item 1.01 above, which is hereby incorporated into this Item 5.02 by reference.

**MANAGEMENT**

**Directors and Executive Officers**

Our directors and executive officers are as follows:

| Name | Age | Position |
|---|---|---|
| John R. Dunn II | 55 | Chairman, Chief Executive Officer, President, and Director |
| George Dunn | 48 | Secretary, Chief Operating Officer |
| Lowell W. Giffhorn | 58 | Treasurer, Chief Financial Officer and Director |
| Theo Vermaelen | 52 | Director |
| Stephen Eisold | 59 | Director |

The business experience of each of our executive officers and directors is set forth below.

John R. Dunn II is the founder of Brendan and has served as the Chairman, Chief Executive Officer, President and Director of Brendan since 1997. Dr. Dunn has had extensive experience in hospital and clinical laboratories, including bio-science laboratories. He has set up and run a reference laboratory specializing in immunoassays and been a consultant in immunoassay development and statistics for several clinical and hospital laboratories. Dr. Dunn obtained a Ph.D. in Biology from Wayne State University, Detroit, MI, in 1987 and he obtained a B.S. in Biology from Wayne State University in 1974.

George Dunn has served as the Vice President of Marketing for Brendan since 1997 and as Chief Operating Officer of Brendan since 2002. Mr. Dunn has extensive experience in marketing and sales and the implementation of strategic plans, market segment analysis, promotions, sales and sales support and customer support. Mr. Dunn has been in the laboratory testing market for 15 years. Mr. Dunn received his B.A. in Journalism from Michigan State University in 1982.

Lowell W. Giffhorn has served as our Chief Financial Officer since October 2005. Since July 2005, Mr. Giffhorn also serves as the Chief Financial Officer of Imagenetix, Inc., a publicly held nutritional supplement company. Mr. Giffhorn was the Chief Financial Officer of Patriot Scientific Corp., a publicly held semiconductor and intellectual property company, from May 1997 to June 2005 and has been a member of its Board of Directors since August 1999. From June 1992 to August 1996 and from September 1987 to June 1990 he was the CFO of Sym-Tek Systems, Inc. and Vice President of Finance for its successor, Sym-Tek Inc., a supplier of capital equipment to the semiconductor industry. Mr. Giffhorn obtained a M.B.A. degree from National University in 1975 and he obtained a B.S. in Accountancy from the University of Illinois in 1969. Mr. Giffhorn is also a director and chairman of the audit committee of DND Technologies, Inc., a publicly held company.

Theo Vermaelen has served as a Director since December 2005. Since 2001, Dr. Vermaelen has been the Schroders Chaired Professor of International Finance and Asset Management at INSEAD, a business school with campuses in Fontainebleau, France and Singapore. From 1998 to 2003, Dr. Vermaelen was portfolio manager of the KBC equity buyback fund. Dr. Vermaelen has taught at the University of British Columbia, the Catholic University of Leuven, London Business School, UCLA, the University of Chicago, and Maastricht University. He is the co-author of the Journal of Empirical Finance. He is also a consultant to various corporations and government agencies and Program Director of the Amsterdam Institute of Finance, a training institute for investment bankers and other financial professionals. Dr. Vermaelen obtained his M.B.A. in 1976 and Ph.D. in Finance in 1980 from the Graduate School of Business, University of Chicago.

Stephen C. Eisold has served as a Director since December 2005. From February 2001 to November 2005, Mr. Eisold was the Chief Executive Officer of Brendan. From 1998 to 2001, Mr. Eisold was the Chief Executive Officer at Axiom Biotechnologies, Inc. From 1996 to 1998, Mr. Eisold was the Executive Vice President and Chief Operating Officer at Cypros Pharmaceutical. Previously Mr. Eisold was the General Manager of North America Pharmaceuticals for Gensia and before which he held various marketing and business development positions with Marion Laboratories. Mr. Eisold obtained a M.B.A. degree from Rockhurst College, Kansas City, MO, in 1981 and a B.S. in Biology from Springfield College, Springfield, MA, in 1968.

**Section 7 — Regulation FD**

**Item 7.01 Regulation FD Disclosure**

On January 4, 2006, Omni issued a press release reporting that on December 29, 2005, Omni completed the acquisition of all of the capital stock of Brendan pursuant to the Merger Agreement and completed the disposition of all of the capital stock of Omni-Washington and Butler pursuant to the Stock Purchase Agreement, changed its accountants, appointed new board directors and officers, and announced the resignation of its previous board members and officers. A copy of the January 4, 2006 press release, attached hereto as Exhibit 99.1, is being furnished pursuant to Regulation FD and is incorporated by reference herein.

Limitation on Incorporation by Reference: In accordance with general instruction B.2 of Form 8-K, the information in this Item 7.01 shall be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liability of that section.

**Section 8 — Other Events**

**Item 8.01 Other Events**

We have changed the location of our principal executive offices to 2236 Rutherford Road, Suite 107, Carlsbad, California 92008, which also is the location of Brendan's principal executive offices.

**Section 9 — Financial Statements and Exhibits**

**Item 9.01. Financial Statements and Exhibits.**

(a) *Financial Statements of Business Acquired*.

The audited financial statements of Brendan Technologies, Inc. for the years ended December 31, 2004 and 2003 including independent auditor's report of Singer Lewak Greenbaum & Goldstein, LLP, required by this item, appear at the end of this Current Report on Form 8-K and are incorporated by reference herein.

(b) *Proforma Financial Information*.

In accordance with Item 9.01(b), any additional financial statements required by this Item, if any, will be filed by an amendment to this initial report on Form 8-K as soon as practicable, but in no event later than 71 days after this initial report on Form 8-K is required to be filed.

(c) *Exhibits*.

| Exhibit No. | Description |
|---|---|
| 4.1 | Agreement and Plan of Merger among Omni U.S.A., Inc., Omni Merger Sub, Inc., Edward Daniel, Jeffrey Daniel and Brendan Technologies, Inc. dated as of December 29, 2005 |
| 4.2 | Stock Purchase Agreement by and among Jeffrey K. Daniel, Craig L. Daniel, and Edward Daniel, as the Purchases, and Omni U.S.A., Inc., as the Seller, dated as of December 29, 2005 |
| 4.3 | Amendment to Loan and Related Agreements and Waiver of Default (PACCAR) |
| 4.4 | Amendment to Loan and Related Agreements and Waiver of Default (Textron) |
| 4.5 | Promissory Note between Jeffrey K. Daniel, Craig L. Daniel, and Edward Daniel, collectively the Borrowers, and Omni U.S.A., Inc. with a maturity date of December 29, 2008 |

| | |
|---|---|
| 10.1 | John R. Dunn II Employment Contract dated November 1, 2004 |
| 10.2 | George Dunn Employment Contract dated November 1, 2004 |
| 16.1 | Letter from Harper: Pearson Company |
| 99.1 | Press Release dated January 4, 2006 |

**SIGNATURE**

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

**OMNI U.S.A., INC.**

Dated January 5, 2006.

By: /s/ JOHN R. DUNN II
John R. Dunn II
President and Chief Executive Officer

# BRENDAN TECHNOLOGIES, INC.

## FINANCIAL STATEMENTS

## FOR THE YEARS ENDED

## DECEMBER 31, 2004 AND 2003

**BRENDAN TECHNOLOGIES, INC.**

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**December 31, 2004**

SINGER LEWAK GREENBAUM & GOLDSTEIN LLP
Certified Public Accountants & Management Consultants

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Shareholder
Brendan Technologies, Inc.
Carlsbad, California

We have audited the balance sheets of Brendan Technologies, Inc. as of December 31, 2004 and 2003, and the related statements of operations, shareholder's deficit, and cash flows for each of the three years in the period ended December 31, 2004. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provided a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Brendan Technologies, Inc. as of December 31, 2004 and 2003, and the results of its operations and its cash flows for each of the two years ended December 31, 2004 in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, during the year ended December 31, 2004, the Company incurred a net loss of $901,423, had negative cash flows from operations of $340,444 and had an accumulated deficit of $5,231,544. In addition, the Company is in default with unsecured notes payable and the related accrued interest. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

SINGER LEWAK GREENBAUM & GOLDSTEIN LLP

Los Angeles, California
August 23, 2005

**ASSETS**

| | 2004 | 2003 |
|---|---|---|
| **Current assets** | | |
| Cash | $21,670 | $88,414 |
| Accounts receivable, net of allowance for doubtful accounts of $17,757 and $18,465, respectively | 8,943 | 54,143 |
| Prepaid expense and other current assets | 712 | — |
| Note receivable - shareholder | — | 38,000 |
| Total current assets | 31,325 | 180,557 |
| **Property and equipment, net** | 2,433 | 4,194 |
| **Deposits** | 7,808 | 7,808 |
| **Total assets** | **$**41,566 | **$**192,559 |

The accompanying notes are an integral part of these financial statements.

**LIABILITIES AND SHAREHOLDER'S DEFICIT**

| | 2004 | 2003 |
|---|---|---|
| **Current liabilities** | | |
| Convertible notes payable in default | $1,947,972 | $1,947,972 |
| Accrued interest in default | 822,933 | 606,437 |
| Accrued Interest | 283,282 | 192,560 |
| Accounts payable | 149,572 | 41,030 |
| Accrued wages | 824,460 | 743,557 |
| Deferred revenue | 84,530 | 66,463 |
| Total current liabilities | 4,112,749 | 3,598,019 |
| | | |
| **Commitments and contingencies** | | |
| | | |
| **Shareholder's deficit** | | |
| Common stock, no par value | | |
| 10,000,000 shares authorized | | |
| 4,489,878 shares issued and outstanding | 641,911 | 641,911 |
| Committed stock | | |
| 188,998 and 108,332 shares committed | 518,450 | 282,750 |
| Accumulated deficit | (5,231,544) | (4,330,121) |
| Total shareholder's deficit | (4,071,183) | (3,405,460) |
| **Total liabilities and shareholder's deficit** | $41,566 | **$192,559** |

The accompanying notes are an integral part of these financial statements.

**BRENDAN TECHNOLOGIES, INC.**
**STATEMENTS OF OPERATIONS**
**For the Years Ended December 31,**

| | 2004 | 2003 |
|---|---|---|
| **Net sales** | $386,477 | $489,835 |
| **Cost of sales** | 159,542 | 150,407 |
| **Gross profit** | 226,935 | 339,428 |
| **Operating expenses** | 805,340 | 873,543 |
| **Loss from operations** | (578,405) | (534,115) |
| **Other expense** | | |
| Interest expense | (322,218) | (311,127) |
| **Loss before provision for income taxes** | (900,623) | (845,242) |
| **Provision for income taxes** | 800 | 800 |
| **Net loss** | $(901,423) | **$**(846,042) |
| **Basic and diluted loss per share** | $(0.20) | **$**(0.19) |
| **Basic and diluted weighted-average common shares outstanding** | **4,489,878** | **4,489,878** |

The accompanying notes are an integral part of these financial statements.

## BRENDAN TECHNOLOGIES, INC.
### STATEMENTS OF SHAREHOLDER'S DEFICIT
**For the Years Ended December 31,**

| | Common Stock | | Committed Stock | | Accumulated | |
|---|---|---|---|---|---|---|
| | Shares | Amount | Shares | Amount | Deficit | Total |
| **Balance, December 31, 2002** | 4,489,878 | $613,222 | — | $— | $(3,484,079) | $(2,870,857) |
| **Sale of committed stock** | | | 108,332 | 325,000 | | 325,000 |
| **Offering costs** | | | | (42,250) | | (42,250) |
| **Interest from fixed conversion features** | | 28,689 | | | | 28,689 |
| **Net loss** | | | | | (846,042) | (846,042) |
| **Balance, December 31, 2003** | 4,489,878 | $641,911 | 108,332 | $282,750 | $(4,330,121) | $(3,405,460) |
| **Sale of committed stock** | | | 80,666 | 242,000 | | 242,000 |
| **Offering costs** | | | | (6,300) | | (6,300) |
| **Net loss** | | | | | (901,423) | (901,423) |
| **Balance, December 31, 2004** | **4,489,878** | **$641,911** | **188,998** | **$518,450** | **$(5,231,544)** | **$(4,071,183)** |

The accompanying notes are an integral part of these financial statements.

| | 2004 | 2003 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Net loss | $(901,423) | $(846,042) |
| Adjustments to reconcile net loss to net cash used in operating activities | | |
| Depreciation of property and equipment | 1,761 | 11,858 |
| Interest charges on convertible note payable | — | 28,689 |
| Allowance for doubtful accounts | (708) | 18,465 |
| (Increase) decrease in | | |
| Accounts receivable | 45,908 | (40,698) |
| Prepaid expense and other current assets | (712) | |
| Increase (decrease) in | | |
| Accrued interest in default | 216,496 | 206,872 |
| Accrued interest | 90,722 | 67,037 |
| Accounts payable | 108,542 | (7,458) |
| Accrued wages | 80,903 | 237,469 |
| Deferred revenue | 18,067 | (60,189) |
| Net cash used in operating activities | (340,444) | (383,997) |
| **Cash flows from investing activities** | | |
| Purchase of property and equipment | — | (4,040) |
| Note receivable - shareholder | 38,000 | — |
| Net cash provided by (used in) investing activities | 38,000 | (4,040) |
| **Cash flows from financing activities** | | |
| Proceeds from sale of committed stock | 235,700 | 282,750 |
| Proceeds from notes payable | — | 135,000 |
| Net cash provided by financing activities | 235,700 | 417,750 |
| Net (decrease) increase in cash | (66,744) | 29,713 |
| **Cash, beginning of year** | 88,414 | 58,701 |
| **Cash, end of year** | $21,670 | **$88,414** |

The accompanying notes are an integral part of these financial statements.

| | 2004 | 2003 |
|---|---|---|
| **Supplemental disclosure of cash flow information** | | |
| **Interest paid** | $15,000 | $15,000 |
| **Income taxes paid** | $4,847 | $— |

The accompanying notes are an integral part of these financial statements.

## NOTE 1 - ORGANIZATION AND LINE OF BUSINESS

General

Brendan Technologies, Inc. (the "Company") was incorporated on October 30, 1997 in the state of Michigan. The Company develops and markets scientific computer software for applications in the pharmaceutical/biotechnical research, clinical diagnostic, environmental, and other life and physical science markets.

## NOTE 2 - GOING CONCERN

These financial statements have been prepared on a going concern basis. However, during the years ended December 31, 2004 and 2003, the Company incurred net loss of $901,421 and $846,042, respectively, and had accumulated deficit of $5,231,544 and $4,330,121, at December 31, 2004 and 2003, respectively. In addition, the Company is in default with unsecured notes payable and the related accrued interest in the aggregate amount of $2,645,905 at of December 31, 2004. The Company's ability to continue as a going concern is dependent upon its ability to generate profitable operations in the future and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. The outcome of these matters cannot be predicted with any certainty at this time. Since inception, the Company has satisfied its capital needs by borrowing capital.

Management plans to continue to provide for its capital needs during the year ended December 31, 2005, by increasing sales through the continued development of its products with minimal borrowings. In addition, the Company’s capital requirements during the year ended December 31, 2004 are expected to be supplemented by issuing equity securities and converting its notes payable into common stock (see Note 6). These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern.

## NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue Recognition

The Company recognizes revenues related to software licenses and software maintenance in accordance with the American Institute of Certified Public Accountants ("AICPA") Statements of Position (“SOP”) No. 97-2, "Software Revenue Recognition," as amended by SOP No. 94-4 and SOP No. 98-9. The Company’s software is sold with an indefinite license period, and as such, product revenue is recorded at the time of shipment, net of estimated allowances and returns. Post-contract customer support ("PCS") obligations are for annual services and are recognized over the period of service. Revenues for which payment has been received are treated as deferred revenue until services are provided and revenues have been earned. The Company provides, for a fee, additional training and service calls to its customers and recognizes revenue at the time the training or service call is provided.

**NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Trade Accounts Receivable

The Company provides for the possible inability to collect accounts receivable by recording an allowance for doubtful accounts. The Company writes off an account when it is considered to be uncollectible.

Property and Equipment

Property and equipment are stated at cost. The Company provides for depreciation and amortization using the straight-line and accelerated methods over the estimated useful lives of the principal classes of property of three years.

Stock-Based Compensation

SFAS No. 123, "Accounting for Stock-Based Compensation," as amended by SFAS No. 148, “Accounting for Stock-Based Compensation-Transition and Disclosure,” defines a fair value based method of accounting for stock-based compensation. However, SFAS No. 123 allows an entity to continue to measure compensation cost related to stock and stock options issued to employees using the intrinsic method of accounting prescribed by Accounting Principles Board ("APB") Opinion No. 25, "Accounting for Stock Issued to Employees." Entities electing to remain with the accounting method of APB Opinion No. 25 must make pro forma disclosures of net income and earnings per share as if the fair value method of accounting defined in SFAS No. 123 had been applied. The Company has elected to account for its stock-based compensation to employees under APB Opinion No. 25 using the intrinsic value method.

The Company has adopted only the disclosure provisions of SFAS No. 123. Accordingly, no compensation cost other than that required to be recognized by APB 25 for the difference between the fair value of the Company's common stock at the grant date and the exercise price of the options has been recognized. Had compensation cost for the Company's stock option plan been determined based on the fair value at the grant date for awards consistent with the provisions of SFAS No. 123, the Company's net loss and basic and diluted loss per share for the year ended December 31, 2004 would have been increased to the pro forma amounts indicated below:

**NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Stock-Based Compensation (Continued)

| | For the Year Ended December 31, | |
|---|---|---|
| | 2004 | 2003 |
| Net loss | | |
| As reported | $(901,423) | $(846,042) |
| Deduct total stock-based employee compensation expense determined under fair value method for all awards, net of taxes | (9,995) | — |
| **Pro forma** | $(911,418) | $(846,042) |
| Loss per common share | | |
| Basic and diluted - as reported | $(0.20) | $(0.19) |
| Basic and diluted - pro forma | $(0.20) | $(0.19) |

For purposes of computing the pro forma disclosures required by SFAS No. 123, the fair value of each option granted to employees and directors is estimated using the Black-Scholes option-pricing model with the following weighted-average assumptions for the year ended December 31, 2004: dividend yield of 0%; expected volatility of 0%; risk-free interest rate of 2.76%; and expected life of three years. The weighted-average fair value of options granted during the year ended December 31, 2004 for which the exercise price equals the market price on the grant date was $3, and the weighted-average exercise price was $3. No stock options were granted during the year ended December 31, 2004 for which the exercise price was less than or greater than the market prices on the grant date.

Loss per Share

The Company utilizes SFAS No. 128, "Earnings per Share." Basic loss per share is computed by dividing loss available to common shareholders by the weighted-average number of common shares outstanding. Diluted loss per share is computed similar to basic loss per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. Common equivalent shares are excluded from the computation if their effect is anti-dilutive.

**NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Loss per Share (Continued)

At December 31, 2004 and 2003, the following common equivalent shares were excluded from the computation of loss per share since their effect is anti-dilutive.

| | December 31, | |
|---|---|---|
| | 2004 | 2003 |
| Options | 960,000 | 610,000 |
| Warrants | 89,600 | 89,600 |
| **Total** | **1,049,600** | **699,600** |

Fair Value of Financial Instruments

The Company's financial instruments include cash, accounts receivable, notes receivable, accounts payable, and accrued wages. The book value of all other financial instruments is representative of their fair values.

Research and Development

Research and Development costs are charged to operations as incurred. Such costs were included in the total operating expenses for the years ended December 31, 2004 and 2003 that amounted to $805,340 and $873,543, respectively.

Income Taxes

The Company utilizes SFAS No. 109, "Accounting for Income Taxes," which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred income taxes are recognized for the tax consequences in future years of differences between the tax bases of assets and liabilities and their financial reporting amounts at each year-end based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Concentrations of Credit Risk

Financial instruments which potentially subject the Company to credit risk are primarily cash and accounts receivable. The Company deposits its cash with what it considers high-credit, quality financial institutions. At times, balances are in excess of the Federal Deposit Insurance Corporation insured limit. As of December 31, 2004, the Company did not have any uninsured cash. Credit risk concentration with respect to receivables is limited due to the geographic dispersion of the Company's customer base. The Company conducts ongoing credit evaluations but does not obtain collateral or other forms of security. The Company believes its credit policies do not result in significant adverse risk and historically has not experienced significant credit-related losses.

The Company provides credit to its customers primarily in the United States in the normal course of business. During the year ended December 31, 2004, one customer represented approximately 39% of total sales. During the year ended December 31, 2003, two customers accounted for 19% and 17% of total sales.

At December 31, 2004, two customers accounted for 27%, and 12% of accounts receivable. .At December 31, 2003, three customers accounted for 32%, 29%, and 17% of accounts receivable. The Company does not obtain collateral with which to secure its accounts receivable. The Company performs ongoing credit evaluations of its customers and maintains reserves for potential credit losses based upon the Company's historical experience related to credit losses and any unusual circumstances that may affect the ability of its customers to meet their obligations.

Recently Issued Accounting Pronouncements

In November 2004, the FASB issued SFAS No. 151, “Inventory Costs”. SFAS No. 151 amends the accounting for abnormal amounts of idle facility expense, freight, handling costs, and wasted material (spoilage) under the guidance in ARB No. 43, Chapter 4, "Inventory Pricing”. Paragraph 5 of ARB No. 43, Chapter 4, previously stated that ". . . under some circumstances, items such as idle facility expense, excessive spoilage, double freight, and re-handling costs may be so abnormal as to require treatment as current period charges " This Statement requires that those items be recognized as current-period charges regardless of whether they meet the criterion of "so abnormal." In addition, this Statement requires that allocation of fixed production overheads to the costs of conversion be based on the normal capacity of the production facilities. This statement is effective for inventory costs incurred during fiscal years beginning after June 15, 2005. Management does not expect adoption of SFAS No. 151 to have a material impact on the Company’s financial statements.

In December 2004, the FASB issued SFAS No. 152, “Accounting for Real Estate TimeSharing Transactions”. The FASB issued this Statement as a result of the guidance provided in AICPA Statement of Position (SOP) 04-2, ”Accounting for Real Estate TimeSharing Transactions”. SOP 04-2 applies to all real estate time-sharing transactions.

**NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Recently Issued Accounting Pronouncements (Continued)

Among other items, the SOP provides guidance on the recording of credit losses and the treatment of selling costs, but does not change the revenue recognition guidance in SFAS No. 66, "Accounting for Sales of Real Estate", for real estate time-sharing transactions. SFAS No. 152 amends Statement No. 66 to reference the guidance provided in SOP 04-2. SFAS No. 152 also amends SFAS No. 67, "Accounting for Costs and Initial Rental Operations of Real Estate Projects", to state that SOP 04-2 provides the relevant guidance on accounting for incidental operations and costs related to the sale of real estate time-sharing transactions. SFAS No. 152 is effective for years beginning after June 15, 2005, with restatements of previously issued financial statements prohibited. This statement is not applicable to the Company.

In December 2004, the FASB issued SFAS No. 153, "Exchanges of Nonmonetary Assets," an amendment to Opinion No. 29, "Accounting for Nonmonetary Transactions". Statement No. 153 eliminates certain differences in the guidance in Opinion No. 29 as compared to the guidance contained in standards issued by the International Accounting Standards Board. The amendment to Opinion No. 29 eliminates the fair value exception for nonmonetary exchanges of similar productive assets and replaces it with a general exception for exchanges of nonmonetary assets that do not have commercial substance. Such an exchange has commercial substance if the future cash flows of the entity are expected to change significantly as a result of the exchange. SFAS No. 153 is effective for nonmonetary asset exchanges occurring in periods beginning after June 15, 2005. Earlier application is permitted for nonmonetary asset exchanges occurring in periods beginning after December 16, 2004. Management does not expect adoption of SFAS No. 153 to have a material impact on the Company's financial statements.

In December 2004, the FASB issued SFAS No. 123(R), "Share-Based Payment". SFAS 123(R) amends SFAS No. 123, "Accounting for Stock-Based Compensation", and APB Opinion 25, "Accounting for Stock Issued to Employees." SFAS No.123(R) requires that the cost of share-based payment transactions (including those with employees and non-employees) be recognized in the financial statements. SFAS No. 123(R) applies to all share-based payment transactions in which an entity acquires goods or services by issuing (or offering to issue) its shares, share options, or other equity instruments (except for those held by an ESOP) or by incurring liabilities (1) in amounts based (even in part) on the price of the entity's shares or other equity instruments, or (2) that require (or may require) settlement by the issuance of an entity's shares or other equity instruments.

This statement is effective (1) for public companies qualifying as SEC small business issuers, as of the first interim period or fiscal year beginning after December 15, 2005, or (2) for all other public companies, as of the first interim period or fiscal year beginning after June 15, 2005, or (3) for all nonpublic entities, as of the first fiscal year beginning after December 15, 2005. Management is currently assessing the effect of SFAS No. 123(R) on the Company's financial statements.

**NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Recently Issued Accounting Pronouncements (Continued)

In March 2005, the FASB issued FASB Interpretation ("FIN") No. 47, "Accounting for Conditional Asset Retirement Obligations". FIN No. 47 clarifies that the term conditional asset retirement obligation as used in FASB Statement No. 143, "Accounting for Asset Retirement Obligations," refers to a legal obligation to perform an asset retirement activity in which the timing and (or) method of settlement are conditional on a future event that may or may not be within the control of the entity. The obligation to perform the asset retirement activity is unconditional even though uncertainty exists about the timing and (or) method of settlement. Uncertainty about the timing and/or method of settlement of a conditional asset retirement obligation should be factored into the measurement of the liability when sufficient information exists. This interpretation also clarifies when an entity would have sufficient information to reasonably estimate the fair value of an asset retirement obligation. Fin No. 47 is effective no later than the end of fiscal years ending after December 15, 2005 (December 31, 2005 for calendar-year companies). Retrospective application of interim financial information is permitted but is not required. Management does not expect adoption of FIN No. 47 to have a material impact on the Company's financial statements.

In May 2005, the FASB issued Statement of Accounting Standards (SFAS) No. 154, "Accounting Changes and Error Corrections" an amendment to Accounting Principles Bulletin (APB) Opinion No. 20, "Accounting Changes", and SFAS No. 3, "Reporting Accounting Changes in Interim Financial Statements" though SFAS No. 154 carries forward the guidance in APB No. 20 and SFAS No. 3 with respect to accounting for changes in estimates, changes in reporting entity, and the correction of errors. SFAS No. 154 establishes new standards on accounting for changes in accounting principles, whereby all such changes must be accounted for by retrospective application to the financial statements of prior periods unless it is impracticable to do so. SFAS No. 154 is effective for accounting changes and error corrections made in fiscal years beginning after December 15, 2005, with early adoption permitted for changes and corrections made in years beginning after May 2005.

**NOTE 4 - NOTE RECEIVABLE - SHAREHOLDER**

The note receivable - shareholder at December 31, 2003 bears interest at prime (4.0% at December 31, 2003), plus 2% and is without terms. In February 2004, the note receivable was paid in full.

## NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2004 and 2003 consisted of the following:

| | 2004 | 2003 |
|---|---|---|
| Computer equipment | $119,230 | $119,230 |
| Furniture and fixtures | 31,909 | 31,909 |
| | 151,139 | 151,139 |
| Less accumulated depreciation | 148,706 | 146,945 |
| **Total** | $2,433 | $4,194 |

Depreciation expense was $1,761, and $11,858, for the years ended December 31, 2004, and 2003, respectively.

## NOTE 6 - CONVERTIBLE NOTES PAYABLE IN DEFAULT

Convertible notes payable in default consisted of the following:

| | 2004 | 2003 |
|---|---|---|
| Forty-six convertible, unsecured, senior subordinated notes payable, due on various dates on or before September 2004, bearing interest at 8% per annum. The notes are convertible into the Company's common stock in the event the Company completes a public offering. The conversion price will be the number of shares of the Company's common stock valued at the public offering price equal to the outstanding principal and interest of the Company's convertible notes payable. The notes payable are currently in default. | $1,387,500 | $1,387,500 |
| Six convertible, unsecured, bridge notes payable, due various dates on or before December 2004, bearing interest at 12% per annum. The notes are convertible into the Company's common stock in the event the Company completes a public offering. The conversion price will be the number of shares of the Company's common stock valued at the public offering price equal to the outstanding principal and interest of the Company's convertible notes payable. The notes payable are currently in default. | 435,472 | 435,472 |

**NOTE 6 - CONVERTIBLE NOTES PAYABLE IN DEFAULT (Continued)**

Convertible notes payable in default consisted of the following: (Continued)

| | 2004 | 2003 |
|---|---|---|
| Unsecured, convertible note payable for $125,000, which bears interest at a rate of 12% per annum. The convertible note may be converted into shares of the Company's common stock at a conversion price equal to $2.44 per share. The note payable is convertible upon issuance. In connection with the transaction the Company recognized interest expense in the amount of $28,689, for the year ended December 31, 2003 related to the beneficial conversion feature of the convertible note payable. The Company accounted for the interest expense as the difference between the conversion price and the Company's stock price on the date of issuance of the note payable. The note is currently in default. | $125,000 | $125,000 |
| | 1,947,972 | 1,947,972 |
| Less current portion | 1,947,972 | 1,947,972 |
| **Long-term portion** | **$-** | **$-** |

**NOTE 7 - COMMITMENTS AND CONTINGENCIES**

The Company leases its office facilities under a non-cancelable operating lease agreement, which requires monthly payments of $4,300 and expires in June 2006. Future minimum payments under these lease agreements at December 31, 2004 were as follows:

| Year Ending December 31, | |
|---|---|
| 2005 | $55,202 |
| 2006 | 23,330 |
| **Total** | $78,532 |

Rent expense was $67,196, and $56,667 for the years ended December 31, 2004 and 2003, respectively.

**NOTE 7 - COMMITMENTS AND CONTINGENCIES (Continued)**

Employee Agreements

The Company entered into an employment agreement with its Chief Executive Officer, John Dunn, which expires on November 1, 2011. The employment agreement provides for an annual salary of $108,000. The agreement also provides that the Company may terminate the agreement with 30 days written notice if termination is without cause. The Company's obligation would be to pay the Chief Executive monthly payments equal to his base salary for 24 months. In addition, all options of the chief executive would immediately vest.

The agreement also provides that the employee can terminate employment if the Company merges with or consolidates with another entity, or is subject in any way to a transfer of a substantial amount of its assets, resulting in the assets, business or operations of the Company being controlled by an entity or individual other than the Company.

If this occurs, the Company's obligation would be to pay its Chief Executive Officer a lump sum amount equal to his base salary for 24 months. In addition, the employee shall fully vest in all outstanding options and shall have the right to exercise such options within 90 days after the effective date of termination.

The Company entered into an employment agreement with its Vice President of Marketing, George Dunn, which expires on November 1, 2011. The employment agreement provides for an annual salary of $96,000. The agreement also provides that the Company may terminate the agreement with 30 days written notice if termination is without cause. The Company's obligation would be to pay the Vice President of Marketing monthly payments equal to his base salary for 24 months.

In addition, all options of the chief executive would immediately vest. The agreement also provides that the employee can terminate employment if the company merges with or consolidates with another entity, or is subject in any way to a transfer of a substantial amount of its assets, resulting in the assets, business or operations of the Company being controlled by an entity or individual other than the Company. If this occurs, the Company's obligation would be to pay its Vice President of Marketing a lump sum amount equal to his base salary for 24 months. In addition, the employee shall fully vest in all outstanding options and shall have the right to exercise such options within 90 days after the effective date of termination.

The Company entered into an employment agreement with its Director of Sales. The employment agreement provides for an annual salary of $82,000. The agreement also provides that the Company may terminate the agreement with 30 days written notice if termination is without cause. The Company's obligation would be to pay the Director of Sales a lump sum equal to two weeks salary plus an additional week for each full year of employment.

**NOTE 7 - COMMITMENTS AND CONTINGENCIES (Continued)**

Employee Agreements (Continued)

The Company entered into an employment agreement with its Senior Programmer, which expires on July 1, 2008. The employment agreement provides for an annual salary of $96,000. The agreement also provides that the Company may terminate the agreement with 30 days written notice if termination is without cause. The Company's obligation would be to pay the Director of Sales a lump sum equal to two weeks salary plus an additional week for each full year of employment

Litigation

The Company may become involved in certain legal proceedings and claims which arise in the normal course of business. Management does not believe that the outcome of any such matters will have a material effect on the Company's financial position or results of operations.

**NOTE 8 - SHAREHOLDER'S DEFICIT**

Warrants

In August, 2000, the Company issued 89,600 warrants to purchase shares of common stock. The warrants are exercisable at $2.25 per share and expire five years from the date of grant. A compensation charge was not recorded in connection with the issuance of such warrants as the fair market value of such warrants was nominal.

Stock Option Plan

In January 1999, the Board of Directors adopted and the shareholders approved the 1999 Stock Option Plan (the "Option Plan") under which a total of 310,000 shares of common stock had been reserved for issuance. In August 2000, the shareholders approved an increase in the number of shares that may be granted under the Option Plan to 410,000. In January 2002, the shareholders approved an increase in the number of shares that may be granted under the Option Plan to 610,000. In January 2004, the shareholders approved an increase in the number of shares that may be granted under the option plan to 960,000. The Option Plan terminates in 2012, subject to earlier termination by the Board of Directors.

During the year ended December 31, 2004, the Company granted options to purchase 350,000 shares of common stock to employees with an exercise price of $3 per share. The options vest on a straight-line basis over a period of three years and expire 10 years from the date of grant. A compensation charge was not recorded in connection with the issuance of such options as the exercise price of the stock options granted was not less than the fair market value of the Company's stock price as of the date of grant.

A summary of the Company's outstanding options and activity is as follows:

**NOTE 8 - SHAREHOLDER'S DEFICIT (Continued)**

Stock Option Plan(Continued)

| | Number Of Options | Weighted-Average Exercise Price |
|---|---|---|
| Outstanding, December 31, 2002 and 2003 | 610,000 | $0.50 |
| Granted | 350,000 | $3.00 |
| **Outstanding, December 31, 2004** | **960,000** | $1.41 |
| **Exercisable, December 31, 2004** | **662,556** | $1.34 |

The weighted-average remaining contractual life of the options outstanding at December 31, 2004 is 6.49 years. The weighted-average fair value per share of options granted was $0.14 and $0.04 for the years ended December 31, 2004 and 2003, respectively.

| | Options Outstanding | | | Options Exercisable | |
|---|---|---|---|---|---|
| Exercise Price | Shares | Weighted-Average Remaining Contractual Life | Weighted-Average Exercise Price | Shares | Weighted-Average Price |
| $0.50 | 610,000 | 6.49 | $0.50 | 438,945 | $0.50 |
| $3.00 | 350,000 | 9.16 | 3.00 | 223,611 | 3.00 |
| **Total** | **960,000** | **7.46** | **$1.41** | **662,556** | **$1.34** |

**NOTE 9 - INCOME TAXES**

Significant components of the provision for income taxes for the years ended December 31, 2004 and 2003 were as follows:

| | 2004 | 2003 |
|---|---|---|
| Current | | |
| Federal | $- | $- |
| State | 800 | 800 |
| | 800 | 800 |

**NOTE 9 - INCOME TAXES (Continued)**

| | 2004 | 2003 |
|---|---|---|
| Deferred | | |
| Federal | $- | $- |
| State | - | - |
| | - | - |
| **Provision for income taxes** | $800 | $800 |

A reconciliation of the expected income tax (benefit) computed using the federal statutory income tax rate to the Company's effective income tax rate is as follows for the years ended December 31, 2004 and 2003:

| | 2004 | 2003 |
|---|---|---|
| Income tax computed at federal statutory tax rate | 34.0 % | 34.0 % |
| State taxes, net of federal benefit | 5.8 | 5.7 |
| Change in valuation allowance | (26.6 ) | (39.6 ) |
| Other | - | (0.2 ) |
| **Total** | 13.2 % | (0.1 )% |

Significant components of the Company's deferred tax assets (liability) at December 31, 2004 consisted of the following:

| | |
|---|---|
| Deferred tax assets | |
| Net operating loss carry-forwards | $1,859,426 |
| Accrued officer’s salary | 294,537 |
| Deferred income | 36,213 |
| Allowance for bad debt | 7,607 |
| Valuation allowance | (2,051,438 ) |
| | 146,345 |
| Deferred tax liability | |
| State taxes | 146,345 |
| **Net deferred tax assets** | $- |

**NOTE 9 - INCOME TAXES (Continued)**

As of December 31, 2004, the Company had net operating loss carry-forwards for federal and state income tax purposes of approximately $4,628,789 and $2,354,081, respectively, which expire from 2012 through 2024.

The net operating loss carry-forwards are the only significant deferred income tax assets of the Company. They have been offset by a valuation allowance since management does not believe the recoverability of this deferred tax assets during the next fiscal year is more likely than not. Accordingly, a deferred income tax benefit for the year ended December 31, 2004 has not been recognized in these financial statements.

**NOTE 10 - SUBSEQUENT EVENTS**

Sale of Stock

Subsequent to December 31, 2004, the Company issued 75,833 shares of common stock at $3 per share to a group of five investors.

Letters of Intent

During 2003, the Company had initial discussions with a public company regarding a possible reverse merger. Subject to the finalization of these negotiations, the public company will exchange with the shareholders of the Company newly issued shares of the public company's common stock for all of the outstanding securities of the Company.

The Company will become a wholly-owned subsidiary of the public company. In connection with this transaction, the Company will convert its convertible notes payable into common stock at an exchange of 1.64 shares of common stock for each dollar of principal and interest outstanding. The holders of the notes will receive approximately 4,000,000 shares of common stock in the new company.

In addition, prior to the reverse merger, the Company will effect a 4-to-1 forward split of its common stock. At the closing, the public company will issue to the shareholders of the Company approximately 24,000,000 shares of common stock, which will represent 92% of the issued and outstanding capital stock of the public company. The shareholders of the public company will retain the remaining 8% of the Company, or approximately 2,000,000 shares.

AGREEMENT AND PLAN OF MERGER

among

Omni U.S.A., Inc.,
Omni Merger Sub, Inc.,
Edward Daniel
Jeffrey Daniel
and
Brendan Technologies, Inc.

Dated as of December 29, 2005

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AGREEMENT AND PLAN OF MERGER, dated as of December 29, 2005 (the "Agreement"), among Omni U.S.A., Inc., a Nevada corporation ("Omni"), Omni Merger Sub, Inc., a Michigan corporation and wholly owned subsidiary of Omni ("Merger Sub"), and Jeffrey Daniel and Edward Daniel, on the one hand, and Brendan Technologies, Inc., a Michigan corporation (the "Company"), on the other hand. Omni, Merger Sub, and the Company are collectively referred to herein as the "Parties." Omni, Jeffrey Daniel, Edward Daniel and Merger Sub are sometimes referred to herein collectively as the "Omni Parties."

RECITALS:

WHEREAS, the respective boards of directors of each of Omni, Merger Sub and the Company have approved the merger of Merger Sub with and into the Company (the "Merger") upon the terms and subject to the conditions set forth in this Agreement;

WHEREAS, the Merger was approved by a majority of the Company's Shareholders at a meeting duly noticed and held on February 12, 2004.

WHEREAS, it is intended that, for federal income tax purposes, the Merger shall qualify as a reorganization under the provisions of Section 368(a) of the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder (the "Code"); and

WHEREAS, the Company, Omni and Merger Sub desire to make certain representations, warranties, covenants and agreements in connection with this Agreement.

NOW, THEREFORE, in consideration of the premises and mutual promises herein made, and in consideration of the representations, warranties, covenants and agreements herein contained, and intending to be legally bound hereby, the Parties agree as follows:

## ARTICLE I
## DEFINITIONS

1.1 Certain Definitions. The following terms shall, when used in this Agreement, have the following meanings:

"Acquisition" means the acquisition by a Person of any businesses, assets or property other than in the ordinary course, whether by way of the purchase of assets or stock, by merger, consolidation or otherwise.

"Affiliate" means, with respect to any Person: (i) any Person directly or indirectly owning, controlling, or holding with power to vote 10% or more of the outstanding voting securities of such other Person (other than passive or institutional investors); (ii) any Person 10% or more of whose outstanding voting securities are directly or indirectly owned, controlled, or held with power to vote, by such other Person; (iii) any Person directly or indirectly controlling, controlled by, or under common control with such other Person; and (iv) any officer, director or partner of such other Person. "Control" for the foregoing purposes shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities or voting interests, by contract or otherwise.

"Assets" of any Party mean all properties, assets, privileges, powers, rights, interests and claims of every type and description that are owned, leased, held, used or useful in the Business of such Party and in which such Party has any right, title or interest or in which such Party acquires any right, title or interest on or before the Closing Date, wherever located, whether known or unknown, and whether or not now or on the Closing Date on the books and records of such Party, but excluding any of the foregoing, if any, transferred prior to the Closing pursuant to this Agreement or any Collateral Documents.

"Business" of any Party means the business of such Party as then being conducted.

"Business Day" means any day other than Saturday, Sunday or a day on which banking institutions in Los Angeles, California, are required or authorized to be closed.

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

"Collateral Documents" mean the Exhibits and any other documents, instruments and certificates to be executed and delivered by the Parties hereunder or thereunder.

"Commission" means the Securities and Exchange Commission or any Regulatory Authority that succeeds to its functions.

"Company Common Stock" means the common shares of the Company.

"Company Shareholders" means, as of any particular date, the holders of Company Common Stock on that date.

"Encumbrance" means any material mortgage, pledge, lien, encumbrance, charge, security interest, security agreement, conditional sale or other title retention agreement, limitation, option, assessment, restrictive agreement, restriction, adverse interest, restriction on transfer or exception to or material defect in title or other ownership interest (including restrictive covenants, leases and licenses).

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

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder.

"GAAP" means United States generally accepted accounting principles as in effect from time to time.

"Legal Requirement" means any statute, ordinance, law, rule, regulation, code, injunction, judgment, order, decree, ruling, or other requirement enacted, adopted or applied by any Regulatory Authority, including judicial decisions applying common law or interpreting any other Legal Requirement.

"Losses" shall mean all damages, awards, judgments, assessments, fines, sanctions, penalties, charges, costs, expenses, payments, diminutions in value and other losses, however suffered or characterized, all interest thereon, all costs and expenses of investigating any claim, lawsuit or arbitration and any appeal therefrom, all actual attorneys', accountants' investment bankers' and expert witness' fees incurred in connection therewith, whether or not such claim, lawsuit or arbitration is ultimately defeated and, subject to Section 10.4, all amounts paid incident to any compromise or settlement of any such claim, lawsuit or arbitration.

"Liability" means any liability or obligation (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, and whether due or to become due), including any liability for Taxes.

"Material Adverse Effect" means a material adverse effect on (i) the assets, Liabilities, properties or business of the Parties, (ii) the validity, binding effect or enforceability of this Agreement or the Collateral Documents or (iii) the ability of any Party to perform its obligations under this Agreement and the Collateral Documents; provided, however, that none of the following shall constitute a Material Adverse Effect on the Company: (a) occurrences due to a disruption of a Party's business as a result of the announcement of the execution of this Agreement or changes caused by the taking of action required by this Agreement, (b) general economic conditions, or (c) any changes generally affecting the industries in which a Party operates.

"Merger Shares" means the shares of Omni Common Stock deliverable by Omni for Company Common Stock pursuant to Section 2.5.

"Omni Common Stock" means the common shares of Omni.

"Omni Securities Filings" means Omni's Annual Report on Form 10-KSB and its quarterly reports on Form 10-QSB, and all other reports filed and to be filed with the Commission prior to the Effective Time.

"Permit" means any license, permit, consent, approval, registration, authorization, qualification or similar right granted by a Regulatory Authority.

"Permitted Liens" means (i) liens for Taxes not yet due and payable or being contested in good faith by appropriate proceedings; (ii) rights reserved to any Regulatory Authority to regulate the affected property; (iii) statutory liens of banks and rights of set off; (iv) as to leased assets, interests of the lessors and sublessors thereof and liens affecting the interests of the lessors and sublessors thereof; (v) inchoate materialmen's, mechanics', workmen's, repairmen's or other like liens arising in the ordinary course of business; (vi) liens incurred or deposits made in the ordinary course in connection with workers' compensation and other types of social security; (vii) licenses of trademarks or other intellectual property rights granted by the Company or Omni, as the case may be, in the ordinary course and not interfering in any material respect with the ordinary course of the business of the Company or Omni, as the case may be; and (viii) as to real property, any encumbrance, adverse interest, constructive or other trust, claim, attachment, exception to or defect in title or other ownership interest (including, but not limited to, reservations, rights of entry, rights of first refusal, possibilities of reverter, encroachments, easement, rights of way, restrictive covenants, leases, and licenses) of any kind, which otherwise constitutes an interest in or claim against property, whether arising pursuant to any Legal Requirement, under any contract or otherwise, that do not, individually or in the aggregate, materially and adversely affect or impair the value or use thereof as it is currently being used in the ordinary course.

"Person" means any natural person, corporation, partnership, trust, unincorporated organization, association, limited liability company, Regulatory Authority or other entity.

"Proposed Acquisition" means any of the following transactions (other than the transactions contemplated by this Agreement): (i) a merger, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving the Company pursuant to which the shareholders of the Company immediately preceding such transaction hold less than 50% of the aggregate equity interests in the surviving or resulting entity of such transaction, (ii) a sale or other disposition by the Company of assets representing in excess of 50% of the aggregate fair market value of the Company Business immediately prior to such sale or (iii) the acquisition by any person or group (including by way of a tender offer or an exchange offer or issuance by the Company), directly or indirectly, of beneficial ownership or a right to acquire beneficial ownership of shares representing in excess of 50% of the voting power of the then outstanding shares of capital stock of the Company.

"Regulatory Authority" means: (i) the United States of America; (ii) any state, commonwealth, territory or possession of the United States of America and any political subdivision thereof (including counties, municipalities and the like); (iii) Canada and any other foreign (as to the United States of America) sovereign entity and any political subdivision thereof; or (iv) any agency, authority or instrumentality of any of the foregoing, including any court, tribunal, department, bureau, commission or board.

"Representative" means any director, officer, employee, agent, consultant, advisor or other representative of a Person, including legal counsel, accountants and financial advisors.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations thereunder.

"Subsidiary" of a specified Person means (a) any Person if securities having ordinary voting power (at the time in question and without regard to the happening of any contingency) to elect a majority of the directors, trustees, managers or other governing body of such Person are held or controlled by the specified Person or a Subsidiary of the specified Person; (b) any Person in which the specified Person and its subsidiaries collectively hold a 50% or greater equity interest; (c) any partnership or similar organization in which the specified Person or subsidiary of the specified Person is a general partner; or (d) any Person the management of which is directly or indirectly controlled by the specified Person and its Subsidiaries through the exercise of voting power, by contract or otherwise.

"Tax" means any U.S. or non U.S. federal, state, provincial, local or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, intangible property, recording, occupancy, sales, use, transfer, registration, value added minimum, estimated or other tax of any kind whatsoever, including any interest, additions to tax, penalties, fees, deficiencies, assessments, additions or other charges of any nature with respect thereto, whether disputed or not.

"Tax Return" means any return, declaration, report, claim for refund or credit or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

"Treasury Regulations" means regulations promulgated by the U.S. Treasury Department under the Code.

1.2 Other Definitions. The following terms shall, when used in this Agreement, have the meanings assigned to such terms in the Sections indicated.

| Term | Section |
|---|---|
| "Agreement" | Preamble |
| "BCA" | 2.1 |
| "Certificate of Merger" | 2.5 |
| "Closing". | 2.12 |
| "Closing Date" | 2.12 |
| "Company Certificates" | 2.72.7(a) |
| "Company Financial Statements" | 3.8 |
| "Company 2004 Financial Statements" | 3.8 |
| "Company Intellectual Property Rights" | 3.6 |
| "Company Option" | 2.6(b) |
| "Dissenting Shares" | 2.9 |
| "Effective Time" | 2.5 |
| "Excluded Shares" | 2.6(a) |
| "Indemnifying Party" | 9.3 |
| "Merger" | 2.1 |
| "Options" | 3.2(b) |
| "Omni Parties" | Preamble |
| "Omni Warrants" | 2.6(a)(iii) |
| "Omni Subsidaries" | |
| "Parties" | Preamble |
| "Post Closing Financing" | 2.6(a) |
| "Preferred Shares" | 2.6(a)(ii) |
| "Surviving Corporation" | 2.1 |

## ARTICLE II
## THE MERGER

2.1 Merger; Surviving Corporation. In accordance with and subject to the provisions of this Agreement and the Michigan Business Corporation Act ("BCA"), at the Effective Time, the Merger Sub shall be merged with and into the Company (the "Merger"), and the Company shall be the surviving corporation in the Merger (hereinafter sometimes called the "Surviving Corporation") and shall continue its corporate existence under the laws of the State of Michigan. At the Effective Time, the separate existence of the Merger Sub shall cease. All properties, franchises and rights belonging to the Company and Merger Sub, by virtue of the Merger and without further act or deed, shall be vested in the Surviving Corporation, which shall thenceforth be responsible for all the liabilities and obligations of each of Merger Sub and the Company.

2.2 Articles of Incorporation. The Company's articles of incorporation, as in effect at the Effective Time, shall continue in full force and effect as the articles of incorporation of the Surviving Corporation until altered or amended as provided therein or by law.

2.3 ByLaws. The Company's bylaws, as in effect at the Effective Time, shall be the bylaws of the Surviving Corporation until altered, amended or repealed as provided therein or bylaw.

2.4 Effective Time. The Merger shall become effective at the time and date that the certificate of merger of each of the Merger Sub and the Company (the "Certificate of Merger"), in form and substance acceptable to the Parties, is accepted for filing by the Secretary of State of the State of Michigan in accordance with the provisions of the BCA. The Certificate of Merger shall be executed by the Merger Sub and the Company and delivered to the Secretary of State of the State of Michigan for filing on the Closing Date. The date and time when the Merger becomes effective are referred to herein as the "Effective Time."

2.5 Merger Shares; Conversion and Cancellation of Securities.

(a) Conversion of Company Common Stock. At the Effective Time, each share of Company Common Stock outstanding immediately before the Effective Time, other than shares described in Section 2.6(e) and the Dissenting Shares (as defined in Section 2.8 below), (collectively, the "Excluded Shares"), shall be converted, by virtue of the Merger, into four shares of Omni Common Stock.

(b) Debt Conversion. At the Effective Time, the principal amount and accrued interest through November 30, 2005 of each of the outstanding Senior Notes and Bridge Notes (the "Notes") from holders who have elected to so convert their notes shall be converted into shares of Omni Common Stock. In the event that any holder of a Note does not elect to so convert, (a) no shares of Omni Common Stock shall be issued to such holder, and (b) such Notes shall remain the obligation of the Company until such Notes are repaid or converted. The conversion rate of the Notes is 1.64 shares for each $1.00 of Note obligation (principal and accrued interest) (the "Debt Conversion").

(c) Additional Shares. At the Effective Time, Omni shall issue an additional 900,000 shares to the designees of the Company as set forth on schedule 2.5.

(d) Conversion. The allocation of the shares of Omni Common Stock to be issued pursuant to subparagraphs (a), (b) and (c) above (the "Merger Shares") among the Company Shareholders excluding the holders of Excluded Shares and holders who have not elected to convert their Notes shall be subject to the following:

(i) The allocation of the Merger Shares is set forth on Schedule 2.5;

(ii) It is assumed that, as of the Effective Date, Omni will have 1,227,079 shares of common stock outstanding on a fully diluted basis.

At the Effective Time, all Company Shares shall no longer be outstanding and shall be cancelled and retired and shall cease to exist, and each certificate formerly representing any Company Common Stock (other than Excluded Shares) shall thereafter represent only the right to the Merger Shares.

(e) Shares Not to be Delivered. Notwithstanding anything herein to the contrary, Omni shall not issue or withhold delivery of Merger Shares to any Company Shareholder (as instructed by the Company) in the case where the Company has advised Omni that it has a good faith claim that such Company Shareholder is not entitled to such Merger Shares.

(f) Stock Options/Warrants. At the Effective Time, each outstanding option and warrant to purchase Company Common Stock (a "Company Option"), whether vested or unvested, shall be deemed to constitute an option to acquire, on the same terms and conditions as were applicable under such Company Option, the same number of shares of Omni Common Stock as the holder of such Company Option would have been entitled to receive pursuant to the Merger had such holder exercised such option in full immediately prior to the Effective Time (rounded up to the nearest whole number) (the "Option Shares"), at a price per share (rounded up to the nearest whole cent) equal to (i) the aggregate exercise price for the Company Common Stock otherwise purchasable pursuant to such Company Option divided by (ii) the number of full shares of Omni Common Stock deemed purchasable pursuant to such Company Option in accordance with the foregoing. The warrants and options together with the Option Shares are set forth on Schedule 2.5.

(g) Treasury Shares, Etc. Each share of Company Common Stock held in the treasury of the Company and (each share of Company Common Stock, if any, held by Omni or any Subsidiary of Omni or of the Company immediately before the Effective Time) shall be cancelled and extinguished, and nothing shall be issued or paid in respect thereof.

(h) Fractional Shares. No certificates or scrip evidencing fractional shares of Omni Preferred Stock shall be issued in exchange for Company Common Stock. All fractional share amounts shall be rounded up to the nearest whole share.

2.6 Delivery of Certificates.

(a) Delivery Procedures. As soon as practicable after the Effective Time, Omni shall deliver to the party entitled thereto certificates evidencing the Merger Shares. From and after the Effective Time, for all corporate purposes, subject to Section 2.9, the outstanding Company Certificates shall be deemed to evidence the ownership of the number of full shares of Omni Common Stock into which such shares of the Company Common Stock shall have been so converted.

(b) Intentionally deleted.

(c) Intentionally deleted

(d) Required Withholding. In connection with any payment to any holder or former holder of the Company Common Stock or Notes, Omni and the Surviving Corporation shall be entitled to deduct and withhold from any consideration payable or otherwise deliverable pursuant to this Agreement to any holder or former holder of the Company Common Stock or Notes such amounts as may be required to be deducted or withheld therefrom under the Code or under any provision of state, local or foreign tax law or under any other applicable laws. To the extent such amounts are so deducted or withheld, such amounts shall be treated for all purposes under this Agreement as having been paid to the person to whom such amounts would otherwise have been paid.

2.7 Stock Transfer Books. At the Effective Time, the stock transfer books of the Company shall be closed, and there shall be no further registration of transfers of shares of Company Common Stock thereafter on the records of the Company.

2.8 Dissenting Shares. Shares of Company Common Stock which are issued and outstanding immediately prior to the Effective Time and which are held by persons who have properly exercised, and not withdrawn or waived, appraisal rights with respect thereto in accordance with the BCA (the "Dissenting Shares"), will not be converted into the right to receive the Merger Shares, and holders of such shares of Company Common Stock will be entitled, in lieu thereof, to receive payment of the appraised value of such shares of Company Common Stock in accordance with the provisions of the BCA unless and until such holders fail to perfect or effectively withdraw or lose their rights to appraisal and payment under the BCA. If, after the Effective Time, any such holder fails to perfect or effectively withdraws or loses such right, such shares of Company Common Stock will thereupon be treated as if they had been converted at the Effective Time into the right to receive the Merger Shares, without any interest thereon. The Company will give Omni prompt notice of any demands received by the Company for appraisal of shares of Company Common Stock. Prior to the Effective Time, the Company will not, except with the prior written consent of Omni make any payment with respect to, or settle or offer to settle, any such demands.

2.9 Restriction on Transfer. The Merger Shares may not be sold, transferred, or otherwise disposed of without registration under the Act or an exemption there from, and that in the absence of an effective registration statement covering the Merger Shares or any available exemption from registration under the Act, the Merger Shares must be held indefinitely. The Company Shareholders are aware that the Merger Shares may not be sold pursuant to Rule 144 promulgated under the Act unless all of the conditions of that Rule are met. Among the conditions for use of Rule 144 may be the availability of current information to the public about Omni.

2.10 Restrictive Legend. All certificates representing the Merger Shares shall contain the following legend:

> "THE SECURITIES REPRESENTED BY THIS CERTIFICATE, ARE SUBJECT TO THE TERMS OF AN AGREEMENT AND PLAN OF MERGER, DATED AS OF DECEMBER ___, 2005, AMONG OMNI U.S.A., INC., OMNI MERGER SUB, INC. AND BRENDAN TECHNOLOGIES, INC., A COPY OF WHICH IS ON FILE IN THE PRINCIPAL OFFICE OF THE ISSUER. FURTHER, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF WITHOUT REGISTRATION UNDER THE ACT OR AN EXEMPTION THEREFROM."

2.11 Closing. The closing of the transactions contemplated by this Agreement and the Collateral Documents (the "Closing") shall take place at the offices of Troy & Gould P.C., 16th Floor, Los Angeles, California 90067, or at such other location as the parties may agree at 11:00 a.m., Pacific Time on the agreed date, which, shall be within forty five (45) days of the signing hereof (the "Closing Date"). The Closing shall be deemed to occur concurrently with the execution of this Agreement.

## ARTICLE III
## REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants to Omni that the statements contained in this ARTICLE III are correct and complete as of the date of this Agreement and, except as provided in Section 7.1, will be correct and complete as of the Closing Date (as though made then and as though the Closing Date were substituted for the date of this Agreement throughout this ARTICLE III, except in the case of representations and warranties stated to be made as of the date of this Agreement or as of another date and except for changes contemplated or permitted by this Agreement).

3.1 Organization and Qualification. The Company and each of its Subsidiaries, collectively referred to herein as the Company, is a corporation duly organized, validly existing and in good standing under the laws of its respective jurisdiction of organization. The Company has all requisite power and authority to own, lease and use its assets as they are currently owned, leased and used and to conduct its business as it is currently conducted. The Company is duly qualified or licensed to do business in and is in good standing in each jurisdiction in which the character of the properties owned, leased or used by it or the nature of the activities conducted by it make such qualification necessary, except any such jurisdiction where the failure to be so qualified or licensed would not have a Material Adverse Effect on the Company or a material adverse effect on the validity, binding effect or enforceability of this Agreement or the Collateral Documents or the ability of the Company to perform its obligations under this Agreement or any of the Collateral Documents.

3.2 Capitalization.

(a) The authorized, issued and outstanding capital stock and other ownership interests of the Company consists of 10,000,000 shares of common stock, of which 4,754,709 shares were outstanding as of the date hereof.

(b) Schedule 2.5 lists all outstanding or authorized options, warrants, purchase rights, preemptive rights or other contracts or commitments that could require the Company to issue, sell, or otherwise cause to become outstanding any of its capital stock or other ownership interests.

(c) All of the issued and outstanding shares of Company Common Stock have been duly authorized and are validly issued and outstanding, fully paid and nonassessable and have been issued in compliance with applicable securities laws and other applicable Legal Requirements or transfer restrictions under applicable securities laws.

3.3 Authority and Validity. The Company has all requisite corporate power to execute and deliver, to perform its obligations under, and to consummate the transactions contemplated by, this Agreement. The execution and delivery by the Company of, the performance by the Company of its obligations under, and the consummation by the Company of the transactions contemplated by, this Agreement have been duly authorized by all requisite action of the Company. This Agreement has been duly executed and delivered by the Company and (assuming due execution and delivery by the Omni Parties is the legal, valid, and binding obligation of the Company, enforceable against it in accordance with its terms, except that such enforcement may be subject to (i) bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting or relating to enforcement of creditors' rights generally and (ii) general equitable principles. Upon the execution and delivery of the Collateral Documents by each Person (other than the Omni Parties) that is required by this Agreement to execute, or that does execute, this Agreement or any of the Collateral Documents, and assuming due execution and delivery thereof by the Omni Parties, the Collateral Documents will be the legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms, except that such enforcement may be subject to (i) bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting or relating to enforcement of creditors' rights generally and (ii) general equitable principles.

3.4 No Breach or Violation. Subject to obtaining the consents, approvals, authorizations, and orders of and making the registrations or filings with or giving notices to Regulatory Authorities and Persons identified herein, the execution, delivery and performance by the Company of this Agreement and the Collateral Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby in accordance with the terms and conditions hereof and thereof, do not and will not conflict with, constitute a violation or breach of, constitute a default or give rise to any right of termination or acceleration of any right or obligation of the Company under, or result in the creation or imposition of any Encumbrance upon the Company, the Company Assets, the Company Business or the Company Common Stock by reason of the terms of (i) the articles of incorporation, by laws or other charter or organizational document of the Company or any Subsidiary of the Company, (ii) any material contract, agreement, lease, indenture or other instrument to which the Company is a party or by or to which the Company, or the Assets may be bound or subject and a violation of which would result in a Material Adverse Effect on the Company, (iii) any order, judgment, injunction, award or decree of any arbitrator or Regulatory Authority or any statute, law, rule or regulation applicable to the Company or (iv) any Permit of the Company, which in the case of (ii), (iii) or (iv) above would have a Material Adverse Effect on the Company or a material adverse effect on the validity, binding effect or enforceability of this Agreement or the Collateral Documents or the ability of the Company to perform its obligations under this Agreement or any of the Collateral Documents.

3.5 Consents and Approvals. No consent, approval, authorization or order of, registration or filing with, or notice to, any Regulatory Authority or any other Person is necessary to be obtained, made or given by the Company in connection with the execution, delivery and performance by the Company of this Agreement or any Collateral Document or for the consummation by the Company of the transactions contemplated hereby or thereby, except to the extent the failure to obtain any such consent, approval, authorization or order or to make any such registration or filing would not have a Material Adverse Effect on the Company or a material adverse effect on the validity, binding effect or enforceability of this Agreement or the Collateral Documents or the ability of the Company to perform its obligations under this Agreement or any of the Collateral Documents.

3.6 Intellectual Property. To the knowledge of the Company, the Company has good title to or the right to use all material company intellectual property rights and all material inventions, processes, designs, formulae, trade secrets and know how necessary for the operation of the Company Business without the payment of any royalty or similar payment.

3.7 Compliance with Legal Requirements. The Company has operated the Business of the Company in compliance with all Legal Requirements applicable to the Company except to the extent the failure to operate in compliance with all material Legal Requirements would not have a Material Adverse Effect on the Company or Material Adverse Effect on the validity, binding effect or enforceability of this Agreement or the Collateral Documents.

3.8 Financial Statements. The Company has provided Omni with copies of its financial statements for the years ended December 31, 2004 and 2003. Such financial statements present fairly in all material respects the financial condition of the Company and its results of operations as of the dates and for the periods indicated.

3.9 Litigation. There are no outstanding judgments or orders against or otherwise affecting or related to the Company, the Company Business or the Company Assets and there is no action, suit, complaint, proceeding or investigation, judicial, administrative or otherwise, that is pending or, to the Company's knowledge, threatened that, if adversely determined, would have a Material Adverse Effect on the Company or a material adverse effect on the validity, binding effect or enforceability of this Agreement or the Collateral Documents.

3.10 Taxes. The Company has duly and timely filed in proper form all Tax Returns for all Taxes required to be filed with the appropriate Regulatory Authority, and has paid all Taxes required to be paid in respect thereof except where such failure would not have a Material Adverse Effect on the Company.

3.11 Books and Records. The books and records of the Company accurately and fairly represent the Company Business and its results of operations in all material respects. All accounts receivable and inventory of the Company Business are reflected properly on such books and records in all material respects.

3.12 Brokers or Finders. Except as set forth on Item 3.12 of the Disclosure Schedule, all negotiations relative to this Agreement and the transactions contemplated hereby have been carried out by the Company or any of its Affiliates in connection with the transactions contemplated by this Agreement, and neither the Company, nor any of its Affiliates has incurred any obligation to pay any brokerage or finder's fee or other commission in connection with the transaction contemplated by this Agreement.

3.13 Disclosure. No representation or warranty of the Company in this Agreement or in the Collateral Documents and no statement in any certificate furnished or to be furnished by the Company pursuant to this Agreement contained, contains or will contain on the date such agreement or certificate was or is delivered, or on the Closing Date, any untrue statement of a material fact, or omitted, omits or will omit on such date to state any material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

3.14 No Undisclosed Liabilities. Except as set forth as Item 3.14 of the Company's Disclosure Schedule, the Company is not subject to any material liability (including unasserted claims), absolute or contingent, which is not shown or which is in excess of amounts shown or reserved for in the December 31, 2004 balance sheet, other than liabilities of the same nature as those set forth in the Company Financial Statements and reasonably incurred in the ordinary course of its business after December 31, 2004.

3.15 Absence of Certain Changes. Except as set forth as Item 3.15 of the Company's Disclosure Schedule hereto since December 31, 2004, the Company has not: (a) suffered any material adverse change in its financial condition, assets, liabilities or business; (b) contracted for or paid any capital expenditures; (c) incurred any indebtedness or borrowed money, issued or sold any debt or equity securities, declared any dividends or discharged or incurred any liabilities or obligations except in the ordinary course of business as heretofore conducted; (d) mortgaged, pledged or subjected the Company to any lien, lease, security interest or other charge or encumbrance any of its properties or assets; (e) paid any material amount on any indebtedness prior to the due date, forgiven or cancelled any material amount on any indebtedness prior to the due date, forgiven or cancelled any material debts or claims or released or waived any material rights or claims; (f) suffered any damage or destruction to or loss of any assets (whether or not covered by insurance); (g) acquired or disposed of any assets or incurred any liabilities or obligations; (h) made any payments to its affiliates or associates or loaned any money to any person or entity; (i) formed or acquired or disposed of any interest in any corporation, partnership, limited liability company, joint venture or other entity; (j) entered into any employment, compensation, consulting or collective bargaining agreement or any other agreement of any kind or nature with any person or group, or modified or amended in any respect the terms of any such existing agreement; (k) entered into any other commitment or transaction or experience any other event that relates to or affect in any way this Agreement or to the transactions contemplated hereby, or that has affected, or may adversely affect the Company's business, operations, assets, liabilities or financial condition; or (1) amended its Articles of Organization or By-laws, except as otherwise contemplated herein.

3.16 Contracts. Except as set forth as Item 3.16 of the Company's Disclosure Schedule, the Company has complied with and performed, in all material respects, all of its obligations required to be performed under and is not in default with respect to any of the Contracts, as of the date hereof, nor has any event occurred which has not been cured which, with or without the giving of notice, lapse of time, or both, would constitute a default in any respect thereunder. To the best knowledge of the Company Parties, no other party has failed to comply with or perform, in all material respects, any of its obligations required to be performed under or is in material default with respect to any such Contracts, as of the date hereof, nor has any event occurred which, with or without the giving of notice, lapse of time or both, would constitute a material default in any respect by such party thereunder. Except as set forth as Item 3.16 of the Company's Disclosure Schedule the Company Parties know of and have no reason to believe that there are any facts or circumstances which would make a material default by any party to any contract or obligation likely to occur subsequent to the date hereof.

3.17 Permits and Licenses. The Company has all certificates of occupancy, rights, permits, certificates, licenses, franchises, approvals and other authorizations as are reasonably necessary to conduct its business and to own, lease, use, operate and occupy its assets, at the places and in the manner now conducted and operated, except those the absence of which would not materially adversely affect its business. The Company has not received any written or oral notice or claim pertaining to the failure to obtain any material permit, certificate, license, approval or other authorization required by any federal, state or local agency or other regulatory body, the failure of which to obtain would materially and adversely affect its business.

3.18 Assets Necessary to Business. The Company owns or leases all properties and assets, real, personal, and mixed, tangible and intangible, and is a party to all licenses, permits and other agreements necessary to permit it to carry on its business as presently conducted. Prior to Closing, the Company will make all records available to Omni with respect to all such material contracts.

3.19 Labor Agreements and Labor Relations. The Company has no collective bargaining or union contracts or agreements. The Company is in compliance with all applicable laws respecting employment and employment practices, terms and conditions of employment and wages and hours, and is not engaged in any unfair labor practices; there are no charges of discrimination or unfair labor practice charges or complaints against the Company pending or threatened before any governmental or regulatory agency or authority; and, there is no labor strike, dispute, slowdown or stoppage actually pending or threatened against or affecting the Company.

3.20 Employment Arrangements. Except as set forth as Item 3.20 of the Company's Disclosure Schedule hereto, the Company has no employment or consulting agreements or arrangements, written or oral, which are not terminable at the will of the Company, or any pension, profit-sharing, option, other incentive plan, or any other type of employment benefit plan as defined in ERISA or otherwise, or any obligation to or customary arrangement with employees for bonuses, incentive compensation, vacations, severance pay, insurance or other benefits. No employee of the Company is in violation of any employment agreement or restrictive covenant.

## ARTICLE IV
## REPRESENTATIONS AND WARRANTIES OF THE OMNI PARTIES

Each of the Omni Parties, jointly and severally, represent and warrant to the Company that the statements contained in this ARTICLE IV are correct and complete as of the date of this Agreement and, except as provided in Section 8.1, will be correct and complete as of the Closing Date (as though made then and as though the Closing Date were substituted for the date of this Agreement throughout this ARTICLE IV, except in the case of representations and warranties stated to be made as of the date of this Agreement or as of another date and except for changes contemplated or permitted by the Agreement).

4.1 Organization and Qualification. Each of Omni and Merger Sub is a corporation duly organized, validly existing and in good standing under the laws of Nevada and Michigan, respectively. Each of Omni and Merger Sub has all requisite power and authority to own, lease and use its assets as they are currently owned, leased and used and to conduct its business as it is currently conducted. Both Omni and Merger Sub are duly qualified or licensed to do business in and are each in good standing in each jurisdiction in which the character of the properties owned, leased or used by it or the nature of the activities conducted by it makes such qualification necessary, except any such jurisdiction where the failure to be so qualified or licensed and in good standing would not have a Material Adverse Effect on Omni or a Material Adverse Effect on the validity, binding effect or enforceability of this Agreement or the Collateral Documents or the ability of the Company or any of the Omni Parties to perform their obligations under this Agreement or any of the Collateral Documents.

4.2 Capitalization.

(a) As of the date hereof, the authorized capital stock of Omni consists of 50,000,000 shares of common stock $0.004995 par value of which 1,227,079 shares are outstanding. The Merger Shares, when issued in accordance with this Agreement, will have been duly authorized, validly issued and outstanding and will be fully paid and nonassessable.

(b) As of the date hereof, the authorized capital stock of Merger Sub consists of 100 shares of common stock no par value of which there are 100 shares outstanding. Each outstanding share of Merger Sub is duly authorized, validly issued and outstanding and will be fully paid and nonassessable and are owned by Omni.

(c) Schedule 4.2(c) lists all outstanding or authorized options, warrants, purchase rights, preemptive rights or other contracts or commitments that could require Omni or any of its Subsidiaries to issue, sell, or otherwise cause to become outstanding any of its capital stock or other ownership interests.

(d) All of the issued and outstanding shares of Omni Capital Stock, and all outstanding ownership interests of each of Omni's Subsidiaries have been duly authorized and are validly issued and outstanding, fully paid and nonassessable (with respect to Subsidiaries that are corporations) and have been issued in compliance with applicable securities laws and other applicable Legal Requirements.

4.3 Authority and Validity. Each Omni Party has all requisite power to execute and deliver, to perform its obligations under, and to consummate the transactions contemplated by, this Agreement and the Collateral Documents. The execution and delivery by each Omni Party of, the performance by each Omni Party of its respective obligations under, and the consummation by the Omni Parties of the transactions contemplated by, this Agreement and the Collateral Documents have been duly authorized by all requisite action of each Omni Party. This Agreement has been duly executed and delivered by each of the Omni Parties and (assuming due execution and delivery by the Company) is the legal, valid and binding obligation of each Omni Party, enforceable against each of them in accordance with its terms except that such enforcement may be subject to (i) bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting or relating to enforcement of creditors' rights generally and (ii) general equitable principles. Upon the execution and delivery by each of the Omni Parties of the Collateral Documents to which each of them is a party, and assuming due execution and delivery thereof by the other parties thereto, the Collateral Documents will be the legal, valid and binding obligations of each such Person, as the case may be, enforceable against each of them in accordance with their respective terms except that such enforcement may be subject to (i) bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting or relating to enforcement of creditors' rights generally and (ii) general equitable principles.

4.4 No Breach or Violation. Subject to obtaining the consents, approvals, authorizations, and orders of and making the registrations or filings with or giving notices to Regulatory Authorities and Persons identified herein, the execution, delivery and performance by the Omni Parties of this Agreement and the Collateral Documents to which each is a party and the consummation of the transactions contemplated hereby and thereby in accordance with the terms and conditions hereof and thereof, do not and will not conflict with, constitute a violation or breach of, constitute a default or give rise to any right of termination or acceleration of any right or obligation of any Omni Party under, or result in the creation or imposition of any Encumbrance upon the property of Omni or Merger Sub by reason of the terms of (i) the articles of incorporation, by laws or other charter or organizational document of any Omni Party, (ii) any contract, agreement, lease, indenture or other instrument to which any Omni Party is a party or by or to which any Omni Party or their property may be bound or subject and a violation of which would result in a Material Adverse Effect on Omni taken as a whole, (iii) any order, judgment, injunction, award or decree of any arbitrator or Regulatory Authority or any statute, law, rule or regulation applicable to any Omni Party or (iv) any Permit of Omni or Merger Sub, which in the case of (ii), (iii) or (iv) above would have a Material Adverse Effect on Omni or a material adverse effect on the validity, binding effect or enforceability of this Agreement or the Collateral Documents or the ability of any Omni Party to perform its obligations hereunder or thereunder.

4.5 Consents and Approvals. Except for requirements under applicable United States Federal or state securities laws, no consent, approval, authorization or order of, registration or filing with, or notice to, any Regulatory Authority or any other Person is necessary to be obtained, made or given by any Omni Party in connection with the execution, delivery and performance by them of this Agreement or any Collateral Documents or for the consummation by them of the transactions contemplated hereby or thereby, except to the extent the failure to obtain such consent, approval, authorization or order or to make such registration or filings or to give such notice would not have a Material Adverse Effect on Omni or a material adverse effect on the validity, binding effect or enforceability of this Agreement or the Collateral Documents or the ability of the Company or any of the Omni Parties to perform its obligations under this Agreement or any of the Collateral Documents.

4.6 Compliance with Legal Requirements. Omni and its Subsidiaries have operated the Business of Omni in compliance with all material Legal Requirements including, without limitation, the Exchange Act and the Securities Act applicable to Omni and its Subsidiaries, except to the extent the failure to operate in compliance with all material Legal Requirements, would not have a Material Adverse Effect on Omni or a Material Adverse Effect on the validity, binding effect or enforceability of this Agreement or the Collateral Documents.

4.7 Litigation. There are no outstanding judgments or orders against or otherwise affecting or related to Omni, any of its Subsidiaries, or their business or assets; and there is no action, suit, complaint, proceeding or investigation, judicial, administrative or otherwise, that is pending or, to the best knowledge of any Omni Party, threatened that, if adversely determined, would have a Material Adverse Effect on Omni or a material adverse effect on the validity, binding effect or enforceability of this Agreement or the Collateral Documents.

4.8 Ordinary Course. Since the date of the balance sheet included in the most recent Omni Securities Filings filed through the date hereof, there has not been any occurrence, event, incident, action, failure to act or transaction involving Omni or any of its Subsidiaries which is reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Omni.

4.9 Taxes. Omni has, and each of its Subsidiaries has, duly and timely filed in proper form all Tax Returns for all Taxes required to be filed with the appropriate Governmental Authority, except where such failure to file would not have a Material Adverse Effect on Omni.

4.10 Books and Records. The books and records of Omni and its Subsidiaries accurately and fairly represent the Omni Business and its results of operations in all material respects. All accounts receivable and inventory of the Omni Business are reflected properly on such books and records in all material respects.

4.11 Financial and Other Information.

(a) The historical financial statements (including the notes thereto) contained (or incorporated by reference) in the Omni Securities Filings have been prepared in accordance with GAAP applied on a consistent basis throughout the periods covered thereby (except as may be indicated in the notes thereto), and present fairly the financial condition of Omni and its results of operations as of the dates and for the periods indicated, subject in the case of the unaudited financial statements only to normal year end adjustments (none of which will be material in amount) and the omission of footnotes.

(b) To the knowledge of current management, the Omni Securities Filings did not, as of their filing dates, contain (directly or by incorporation by reference) any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein (or incorporated therein by reference), in light of the circumstances under which they were or will be made, not misleading.

4.12 Brokers or Finders. Except as set forth on Item 4.12 of the Disclosure Schedule, no broker or finder has acted directly or indirectly for Omni, any Omni Party or any of their Affiliates in connection with the transactions contemplated by this Agreement, and neither Omni, any Omni Party nor any of their Affiliates has incurred any obligation to pay any brokerage or finder's fee or other commission in connection with the transaction contemplated by this Agreement.

4.13 Disclosure. No representation or warranty of Omni in this Agreement or in the Collateral Documents and no statement in any certificate furnished or to be furnished by Omni pursuant to this Agreement contained, contains or will contain on the date such agreement or certificate was or is delivered, or on the Closing Date, any untrue statement of a material fact, or omitted, omits or will omit on such date to state any material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

4.14 Filings. To the knowledge of current management, Omni has made all of the filings required by the Securities Act of 1933, as amended, and the Exchange Act of 1934, as amended, required to be made and no such filing contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements made, not misleading.

## ARTICLE V
## COVENANTS OF THE COMPANY

Between the date of this Agreement and the Closing Date:

5.1 Additional Information. The Company shall provide to Omni and its Representatives such financial, operating and other documents, data and information relating to the Company, the Company Business and the Company Assets and Liabilities of the Company, as Omni or its Representatives may reasonably request. In addition, the Company shall take all action necessary to enable Omni and its Representatives to review, inspect and audit the Company Assets, the Company Business and Liabilities of the Company and discuss them with the Company's officers, employees, independent accountants, customers, licensees, and counsel. Notwithstanding any investigation that Omni may conduct of the Company, the Company Business, the Company Assets and the Liabilities of the Company, the Omni Parties may fully rely on the Company's warranties, covenants and indemnities set forth in this Agreement.

5.2 Consents and Approvals. As soon as practicable after execution of this Agreement, the Company shall use commercially reasonable efforts to obtain any necessary consent, approval, authorization or order of, make any registration or filing with or give any notice to, any Regulatory Authority or Person as is required to be obtained, made or given by the Company to consummate the transactions contemplated by this Agreement and the Collateral Documents.

5.3 No Solicitations. From and after the date of this Agreement until the Effective Time or termination of this Agreement pursuant to ARTICLE XI, the Company will not nor will it authorize or permit any of its officers, directors, affiliates or employees or any investment banker, attorney or other advisor or representative retained by it, directly or indirectly, to (i) solicit or initiate the making, submission or announcement of any other acquisition proposal with regard to any merger, sale of substantial assets, or similar proposal (collectively a "Proposal"), (ii) participate in any discussions or negotiations regarding, or furnish to any person any non public information with respect to any other Proposal, (iii) engage in discussions with any Person with respect to any other Proposal, except as to the existence of these provisions, (iv) approve, endorse or recommend any other Proposal or (v) enter into any letter of intent or similar document or any contract agreement or commitment contemplating or otherwise relating to any other Proposal except for the transactions contemplated to be undertaken by or with Omni.

5.4 Notification of Adverse Change. The Company shall promptly notify Omni of any material adverse change in the condition (financial or otherwise) of the Company.

5.5 Notification of Certain Matters. The Company shall promptly notify Omni of any fact, event, circumstance or action known to it that is reasonably likely to cause the Company to be unable to perform any of its covenants contained herein or any condition precedent in ARTICLE VII not to be satisfied, or that, if known on the date of this Agreement, would have been required to be disclosed to Omni pursuant to this Agreement or the existence or occurrence of which would cause any of the Company's representations or warranties under this Agreement not to be correct and/or complete. The Company shall give prompt written notice to Omni of any adverse development causing a breach of any of the representations and warranties in ARTICLE III as of the date made. In the event that the Company Disclosure Schedule is not delivered contemporaneously with the execution of this Agreement, it shall be delivered as soon as practicable.

5.6 Company Disclosure Schedule. The Company shall, from time to time prior to Closing, supplement the Company Disclosure Statement with additional information that, if existing or known to it on the date of delivery to the Omni Parties, would have been required to be included therein. For purposes of determining the satisfaction of any of the conditions to the obligations of the Omni Parties in ARTICLE VII, the Company Disclosure Statement shall be deemed to include only (a) the information contained therein on the date of this Agreement and (b) information added to the Company Disclosure Statement by written supplements delivered prior to Closing by the Company that (i) are accepted in writing by Omni, or (ii) reflect actions taken or events occurring after the date hereof prior to Closing.

5.7 State Statutes. The Company and its Board of Directors shall, if any state takeover statute or similar law is or becomes applicable to the Merger, this Agreement or any of the transactions contemplated by this Agreement, use all reasonable efforts to ensure that the Merger and the other transactions contemplated by this Agreement may be consummated as promptly as practicable on the terms contemplated by this Agreement and otherwise to minimize the effect of such statute or regulation on the Merger, this Agreement and the transactions contemplated hereby.

5.8 Conduct of Business. Prior to the Closing Date, the Company shall conduct its business in the normal course, and shall not sell, pledge, or assign any assets, without the prior written approval of Omni, except in the regular course of business. Except as otherwise provided herein, the Company shall not amend its Articles of Incorporation or Bylaws, declare dividends, redeem or sell stock or other securities, incur additional or newly-funded liabilities, acquire or dispose of fixed assets, change employment terms, enter into any material or long-term contract, guarantee obligations of any third party, settle or discharge any balance sheet receivable for less than its stated amount, pay more on any liability than its stated amount, or enter into any other transaction other than in the regular course of business.

## ARTICLE VI
## COVENANTS OF THE OMNI PARTIES

Between the date of this Agreement and the Closing Date,

6.1 Additional Information. Omni shall provide to the Company and its Representatives such financial, operating and other documents, data and information relating to Omni and its Subsidiaries, the Omni Business and the Omni Assets and the Liabilities of Omni and its Subsidiaries, as the Company or its Representatives may reasonably request. In addition, the Company shall take all action necessary to enable the Company and its Representatives to review and inspect the Omni Assets, the Omni Business and the Liabilities of Omni and its Subsidiaries and discuss them with the Company's officers, employees, independent accountants and counsel. Notwithstanding any investigation that the Company may conduct of Omni and its Subsidiaries, the Omni Business, the Omni Assets and the Liabilities of Omni and its Subsidiaries, the Company may fully rely on the Omni Parties' warranties, covenants and indemnities set forth in this Agreement.

6.2 No Solicitations. From and after the date of this Agreement until the Effective Time or termination of this Agreement pursuant to ARTICLE XI, Omni will not nor will it authorize or permit any of its officers, directors, affiliates or employees or any investment banker, attorney or other advisor or representative retained by it, directly or indirectly, (i) solicit or initiate the making, submission or announcement of any other acquisition proposal, (ii) participate in any discussions or negotiations regarding, or furnish to any person any non public information with respect to any other acquisition proposal, (iii) engage in discussions with any Person with respect to any other acquisition proposal, except as to the existence of these provisions, (iv) approve, endorse or recommend any other acquisition proposal or (v) enter into any letter of intent or similar document or any contract agreement or commitment contemplating or otherwise relating to any other acquisition proposal.

6.3 Notification of Adverse Change. Omni shall promptly notify the Company of any material adverse change in the condition (financial or otherwise) of Omni.

6.4 Consents and Approvals. As soon as practicable after execution of this Agreement, the Omni Parties shall use their commercially reasonable efforts to obtain any necessary consent, approval, authorization or order of, make any registration or filing with or give notice to, any Regulatory Authority or Person as is required to be obtained, made or given by any of the Omni Parties to consummate the transactions contemplated by this Agreement and the Collateral Documents.

6.5 Notification of Certain Matters. Omni shall promptly notify the Company of any fact, event, circumstance or action known to it that is reasonably likely to cause any Omni Party to be unable to perform any of its covenants contained herein or any condition precedent in ARTICLE VIII not to be satisfied, or that, if known on the date of this Agreement, would have been required to be disclosed to the Company pursuant to this Agreement or the existence or occurrence of which would cause any of the Omni Parties' representations or warranties under this Agreement not to be correct and/or complete. The Omni Parties shall give prompt written notice to the Company of any adverse development causing a breach of any of the representations and warranties in ARTICLE IV.

6.6 Omni Disclosure Schedule. The Omni Parties shall, from time to time prior to Closing, supplement the Omni Disclosure Statement with additional information that, if existing or known to it on the date of this Agreement, would have been required to be included therein. For purposes of determining the satisfaction of any of the conditions to the obligations of the Company in ARTICLE VIII, the Omni Disclosure Statement shall be deemed to include only (a) the information contained therein on the date of delivery to the Company and (b) information added to the Omni Disclosure Statement by written supplements delivered prior to Closing by the Omni Parties that (i) are accepted in writing by the Company or (ii) reflect actions taken or events occurring after the date hereof and prior to Closing.

6.7 Securities Filings. Omni will timely file all reports and other documents relating to the operation of Omni required to be filed with the Securities and Exchange Commission, which reports and other documents do not and will not contain any misstatement of a material fact, and do not and will not omit any material fact necessary to make the statements therein not misleading.

6.8 Election to Omni's Board of Directors. At the Effective Time of the Merger, Omni shall take all steps to appoint John Dunn, Lowell Giffhorn Theo Vermaelen and Steven Eisold to the Board of Directors.

## ARTICLE VII
## CONDITIONS PRECEDENT TO OBLIGATIONS OF THE OMNI PARTIES

All obligations of the Omni Parties under this Agreement shall be subject to the fulfillment at or prior to Closing of each of the following conditions, it being understood that the Omni Parties may, in their sole discretion, to the extent permitted by applicable Legal Requirements, waive any or all of such conditions in whole or in part.

7.1 Accuracy of Representations. All representations and warranties of the Company contained in this Agreement, the Collateral Documents and any certificate delivered by any of the Company at or prior to Closing shall be, if specifically qualified by materiality, true in all respects and, if not so qualified, shall be true in all material respects, in each case on and as of the Closing Date with the same effect as if made on and as of the Closing Date, except for representations and warranties expressly stated to be made as of the date of this Agreement or as of another date other than the Closing Date and except for changes contemplated or permitted by this Agreement. The Company shall have delivered to Omni and Merger Sub a certificate dated the Closing Date to the foregoing effect.

7.2 Covenants. The Company shall, in all material respects, have performed and complied with each of the covenants, obligations and agreements contained in this Agreement and the Collateral Documents that are to be performed or complied with by them at or prior to Closing. The Company shall have delivered to Omni and Merger Sub a certificate dated the Closing Date to the foregoing effect.

7.3 Consents and Approvals. All consents, approvals, permits, authorizations and orders required to be obtained from, and all registrations, filings and notices required to be made with or given to, any Regulatory Authority or Person as provided herein.

7.4 Delivery of Documents. The Company shall have delivered, or caused to be delivered, to Omni and Merger Sub the following documents:

(i) Certified resolutions of the board of directors and Shareholders of the Company authorizing the execution of this Agreement and the Collateral Documents to which it is a party and the consummation of the transactions contemplated hereby and thereby.

(ii) Such other documents and instruments as Omni may reasonably request: (A) to evidence the accuracy of the Company's representations and warranties under this Agreement, the Collateral Documents and any documents, instruments or certificates required to be delivered thereunder; (B) to evidence the performance by the Company of, or the compliance by the Company with, any covenant, obligation, condition and agreement to be performed or complied with by the Company under this Agreement and the Collateral Documents; or (C) to otherwise facilitate the consummation or performance of any of the transactions contemplated by this Agreement and the Collateral Documents.

7.5 No Material Adverse Change. Since the date hereof, there shall have been no material adverse change in the Company Assets, the Company Business or the financial condition or operations of the Company, taken as a whole.

7.6 Additional Disclosure. There shall have been no disclosure in any Company Disclosure Schedule or any supplement to the Company Disclosure Schedule or documents set forth in or attached thereto delivered after the execution of this Agreement, which, in the reasonable opinion of Omni, does or may have a Material Adverse Effect on the Company.

## ARTICLE VIII
## CONDITIONS PRECEDENT TO OBLIGATIONS OF THE COMPANY

All obligations of the Company under this Agreement shall be subject to the fulfillment at or prior to Closing of the following conditions, it being understood that the Company may, in its sole discretion, to the extent permitted by applicable Legal Requirements, waive any or all of such conditions in whole or in part.

8.1 Accuracy of Representations. All representations and warranties of the Omni Parties contained in this Agreement and the Collateral Documents and any other document, instrument or certificate delivered by any of the Omni Parties at or prior to the Closing shall be, if specifically qualified by materiality, true and correct in all respects and, if not so qualified, shall be true and correct in all material respects, in each case on and as of the Closing Date with the same effect as if made on and as of the Closing Date, except for representations and warranties expressly stated to be made as of the date of this Agreement or as of another date other than the Closing Date and except for changes contemplated or permitted by this Agreement. The Omni Parties shall have delivered to the Company a certificate dated the Closing Date to the foregoing effect.

8.2 Covenants. The Omni Parties shall, in all material respects, have performed and complied with each obligation, agreement, covenant and condition contained in this Agreement and the Collateral Documents and required by this Agreement and the Collateral Documents to be performed or complied with by the Omni Parties at or prior to Closing. The Omni Parties shall have delivered to the Company a certificate dated the Closing Date to the foregoing effect.

8.3 Consents and Approvals. All consents, approvals, authorizations and orders required to be obtained from, and all registrations, filings and notices required to be made with or given to, any Regulatory Authority or Person as provided herein.

8.4 Delivery of Documents. The Omni Parties, as applicable, shall have executed and delivered, or caused to be executed and delivered, to the Company the following documents:

(i) Certified copies of the articles of incorporation and by laws of Omni and certified resolutions by the board of directors authorizing the execution of this Agreement and the Collateral Documents and the consummation of the transactions contemplated hereby.

(ii) Such other documents and instruments as the Company may reasonably request: (A) to evidence the accuracy of the representations and warranties of the Omni Parties under this Agreement and the Collateral Documents and any documents, instruments or certificates required to be delivered thereunder; (B) to evidence the performance by the Omni Parties of, or the compliance by the Omni Parties with, any covenant, obligation, condition and agreement to be performed or complied with by the Omni Parties under this Agreement and the Collateral Documents; or (C) to otherwise facilitate the consummation or performance of any of the transactions contemplated by this Agreement and the Collateral Documents.

(iii) Letters of resignation from Omni's current officers and directors to be effective upon the Closing.

(iv) Board resolutions from Omni's current directors appointing the designees of the Company to Omni's board of directors.

8.5 No Material Adverse Change. There shall have been no material adverse change in the business, financial condition or operations of Omni and its Subsidiaries taken as a whole.

8.6 No Litigation. No action, suit or proceeding shall be pending or threatened by or before any Regulatory Authority and no Legal Requirement shall have been enacted, promulgated or issued or deemed applicable to any of the transactions contemplated by this Agreement and the Collateral Documents that would: (i) prevent consummation of any of the transactions contemplated by this Agreement and the Collateral Documents; (ii) cause any of the transactions contemplated by this Agreement and the Collateral Documents to be rescinded following consummation; or (iii) have a Material Adverse Effect on Omni.

8.7 Dissenters' Rights. Not more than $25,000 in claims shall have been asserted in connection with dissenters' appraisal rights under the BCA in connection with the Merger.

8.8 Exchange Act Requirements. Omni shall have complied with the provisions of Rule 14f-1 of the Exchange Act, if necessary.

8.9 Expenses. Omni shall have paid or arranged for the payment of all costs and expenses of the Omni Parties associated with this Agreement and the transactions contemplated hereby.

8.10 Subsidiary Transfer. As of the Effective Time, Omni shall have transferred (the "Transfer") all of the capital stock of Omni U.S.A. Inc., a Washington Corporation and Butler Products Corporation to Asia Capital LLC ("Asia") for an aggregate purchase price of $672,000 paid by delivery of a promissory note. The Transfer shall be effected pursuant to the terms of the Stock Purchase Agreement dated as of the Closing Date in the form attached as Exhibit A.

8.11 Cancellation of outstanding Warrants. All of the outstanding warrants to purchase shares of Omni Common Stock shall have been cancelled.

8.12 No Assets/Liabilities. As of the Effective Time, after giving effect to the Transfer, Omni shall have (a) no liabilities whatsoever and (b) no assets except cash of at least $20,000 which shall be used to pay counsel for the Company.

## ARTICLE IX
## INDEMNIFICATION

9.1 Indemnification by the Company. The Company shall indemnify, defend and hold harmless (i) Omni, (ii) each of Omni's assigns and successors in interest to the Company Shares, and (iii) each of their respective current, former and future shareholders, members, partners, directors, officers, managers, employees, agents, attorneys and representatives, from and against any and all Losses which may be incurred or suffered by any such party and which may arise out of or result from any inaccuracy in or breach of any material representation, warranty, covenant or agreement of the Company contained in this Agreement or in any document or other writing delivered pursuant thereto. All claims to be asserted hereunder must be made by the fifteenth month following the Closing.

9.2 Indemnification by the Omni Parties. The Omni Parties shall indemnify, defend and hold harmless the Company and each of the Company Shareholders from and against any and all Losses which may be incurred or suffered by any such party hereto and which may arise out of or result from (a) any inaccuracy in or any breach of any material representation, warranty, covenant or agreement of the Omni Parties contained in this Agreement or in any document or other writing delivered pursuant thereto, or (b) any claim that the Merger or transfer was improper, invalid or void. All claims to be asserted hereunder must be made by the fifteenth month following the Closing.

9.3 Notice to Indemnifying Party. If any party (the "Indemnified Party") receives notice of any claim or other commencement of any action or proceeding with respect to which any other party (or parties) (the "Indemnifying Party") is obligated to provide indemnification pursuant to Sections 9.1 or 9.2, the Indemnified Party shall promptly give the Indemnifying Party written notice thereof, which notice shall specify in reasonable detail, if known, the amount or an estimate of the amount of the liability arising therefrom and the basis of the claim. Such notice shall be a condition precedent to any liability of the Indemnifying Party for indemnification hereunder, but the failure of the Indemnified Party to give prompt notice of a claim shall not adversely affect the Indemnified Party's right to indemnification hereunder unless the defense of that claim is materially prejudiced by such failure. The Indemnified Party shall not settle or compromise any claim by a third party for which it is entitled to indemnification hereunder without the prior written consent of the Indemnifying Party (which shall not be unreasonably withheld or delayed) unless suit shall have been instituted against it and the Indemnifying Party shall not have taken control of such suit after notification thereof as provided in Section 9.4.

9.4 Defense by Indemnifying Party. In connection with any claim giving rise to indemnity hereunder resulting from or arising out of any claim or legal proceeding by a Person who is not a party to this Agreement, the Indemnifying Party at its sole cost and expense may, upon written notice to the Indemnified Party, assume the defense of any such claim or legal proceeding (i) if it acknowledges to the Indemnified Party in writing its obligations to indemnify the Indemnified Party with respect to all elements of such claim (subject to any limitations on such liability contained in this Agreement) and (ii) if it provides assurances, reasonably satisfactory to the Indemnified Party, that it will be financially able to satisfy such claims in full if the same are decided adversely. If the Indemnifying Party assumes the defense of any such claim or legal proceeding, it may use counsel of its choice to prosecute such defense, subject to the approval of such counsel by the Indemnified Party, which approval shall not be unreasonably withheld or delayed. In this regard, Troy & Gould, P.C. is hereby approved by Omni as counsel to the Company (in its capacity as the Indemnifying Party). The Indemnified Party shall be entitled to participate in (but not control) the defense of any such action, with its counsel and at its own expense; provided, however, that if the Indemnified Party, in its sole discretion, determines that there exists a conflict of interest between the Indemnifying Party (or any constituent party thereof) and the Indemnified Party, the Indemnified Party (or any constituent party thereof) shall have the right to engage separate counsel, the reasonable costs and expenses of which shall be paid by the Indemnified Party. If the Indemnifying Party assumes the defense of any such claim or legal proceeding, the Indemnifying Party shall take all steps necessary to pursue the resolution thereof in a prompt and diligent manner. The Indemnifying Party shall be entitled to consent to a settlement of, or the stipulation of any judgment arising from, any such claim or legal proceeding, with the consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed; provided, however, that no such consent shall be required from the Indemnified Party if (i) the Indemnifying Party pays or causes to be paid all Losses arising out of such settlement or judgment concurrently with the effectiveness thereof (as well as all other Losses theretofore incurred by the Indemnified Party which then remain unpaid or unreimbursed), (ii) in the case of a settlement, the settlement is conditioned upon a complete release by the claimant of the Indemnified Party and (iii) such settlement or judgment does not require the encumbrance of any asset of the Indemnified Party or impose any restriction upon its conduct of business.

## ARTICLE X
## TERMINATION

10.1 Termination. This Agreement may be terminated, and the transactions contemplated hereby may be abandoned, at any time prior to the Effective Time.

(a) by mutual written agreement of Omni and the Company hereto duly authorized by action taken by or on behalf of their respective Boards of Directors; or

(b) by either the Company or Omni upon notification to the non terminating party by the terminating party:

(i) if the terminating party is not in material breach of its obligations under this Agreement and there has been a material breach of any representation, warranty, covenant or agreement on the part of the non terminating party set forth in this Agreement such that the conditions in Sections 7.1, 7.2, 8.1 or 8.2 will not be satisfied; provided, however, that if such breach is curable by the non terminating party and such cure is reasonably likely to be completed prior to the date specified in Section 10.1(b)(ii), then, for so long as the non terminating party continues to use commercially reasonable efforts to effect and cure, the terminating party may not terminate pursuant to this Section 10.1(b)(i);

(ii) if the Closing has not transpired on or before 45 days from the date hereof; or

(iii) if any court of competent jurisdiction or other competent Governmental or Regulatory Authority shall have issued an order making illegal or otherwise permanently restricting, preventing or otherwise prohibiting the Merger and such order shall have become final and nonappealable.

10.2 Effect of Termination. If this Agreement is validly terminated by either the Company or Omni pursuant to Section 10.1, this Agreement will forthwith become null and void and there will be no liability or obligation on the part of the parties hereto other than the obligations under Section 5.3, Section 6.2 and Section 11.12, except that nothing contained herein shall relieve any party hereto from liability for willful breach of its representations, warranties, covenants or agreements contained in this Agreement.

## ARTICLE XI
## MISCELLANEOUS

11.1 Parties Obligated and Benefited. This Agreement shall be binding upon the Parties and their respective successors by operation of law and shall inure solely to the benefit of the Parties and their respective successors by operation of law, and no other Person shall be entitled to any of the benefits conferred by this Agreement, except that the Company Shareholders shall be third party beneficiaries of this Agreement. Without the prior written consent of the other Party, no Party may assign this Agreement or the Collateral Documents or any of its rights or interests or delegate any of its duties under this Agreement or the Collateral Documents.

11.2 Publicity. The initial press release shall be a joint press release and thereafter the Company and Omni each shall consult with each other prior to issuing any press releases or otherwise making public announcements with respect to the Merger and the other transactions contemplated by this Agreement and prior to making any filings with any third party and/or any Regulatory Authorities (including any national securities interdealer quotation service) with respect thereto, except as may be required by law or by obligations pursuant to any listing agreement with or rules of any national securities interdealer quotation service.

11.3 Notices. Any notices and other communications required or permitted hereunder shall be in writing and shall be effective upon delivery by hand or upon receipt if sent by certified or registered mail (postage prepaid and return receipt requested) or by a nationally recognized overnight courier service (appropriately marked for overnight delivery) or upon transmission if sent by telex or facsimile (with request for immediate confirmation of receipt in a manner customary for communications of such respective type and with physical delivery of the communication being made by one or the other means specified in this Section as promptly as practicable thereafter). Notices shall be addressed as follows:

(a) If to the Omni Parties to:

Omni U.S.A., Inc.
7502 Mesa Road
Houston, Texas 77028
Attention: Jeffrey K. Daniel
Facsimile No:

With a copy to:

Michael Zahorik, Esq.
520 S. Snowmass Circle
Superior, Colorado 80027
Facsimile No. 303-956-5821

If to the Company to:

Brendan Technologies Inc.
Research Center Plaza
2236 Rutherford Road, Suite 107
Carlsbad, California 92008
Attention: John R. Dunn
Facsimile No. (760) 929-7504

With a copy to:

Troy & Gould
1801 Century Park East, 16th Floor
Los Angeles, California 90067
Attention: David L. Ficksman, Esq.
Facsimile No. (310) 789-1290

Any Party may change the address to which notices are required to be sent by giving notice of such change in the manner provided in this Section.

11.4 Attorneys' Fees. In the event of any action or suit based upon or arising out of any alleged breach by any Party of any representation, warranty, covenant or agreement contained in this Agreement or the Collateral Documents, the prevailing Party shall be entitled to recover reasonable attorneys' fees and other costs of such action or suit from the other Party.

11.5 Headings. The Article and Section headings of this Agreement are for convenience only and shall not constitute a part of this Agreement or in any way affect the meaning or interpretation thereof.

11.6 Choice of Law. This Agreement and the rights of the Parties under it shall be governed by and construed in all respects in accordance with the laws of the State of California, without giving effect to any choice of law provision or rule (whether of the State of California or any other jurisdiction that would cause the application of the laws of any jurisdiction other than the State of California).

11.7 Rights Cumulative. All rights and remedies of each of the Parties under this Agreement shall be cumulative, and the exercise of one or more rights or remedies shall not preclude the exercise of any other right or remedy available under this Agreement or applicable law.

11.8 Further Actions. The Parties shall execute and deliver to each other, from time to time at or after Closing, for no additional consideration and at no additional cost to the requesting party, such further assignments, certificates, instruments, records, or other documents, assurances or things as may be reasonably necessary to give full effect to this Agreement and to allow each party fully to enjoy and exercise the rights accorded and acquired by it under this Agreement.

11.9 Time of the Essence. Time is of the essence under this Agreement. If the last day permitted for the giving of any notice or the performance of any act required or permitted under this Agreement falls on a day which is not a Business Day, the time for the giving of such notice or the performance of such act shall be extended to the next succeeding Business Day.

11.10 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

11.11 Entire Agreement. This Agreement (including the Exhibits, the Company Disclosure Statement, the Omni Disclosure Statement and any other documents, instruments and certificates referred to herein, which are incorporated in and constitute a part of this Agreement) contains the entire agreement of the Parties.

11.12 Expenses. Each party will be responsible for payment of its expenses in connection with the transactions contemplated by this Agreement.

11.13 Survival of Representations and Covenants. Notwithstanding any right of the Omni Parties fully to investigate the affairs of the Company and notwithstanding any knowledge of facts determined or determinable by the Omni Parties pursuant to such investigation or right of investigation, the Omni Parties shall have the right to rely fully upon the representations, warranties, covenants and agreements of the Company contained in this Agreement. Each representation, warranty, covenant and agreement of the Company contained herein shall survive the execution and delivery of this Agreement and the Closing and shall thereafter terminate and expire on the first anniversary of the Closing Date unless, prior to such date, Omni has delivered to the Company Shareholders a written notice of a claim with respect to such representation, warranty, covenant or agreement.

IN WITNESS WHEREOF, the Parties hereto have duly executed this Agreement as of the day and year first above written.

OMNI U.S.A., INC., A NEVADA CORPORATION

By: _____
Name: Jeffrey K. Daniel
Title: President

OMNI MERGER SUB, INC., A MICHIGAN CORPORATION

By: _____
Name: Jeffrey K. Daniel
Title: President

_____
Jeffrey K. Daniel

_____
Edward Daniel

BRENDAN TECHNOLOGIES, INC., A MICHIGAN CORPORATION

By: _____
Name: John R. Dunn
Title: Chairman

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STOCK PURCHASE AGREEMENT

By and Among

JEFFREY K. DANIEL, CRAIG L. DANIEL AND EDWARD DANIEL

as the Purchasers

and

OMNI U.S.A., Inc., a Nevada corporation

as the Seller

Dated as of December ___, 2005

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THIS STOCK PURCHASE AGREEMENT, dated as of December ___, 2005, is made and entered into by and among Jeffrey K. Daniel, Craig L. Daniel and Edward Daniel (collectively, the "Purchasers") and Omni U.S.A., Inc., a Nevada corporation ("Seller"), with reference to the following:

A. As of the execution of this Agreement Seller owns all of the issued and outstanding shares of the capital stock, (the "Shares") of Omni U.S.A., Inc., a Washington corporation ("Omni-Washington"), and Butler Products Corporation ("Butler"); ("Butler and Omni-Washington to be referred to as the "Acquired Companies"); and

B. Purchasers wish to purchase the Shares from Seller, and Seller wishes to sell the Shares to Purchasers, upon the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises and covenants set forth herein, the parties hereby agree as follows:

## ARTICLE I

## DEFINITIONS

1.1 Certain Defined Terms. When used in this Agreement, the following terms shall have the following meanings:

"Affiliate" shall mean, with respect to any Person, (i) a Person directly or indirectly controlling, controlled by or under common control with such Person or (ii) an officer, director, general partner or manager, or a member of the immediate family of an officer, director, general partner or manager, of such Person. For these purposes, control means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise.

"Agreement" shall mean this Stock Purchase Agreement, including all exhibits and schedules, as the same may hereafter be amended, modified or supplemented from time to time in accordance with the provisions of Section 14.2.

"Applicable Law" shall mean, with respect to any Person, any domestic or foreign, Federal, state or local statute, law, ordinance, rule, administrative interpretation, regulation, order, writ, injunction, directive, judgment, decree or other requirement of any Authority applicable to such Person or any of its Affiliates or any of their respective properties, assets, officers, directors, general partners, managers, employees, consultants or agents (in connection with such officer's, director's, general partner's, manager's, employee's, consultant's or agent's activities on behalf of such Person or any of its Affiliates). Applicable Law shall not include decisions of an Authority that are subject to appeal and are reasonably expected to be appealed.

"Authority" shall mean any governmental, regulatory or administrative body, agency or authority, any court or tribunal of judicial authority, any arbitrator or any public, private or industry regulatory authority, whether international, national, Federal, state or local.

"Business Day" shall mean a day other than a Saturday, Sunday or other day on which commercial banks in the County of Los Angeles, California are authorized or required by Applicable Law to close.

"Closing" shall mean the consummation of the transactions contemplated by this Agreement.

"Closing Date" shall mean the date upon which the Closing occurs.

"Contracts" of a Person shall mean all contracts, agreements, notes, indentures, bonds, options, leases, subleases, easements, mortgages, warranties, guaranties, plans, collective bargaining agreements, licenses, commitments or binding arrangements of any nature whatsoever, express or implied, written or unwritten, and all amendments thereto, entered into or binding upon that Person or to which any property of that Person may be subject, together with all rights to make claims thereunder and receive recoveries thereunder.

"Effective Time" shall mean 11:59 p.m. Los Angeles time on the Closing Date.

"Licenses and Permits" of a Person shall mean all licenses and permits issued to that Person or in which that Person has any interest (including the right to use).

"Lien" shall mean any lien, encumbrance, pledge, mortgage, security interest, lease, charge, conditional sales contract, option, restriction, reversionary interest, right of first refusal, voting trust arrangement, preemptive right, claim under bailment or storage contract, easement or any other adverse claim or right whatsoever.

"Losses" shall mean all damages, awards, judgments, assessments, fines, penalties, charges, costs, expenses and other payments, however suffered or characterized, all interest thereon, all costs and expenses of investigating any claim, lawsuit or arbitration and any appeal therefrom, all reasonable attorneys', accountants', investment bankers' and expert witness' fees incurred in connection therewith, whether or not such claim, lawsuit or arbitration is ultimately defeated and, subject to ARTICLE X, all amounts paid incident to any compromise or settlement of any such claim, lawsuit or arbitration; provided, however, that "Losses" shall not include or take account of any concepts of multiplier valuation, including, without limitation, any multiplier based upon earnings, cash flow or book value, and that "Losses" shall not include any punitive or consequential damages.

"Merger" shall mean the merger between Omni Merger Sub, Inc., a Michigan corporation, Seller and Brendan Technologies, Inc., a Michigan corporation.

"Order" shall mean any decree, order, judgment, writ, award, injunction, rule or consent of or by an Authority.

"Person" shall mean any entity, corporation, company, association, joint venture, joint stock company, partnership, trust, organization, individual (including personal representatives, executors and heirs of a deceased individual), nation, state, government (including agencies, branches, departments, bureaus, boards, divisions and instrumentalities thereof), trustee, receiver or liquidator.

"Purchaser Documents" shall mean this Agreement and all other agreements, instruments and certificates to be executed and delivered by Purchasers in connection with this Agreement.

"Seller Documents" shall mean this Agreement and all other agreements, instruments and certificates to be executed and delivered by Seller in connection with this Agreement.

"Tax" shall mean any and all taxes, fees, levies, duties, tariffs and imposts (together with any and all interest penalties and additions to tax assessed with respect thereto) imposed by any Authority.

"Tax Benefit" shall mean the aggregate of (a) any increased deductions or losses allowable to the indemnified party for federal income tax purposes in the same year or in a subsequent taxable period or reduction in income or gains for federal income tax purposes in the same year or in a subsequent taxable period, multiplied by the aggregate tax-effected marginal tax rate for the indemnified party, and (b) the amount of any increase in any Tax credit allowable to the indemnified party in the same year or in a subsequent taxable period or reduction in any recapture of Tax credits allowable to the indemnified party in the same year or in a subsequent taxable period, in each case determined under the Applicable Laws in effect on the date of payment and discounted to present value from the due date of the Tax Return (without extension) for the period in which such items are allowable to the date of payment of the indemnification amount at the prime rate of interest in effect on the date of payment as quoted in The Wall Street Journal.

"Transfer Taxes" shall mean all Taxes (other than Taxes measured on or by net income) incurred or imposed upon Seller, Purchaser, the Company or any subsidiary thereof by reason of the transfer of the Shares to Purchasers pursuant to this Agreement, including sales and use taxes, real property transfer taxes, excise taxes, and stamp, documentary, filing, recording, permit, license, registration or authorization duties or fees (including penalties and interest in respect of any of the foregoing).

1.2 Other Defined Terms. In addition to those terms defined above, the following terms shall have the respective meanings given to them in the Sections indicated below:

| Term | Section |
|---|---|
| Indemnified Party | 10.3 |
| Indemnifying Party | 10.3 |
| Purchase Price | Section 2.2 |
| Purchasers | Preamble |
| Shares | Preamble |
| Seller Indemnified Parties | Section 10.2 |
| Seller | Preamble |
| Third Party Claim | 10.4 |

1.3 Other Interpretive Provisions. References in this Agreement to "Articles," "Sections," "Exhibits" and "Schedules," shall be to the Articles, Sections, Exhibits and Schedules of this Agreement, unless otherwise specifically provided; any of the terms defined in this Agreement may, unless the context otherwise requires, be used in the singular or the plural and in any gender depending on the reference; the words "herein", "hereof" 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; and except as otherwise specified in this Agreement, all references in this Agreement (i) to any Person shall be deemed to include such Person's permitted heirs, personal representatives, successors and permitted assigns; and (ii) to any agreement, any document or any other written instrument shall be a reference to such agreement, document or instrument together with all exhibits, schedules, attachments and appendices thereto, and in each case as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof; and (iii) to any law, statute or regulation shall be deemed references to such law, statute or regulation as the same may be supplemented, amended, consolidated, superseded or modified from time to time.

ARTICLE II

SALE AND PURCHASE OF SHARES

2.1 Transfer of Shares. Subject to the terms and conditions of this Agreement, at the Closing, Seller shall sell, transfer and assign the Shares to each Purchaser in the guaranties set forth on Schedule 1 hereto) , and Purchasers shall purchase, acquire and accept the Shares from Seller.

2.2 Purchase Price and Payment Thereof. The aggregate amount (the "Purchase Price") to be paid to Seller for the Shares shall be Six Hundred Seventy-Two Thousand Dollars ($672,000.00). At the Closing, Purchasers shall pay the entire Purchase Price to Seller by delivery of a Promissory Note, in the form set forth as Exhibit A hereto.

2.2 Transfer Taxes. Purchasers shall be solely responsible for the payment of any and all Transfer Taxes incident to the sale and transfer of the Shares contemplated herein.

ARTICLE III

CLOSING

3.1 Time and Place. The Closing, which shall be effective as of the Effective Time, shall take place at the offices of Troy & Gould PC, 1801 Century Park East, 16th Floor, Los Angeles, California 90067, at 10:00 a.m. local time on the date of the closing of the Merger, or at such other place and time as Purchasers and Seller shall mutually agree in writing.

3.2 Transactions at the Closing. At the Closing, the following shall occur, all of which shall be deemed to occur simultaneously:

(a) Purchasers shall deliver the Promissory Note to the to Seller;

(b) Seller shall deliver to Purchasers duly executed stock powers effecting the transfer of the Shares to Purchasers, in form reasonably acceptable to Purchasers;

(c) Seller shall deliver to Purchasers the certificate referred to in Section 8.2(c), and Purchasers shall deliver to Seller the certificate referred to in Section 8.3(c); and

(d) Seller shall deliver to Purchasers any and all other assignments, documents, instruments and conveyances requested by Purchasers to effect the consummation of the transactions contemplated by this Agreement and to evidence Purchasers' interest in and title to the Shares.

## ARTICLE IV

## REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants the following to Purchasers.

4.1 Due Organization and Good Standing. Seller is a corporation duly incorporated, validly existing and in good standing under the Applicable Laws of its jurisdiction of organization.

4.2 Authority to Execute and Perform Agreements. Seller has the requisite right, power and authority to enter into, execute and deliver this Agreement and all other Seller Documents and to transfer, convey and sell the Shares to Purchasers at the Closing.

4.3 No Broker. No financial advisor, broker, finder, agent or similar intermediary has acted for or on behalf of Seller in connection with this Agreement or the transactions contemplated herein, and no financial advisor, broker, finder, agent or similar intermediary is entitled to any broker's or finder's or similar fee or other commission in respect of such transactions based on any agreement, arrangement or understanding with Seller or the Company.

## ARTICLE V

## NO REPRESENTATIONS AND WARRANTIES REGARDING THE ACQUIRED COMPANIES

5.1 No Representations and Warranties as to Acquired Companies. Seller is conveying the Shares to Purchasers in an "As Is" transaction, and Seller is not making any representation, warranty or assurance whatsoever to Purchasers with respect to the Acquired Companies or their assets, liabilities, Contracts, operations, businesses or prospects. Further, to the fullest extent permitted by Applicable Law, Seller disclaims as to the Acquired Companies' assets any implied or express warranty of merchantability, any implied or express warranty of fitness for any particular purpose, any implied or express warranty with respect to physical condition and any other warranty of any nature which may be implied by applicable statutory or judicial authority.

5.2 Access to Books and Records. Purchasers acknowledge that it has conducted any and all inspections, investigations, interviews of management, financial and operating personnel, audits and analyses with respect to the Acquired Companies and their assets, liabilities, Contracts, operations and businesses which it has elected to make or obtain.

5.3 Independent Examination and Assumption of Risk. Purchasers further acknowledge that they are familiar with the assets, liabilities, operations, Contracts and business of the Acquired Companies as a result of their former ownership interest and executive positions with Seller and that in electing to purchase the Shares hereunder, Purchasers are relying exclusively upon its own independent investigations and examinations of all matters relating to the Acquired Companies and not upon (a) any statement of Seller, the Acquired Companies or any of their respective officers, directors, managers, employees, agents, accountants, financial advisors or attorneys not contained herein or (b) the genuineness, accuracy or completeness of any of the books and records of the Acquired Companies. Finally, Purchasers acknowledge that the nature of the circumstances surrounding the recent acquisition of the controlling interest in Seller has been such that Seller would not necessarily be aware of whether there exists any fact or circumstance which would not be discoverable by Purchasers in their investigations but which, if known to Purchasers, would materially affect Purchasers' decision to purchase the Shares; that it is a material inducement to Seller's entering into the transaction contemplated herein that it not be required to undertake the effort and expense of the additional investigations, examinations and due diligence which would be required to enable it to be aware of any such matters; and that, therefore, neither Seller, the Acquired Companies nor any other Person has made, nor are Purchasers relying upon, any representation or warranty whatsoever concerning the Acquired Companies or their respective assets, liabilities, Contracts, operations, businesses or prospects, other than the limited representations and warranties set forth in ARTICLE IV.

5.4 Release. Purchasers for themselves and on behalf of all of their Affiliates, hereby generally, fully and irrevocably releases Seller, its agents, employees, Affiliates, independent contractors and other representatives from any and all claims that Purchasers or any such Affiliate may now have or hereafter acquire against any of them in respect of any cost, loss, liability, damage, expense, action or cause of action, whether foreseen or unforeseen, known or unknown, arising out of or related to any patent, latent or other defects in or the physical or environmental condition of the Owned Real Property or the property leased by the Acquired Companies under any real property leases. With respect to the releases and waivers set forth in this Section 5.4, Purchasers expressly waive the benefits of Section 1542 of the California Civil Code, which provides as follows:

> "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

Purchasers have been advised by its legal counsel and understands the significance of this waiver of Section 1542 relating to unknown, unsuspected and concealed claims. By its initials below, Purchaser acknowledges that it fully understands, appreciates, and accepts all of the terms of this Section 5.4.

| _____ | _____ | _____ |
|---|---|---|
| Purchaser Initials | Purchaser Initials | Purchaser Initials |

5.5 Purchasers acknowledge that the Shares were pledged to and are in the physical custody of Textron Financial Corporation as consideration for the Loan and Security Agreement dated as of August 2, 2004.

5.6 Survival. The provisions of this Article V shall survive the Closing indefinitely.

## ARTICLE VI

## REPRESENTATIONS AND WARRANTIES OF PURCHASERS

Each Purchaser represents and warrants to Seller that:

6.1 Investment Representation. Purchaser will acquire the Shares solely for its own account for investment and not with a view toward any resale or distribution thereof. Each Purchaser agrees that the Shares may not be sold, transferred, offered for sale, pledged, hypothecated or otherwise disposed of without registration under the Securities Act of 1993, except pursuant to an exemption from such registration available under such Act, and without compliance with foreign securities laws, in each case, to the extent applicable. Each Purchaser has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its purchase of the Shares.

6.2 No Purchaser Knowledge of Misrepresentation. No facts or circumstances are believed by Purchasers to exist which, if within Seller's knowledge, would constitute a breach of any representation, warranty or covenant of Seller set forth in this Agreement or any Seller Document.

6.3 No Broker. No broker, finder, agent or similar intermediary has acted for or on behalf of Purchasers in connection with this Agreement or the transactions contemplated hereby, and no broker, finder, agent or similar intermediary is entitled to any broker's, finder's, or similar fee or other commission in connection therewith based on any agreement, arrangement or understanding with Purchasers or any action taken by Purchasers.

## ARTICLE VII

## COVENANTS AND AGREEMENTS OF THE PARTIES EFFECTIVE PRIOR TO CLOSING

7.1 Cooperation; Consents. Prior to the Closing Date, each party shall cooperate with the other to the end that the parties shall (a) in a timely manner make all necessary filings with, and conduct negotiations with, all Authorities and other Persons the consent or approval of which, or a License or Permit from which, is required for the consummation of the transactions contemplated herein and (b) provide to each other party such information as the other party may reasonably request in order to enable it to prepare such filings and to conduct such negotiations. The parties shall also use their respective best efforts to expedite the review process and to obtain all such necessary consents, approvals, licenses and permits as promptly as practicable. All such notices and requests for third party (i.e., non-Authority) approvals shall seek the complete release of Seller and its post-closing Affiliates from any and all liability to the third party. Purchasers shall assume and bear the risk and consequences of (including, but not limited to, any claims by any third party for breach of contract), and shall indemnify and hold harmless Seller and its post-Closing Affiliates from and against, any and all Losses incurred, suffered by or claimed against them directly or indirectly as a result of, based upon or arising from any failure to obtain any required approvals of third parties in connection with the transactions contemplated by this Agreement, and in no event shall the failure to obtain any such approvals excuse Purchasers from their obligations to effect the Closing. Purchasers shall bear all costs and expenses (including fees paid to Authorities) incurred to obtain such consents, approvals, licenses and permits.

7.2 Preservation of Business. From the date hereof through the Closing Date, Seller shall cause the Company to conduct its business only in the ordinary course and consistent with its prior practices.

7.3 Release of Guarantees, etc. Before and, if necessary, after the Closing, Purchasers shall cooperate with Seller in seeking to have Seller and their Affiliates released from all guarantees, indemnities and other liabilities that Seller or any such Affiliate has given or incurred in respect of the indebtedness or obligations of Omni-Washington and Butler (the "Parent Obligations"). In this regard Purchasers shall use commercially reasonable efforts to substitute, as of the Closing Date, Purchasers or any of its Affiliates (or such other Person as may be acceptable to the obligee thereunder) for Seller or its Affiliates as a party to each such guaranty, indemnity or other arrangement and to cause Seller and their Affiliates to be forever released from all liability in respect thereof. From and after the Closing, Purchasers shall be responsible for, and shall indemnify Seller and all other Seller Indemnified Parties from and against, all Losses incurred by Seller and such other Seller Indemnified Parties or their insurers under any such guaranty, indemnity or other arrangement.

## ARTICLE VIII

## CONDITIONS PRECEDENT TO CLOSING

8.1 Conditions Precedent to the Obligation of All Parties to Close. The obligations of Seller and Purchasers to consummate the transactions contemplated hereby shall be subject to the fulfillment, at or prior to the Closing, of all of the conditions set forth below:

(a) No Action or Proceeding. No preliminary or permanent injunction or other Order nor any Applicable Law shall be in effect enjoining or otherwise materially impairing the consummation of the transactions contemplated by this Agreement.

(b) Merger. The Merger shall have closed.

(c) Closing Transactions. All of the transactions required under Section 3.2 shall have occurred.

8.2 Conditions Precedent to the Obligation of Purchasers to Close. The obligation of Purchasers to consummate the transactions contemplated hereby shall be subject to the fulfillment, at or before the Closing Date, of the following conditions:

(a) Representations and Warranties. The representations and warranties of Seller contained in this Agreement and in any Seller Document that are qualified by materiality shall be true and correct as of the Closing Date, and the representations and warranties of Seller contained in this Agreement that are not so qualified shall be true and correct in all material respects as of the Closing Date, in each case as if made as of the Closing Date (other than such representations and warranties as are made as of another date, which shall be true and correct as of such date), except for changes permitted or contemplated by this Agreement.

(b) Covenants. The covenants and agreements contained in this Agreement to be complied with by Seller at or before the Closing shall have been complied with in all material respects.

(c) Certificate. Seller shall have delivered to Purchasers a certificate to the effect of Sections 8.2(a) and (b) signed by Seller and addressed to Purchases and their lenders.

(d) Intellectual Property. All intellectual property owned by Seller prior to the Effective Time shall have been transferred to Omni-Washington or Butler pursuant to documents reasonably acceptable to Purchasers.

8.3 Conditions Precedent to the Obligation of Seller to Close. The obligation of Seller to consummate the transactions contemplated hereby shall be subject to the fulfillment, at or before the Closing Date, of the following conditions:

(a) Representations and Warranties. The representations and warranties of Purchasers contained in this Agreement and any Purchaser Document that are qualified by material adverse effect shall be true and correct as of the Closing Date, and the representations and warranties of Purchasers contained in this Agreement that are not so qualified shall be true and correct in all material respects as of the Closing Date, in each case as if made as of the Closing Date (other than such representations and warranties as are made as of another date, which shall be true and correct as of such date), except for changes permitted or contemplated by this Agreement.

(b) Covenants. The covenants and agreements contained in this Agreement to be complied with by Purchasers at or before the Closing shall have been complied with in all material respects.

(c) Certificate. Purchasers shall have delivered to Seller a certificate to the effect of Sections 8.3(a) and (b) signed by Purchasers and addressed to Seller.

(d) Releases. The obligees of all Sellers shall have released Seller from all such Obligations pursuant to documents acceptable to Seller.

## ARTICLE IX

## COVENANTS AND AGREEMENTS OF THE PARTIES AFTER CLOSING

9.1 Maintenance of Records by Purchasers. In order to facilitate the resolution of any claims relating to the Company or its business made against or incurred by Seller or any of its Affiliates prior to the Closing or arising out of facts or circumstances in existence prior to the Closing, for a period of seven (7) years after the Closing, Purchasers shall (i) retain, or cause the Company to retain, the books and records of the Company relating to periods prior to the Closing in a manner reasonably consistent with their past practices and (ii) upon reasonable notice, afford the officers, employees and authorized agents and representatives of Seller and its Affiliates and successors-in-interest reasonable access to all such books and records during normal business hours (including the right, at their expense, to make photocopies thereof).

ARTICLE X

INDEMNIFICATION

10.1 Indemnification by Purchasers. Each Purchaser shall indemnify defend and hold harmless Seller, each of Seller's Affiliates, assigns and successors in interest, and each of their respective stockholders, members, partners, directors, officers, managers, employees, agents, attorneys and representatives (collectively, the "Seller Indemnified Parties"), from and against any and all Losses which may be incurred or suffered by any such party and which may arise out of or result from (a) any breach of any representation, warranty, covenant or agreement of Purchasers contained in this Agreement or in any other Purchaser Document, (b) the operations of Butler and Omni-Washington before and after the Closing Date. (c) any claim that the transaction contemplates herein were improper or invalid, and (d) the enforcement by any Seller Indemnified Party of any of its rights under this Section 10.1 or any other indemnification covenant contained in this Agreement or any other Purchaser Document.

10.2 Notice to Indemnifying Party. Any party (the "Indemnified Party") seeking indemnification pursuant to this Agreement shall promptly give the party from whom such indemnification is sought (the "Indemnifying Party") written notice of the matter with respect to which indemnification is being sought, which notice shall specify in reasonable detail, if known, the amount or an estimate of the amount of the liability arising therefrom and the basis of the claim or indemnification obligation. Such notice shall be a condition precedent to any liability of the Indemnifying Party for indemnification hereunder, but the failure of the Indemnified Party to give such prompt notice shall not adversely affect the Indemnified Party's right to indemnification hereunder unless, in the case of a claim made by a third party, the defense of that claim is materially prejudiced by such failure.

10.3 Third Party Claims.

(a) Defense by Indemnifying Party. In connection with any indemnification claim arising out of a claim or legal proceeding (a "Third Party Claim") by a Person who is not a party to this Agreement, the Indemnifying Party at its sole cost and expense may, upon written notice to the Indemnified Party, assume the defense of any such Third Party Claim (a) if it acknowledges to the Indemnified Party in writing its obligations to indemnify the Indemnified Party with respect to all elements of such Third Party Claim (subject to any limitations on such liability contained in this Agreement). If the Indemnifying Party assumes the defense of any such Third Party Claim, it may use counsel of its choice to prosecute such defense, subject to the approval of such counsel by the Indemnified Party, which approval shall not be unreasonably withheld or delayed. The Indemnified Party shall be entitled to participate in (but not control) the defense of any such Third Party Claim, with its counsel and at its own expense. If the Indemnifying Party assumes the defense of any such Third Party Claim, the Indemnifying Party shall take all steps necessary to pursue the resolution thereof in a prompt and diligent manner, and the Indemnified Party shall cooperate with the Indemnifying Party in such defense and make available to the Indemnifying Party all witnesses, pertinent records, materials and information in the Indemnified Party's possession or its control relating thereto as are reasonably required by the Indemnifying Party, without cost to the Indemnifying Party. The Indemnifying Party shall be entitled to consent to a settlement of, or the stipulation of any judgment arising from, any such Third Party Claim, with the consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed; provided, however, that no such consent shall be required from the Indemnified Party if (a) the Indemnifying Party pays or causes to be paid all Losses arising out of such settlement or judgment concurrently with the effectiveness thereof (as well as all other Losses theretofore incurred by the Indemnified Party which then remain unpaid or unreimbursed), (b) in the case of a settlement, the settlement is conditioned upon a complete release by the claimant of the Indemnified Party and (c) such settlement or judgment does not require the encumbrance of any asset of the Indemnified Party or impose any restriction upon its conduct of business. Notwithstanding the foregoing, however, Seller, if it is the Indemnified Party, shall in all cases be entitled to control of the defense of any such action if it (a) may result in liabilities which, taken with other then existing claims by the Seller Indemnified Parties under this ARTICLE X, would not be fully indemnified hereunder, or (b) may have an adverse impact on the operations or the financial condition of Seller or any of its Affiliates (including an effect on the tax liabilities, earnings or ongoing business relationships of Seller or any of its Affiliates thereafter) even if the Indemnifying Party pays all indemnification amounts in full.

(b) Defense by Indemnified Party. If the Indemnifying Party acknowledges in writing its obligation to indemnify the Indemnified Party with respect to such Third Party Claim but declines to assume and control the defense thereof or fails to give notice of its intention to do so to the Indemnified Party within 30 days after its receipt of notice of such Third Party Claim from the Indemnified Party, the Indemnified Party shall assume and control the defense of such Third Party Claim; the Indemnifying Party shall cooperate with the Indemnified Party in such defense and make available to the Indemnified Party, at the Indemnifying Party's expense, all such witnesses, records, materials and information in the Indemnifying Party's possession or under its control relating thereto as are reasonably required by the Indemnified Party; and the Indemnifying Party shall be permitted to join in the defense of such Third Party Claim and employ counsel at its expense. No such Third Party Claim may be settled by the Indemnified Party without the prior written consent of the Indemnifying Party, which shall not be unreasonably withheld.

(c) Dispute as to Indemnification Responsibility. If the Indemnifying Party does not acknowledge in writing its obligation to indemnify the Indemnified Party with respect to such Third Party Claim, the Indemnified Party may assume and control the defense thereof and the Indemnifying Party shall cooperate with the Indemnified Party in such defense and make available to the Indemnified Party, at the Indemnified Party's expense, all such witnesses, records, materials and information in the Indemnifying Party's possession or under its control relating thereto as are reasonably required by the Indemnified Party. The Indemnifying Party shall be permitted to join in the defense of such Third Party Claim and employ counsel at its expense. No such Third Party Claim may be settled by either party without the prior written consent of the other party, which shall not be unreasonably withheld. In the event that it is ultimately determined that the Indemnified Party is not entitled to indemnity hereunder with respect to such Third Party Claim, the Indemnifying Party shall have no liability to the Indemnified Party with respect to any Losses relating thereto. In the event that it is ultimately determined that the Indemnified Party is entitled to indemnity hereunder with respect to such Third Party Claim, the Indemnifying Party shall be liable to the Indemnified Party for all Losses sustained by the Indemnified Party relating thereto; provided, however, that in the event that a settlement offer solely for money damages is made by the Third Party Claimant, and the Indemnifying Party notifies the Indemnified Party in writing of the Indemnifying Party's willingness to accept the settlement offer and pay the amount called for by such offer in the event that it is ultimately determined that the Indemnified Party is entitled to indemnity hereunder with respect to such Third Party Claim, and the Indemnified Party declines to accept such offer, the liability, if any, of the Indemnifying Party hereunder shall be limited to the lesser of (i) the amount of the settlement offer that the Indemnified Party declined to accept or (ii) the aggregate Losses of the Indemnified Party with respect to such claim.

(d) Unauthorized Settlement. If the Indemnified Party settles any Third Party Claim without the consent of the Indemnifying Party in contravention of any of the provisions of this Section 10.4, the Indemnified Party shall not be entitled to indemnity hereunder with respect to such Third Party Claim.

(e) Computation of Losses. For purposes of calculating any Losses suffered by an Indemnified Party pursuant to Sections 10.1 or 10.2, or under any other specific indemnification covenant contained in this Agreement, the amount of the Losses suffered by the Indemnified Party shall be the net amount of costs, expenses, losses or damages so suffered after giving effect to (i) any insurance proceeds recoverable with respect to the indemnified matter, (ii) any Tax Benefits attributable to such Losses and (iii) any other expenditures no longer required to be made by the Indemnified Party as a result of such indemnified matter. Each Loss shall bear interest at a fluctuating rate of interest equal to the prime rate (as published in the Wall Street Journal) from the date incurred to the date the indemnification payment with respect thereto is made.

## ARTICLE XI

## TERMINATION; REMEDIES

11.1 Termination Without Default. Anything herein to the contrary notwithstanding, this Agreement and the transactions contemplated by this Agreement may be terminated only as follows (and in no other manner):

(a) Mutual Consent. By the mutual consent in writing of the parties.

(b) Merger. The Merger does not close.

11.2 Attorneys' Fees. If Seller or Purchasers bring an action against the other by reason of any alleged breach of any covenant, provision or condition hereof, or otherwise arising out of this Agreement, the unsuccessful party shall pay to the prevailing party all reasonable attorneys' fees and costs incurred by the prevailing party, in addition to any other relief to which it may be entitled.

ARTICLE XII

EXPENSES; PUBLICITY

12.1 Expenses of Sale. Purchasers shall bear all direct expenses incurred in connection with the negotiation and preparation of this Agreement and the other Seller Documents or Purchaser Documents, as the case may be.

12.2 Publicity. Up to the Effective Time, no publicity release or announcement concerning this Agreement or the transactions contemplated herein shall be issued without advance written approval of the form and substance thereof by Purchasers and Seller (which approval shall not be unreasonably withheld or delayed); provided, however, that such restrictions shall not apply to any disclosure required by Authorities, Applicable Law or the rules of any securities exchange which may be applicable. For a period of ten (10) days after the Closing Date, the parties shall consult with each other before issuing any press release or public statement with respect to this Agreement or the transactions contemplated hereby, and, except as may be required by Applicable Law or the rules of any securities exchange which may be applicable, will not issue any such press release or public statement prior to such consultation.

ARTICLE XIII

NOTICES

13.1 Notices. All notices, requests and other communications hereunder shall be in writing and shall be delivered by courier or other means of personal service (including by means of a nationally recognized courier service or professional messenger service), or sent by telex or telecopy or mailed first class, postage prepaid, by certified mail, return receipt requested, in all cases addressed to:

| | |
|---|---|
| Purchasers: | c/o Asia Capital, Inc<br>7502 Mesa Road<br>Houston, Texas 77020<br>Attn: Jeffrey Daniel<br>Fax: 713-635-6360 |
| With a copy to: | Michael Zahorik, Esq.<br>520 S. Snowmass Circle<br>Superior CO 80027<br>Fax: (720) 304-2623 |
| Seller: | John Dunn<br>Research Center Plaza<br>1236 Rutherford Road, Suite 107<br>Carlsbad, CA 92008 |
| With a copy to: | David L. Ficksman<br>Troy & Gould PC<br>1801 Century Park East, 16th Floor<br>Los Angeles, CA 90067<br>Fax: (310) 789-1490 |

All notices, requests and other communications shall be deemed given on the date of actual receipt or delivery as evidenced by written receipt, acknowledgement or other evidence of actual receipt or delivery to the address specified above. In case of service by telecopy, a copy of such notice shall be personally delivered or sent by registered or certified mail, in the manner set forth above, within three (3) Business Days thereafter. Any party hereto may from time to time by notice in writing served as set forth above designate a different address or a different or additional Person to which all such notices or communications thereafter are to be given.

## ARTICLE XIV

## MISCELLANEOUS

14.1 Further Assurances. Each of the parties shall use its reasonable and diligent best efforts to proceed promptly with the transactions contemplated hereby, to fulfill the conditions precedent for such party's benefit or to cause the same to be fulfilled and to execute such further documents and other papers and perform such further acts as may be reasonably required or desirable to carry out the provisions hereof and the transactions contemplated hereby.

14.2 Modifications and Amendments; Waivers and Consents. At any time prior to the Closing Date or termination of this Agreement, all of the parties hereto may, in writing, amend or modify this Agreement, extend the time for the performance of any of the obligations or other acts hereunder, waive any inaccuracies in the representations and warranties contained herein or in any other agreement or document delivered in connection herewith, or waive compliance with any of the covenants or agreements contained herein; provided, however, that no such waiver shall operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits a waiver or consent by or on behalf of any party hereto, such waiver or consent shall be given in writing.

14.3 Entire Agreement. This Agreement (including any exhibits hereto, the Seller Disclosure Schedule and the Purchaser Disclosure Schedule) and the agreements, documents and instruments to be executed and delivered pursuant hereto or thereto or in connection herewith or therewith are intended to embody the final, complete and exclusive agreement among the parties with respect to the purchase of the Shares and related transactions; are intended to supersede all prior agreements, understandings and representations written or oral, with respect thereto; and may not be contradicted by evidence of any such prior or contemporaneous agreement, understanding or representation, whether written or oral.

14.4 Governing Law and Venue. This Agreement is to be governed by and construed in accordance with the Applicable Laws of the State of California pertaining to contracts made and to be performed wholly within such State, and without regard to the conflicts of laws principles thereof. Any suit brought hereon, whether in contract, tort, equity or otherwise, shall be brought in the state or federal courts sitting in the County of Los Angeles, California, the parties hereto hereby waiving any claim or defense that such forum is not convenient or proper. Each party hereby agrees that any such court shall have in personam jurisdiction over it, consents to service of process in any manner prescribed in ARTICLE XII or in any other manner authorized by California law, and agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner specified by Applicable Law.

14.5 Binding Effect. This Agreement and the rights, covenants, conditions and obligations of the respective parties hereto and any instrument or agreement executed pursuant hereto shall be binding upon the parties and their respective successors, assigns and legal representatives. Neither this Agreement, nor any rights or obligations of any party hereunder, may be assigned by Seller or Purchasers without the prior written consent of the other party hereto.

14.6 Counterparts. This Agreement may be executed simultaneously in any number of counterparts, each of which shall be deemed an original of the party or parties who executed such counterpart but all of which together shall constitute one and the same instrument. In making proof of this Agreement it shall not be necessary to produce or account for more than one counterpart evidencing execution by each party hereto.

14.7 Severability. In the event that any provision or any part of any provision of this Agreement shall be void or unenforceable for any reason whatsoever, then such provision shall be stricken and of no force and effect. However, unless such stricken provision goes to the essence of the consideration bargained for by a party, the remaining provisions of this Agreement shall continue in full force and effect, and to the extent required, shall be modified to preserve their validity.

14.8 No Third-Party Rights. Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any Persons other than the parties to it, each Indemnified Party, and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third Persons to any party to this Agreement, nor shall any provision give any third Persons any right of subrogation over or action against any party to this Agreement.

14.9 Construction. The language in all parts of this Agreement shall in all cases be construed simply, according to its fair meaning, and not strictly for or against any of the parties hereto. Without limitation, there shall be no presumption against any party on the ground that such party was responsible for drafting this Agreement or any part thereof, and any rule of law, including, but not limited to, Section 1654 of the California Civil Code, or any legal decision that would require interpretation of any claimed ambiguities in this Agreement against the party that drafted it has no application and is expressly waived.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

SELLER:

OMNI U.S.A., INC.
a Nevada Corporation

By: _____
Name: John R. Dunn, II
Title: Chairman

PURCHASERS:

_____
Jeffrey K. Daniel

_____
Edward Daniel

_____
Craig L. Daniel

**AMENDMENT TO LOAN AND RELATED AGREEMENTS AND WAIVER OF DEFAULT**

THIS AMENDMENT TO LOAN AND RELATED AND WAIVER OF DEFAULT (this "Agreement") is made and entered into as of the ___ day of December, 2005, by and among **PACCAR MACHINERY CORPORATION**, a Delaware corporation ("Lender"), and **OMNI U.S.A., INC.**, a Nevada corporation ("Borrower").

**W I T N E S S E T </ fon t>H:**

WHEREAS, Borrower and Lender are parties to that certain Loan Agreement dated as of September 23, 1999,

Whereas, in connection with the execution of the Loan Agreement, the parties also executed that certain Promissory Note dated September 23, 1999 and Security Agreement dated September 23, 1999 (collectively the "Loan Documents"); and

WHEREAS, as inducement to Lender to enter into the Loan Agreement, Jeffrey K. Daniel and Craig L. Daniel (each a Guarantor) each gave a personal guarantee dated September 23, 1999 (the "Limited Guarantee") to PACCAR Machinery Corporation covering Borrower's obligations to Lender under the Loan Agreement; and

WHEREAS, Borrower has entered into an Agreement and Plan of Merger (the "Merger Agreement") by and among Borrower, Omni Merger Sub, Inc., a wholly-owned subsidiary of Borrower ("Omni Sub") and Brendan Technologies, Inc. ("Brendan"); and

WHEREAS, under the Merger, Borrower shall sell all of the capital stock of Omni USA, Inc., a Washington Corporation ("Omni Washington") and Butler Products Corporation, a Kentucky corporation ("Butler") to Jeffrey K. Daniel and Craig L. Daniel (collectively the "Daniels") in accordance with that certain Stock Purchase Agreement (the "Spin Off Agreement"), and the Daniels will contemporaneously contribute all of the capital stock of Omni Washington and Butler to Asia Capital, Inc., a Nevada corporation ("Asia Capital") wholly-owned by Jeffrey K. Daniel, Craig L. Daniel, and Edward Daniel, (the "Spin Off"); and

WHEREAS, under the Merger Agreement, immediately subsequent to or contemporaneously with the Spin Off, Omni Sub will be merged into Brendan (the "Merger"), and Brendan will be the surviving corporation in the Merger; and

WHEREAS the Merger and the Spin Off (collectively, the "Transaction") each separately and collectively constitute a Change of Control which is a default and an Event of Default under the Loan Agreement; and

WHEREAS, Borrower has requested that Lender waive such defaults prospectively, and Lender is willing to do so on the terms and conditions set forth herein; and

WHEREAS, Borrower and Lender desire to amend the Loan Agreement and other Loan Documents on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing premises, and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

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1. All capitalized terms used herein and not otherwise expressly defined herein shall have the respective meanings given to such terms in the Loan Agreement.

2. Borrower hereby acknowledges and agrees that the Transaction would constitute, inter alia, a default under Section 11 of the Loan Agreement. (the "Change of Control Default").

3. Lender hereby waives the Change of Control Default occasioned by the Transaction. Lender reserves its rights and remedies with respect to any other Event of Default.

4. The Loan Documents are hereby amended to substitute Asia Capital for Borrower each of those agreements, and to release Borrower from each of those agreements.

5. Conditions of Effectiveness. This Amendment, and the consents, waivers, releases, and modifications contained herein, shall become effective as of the date of this Amendment upon satisfaction of all of the following conditions precedent:

(a) Completion of the Spin Off to the satisfaction of Lender as contemplated by the Spin Off Agreement.

(b) Completion of the Merger to the satisfaction of Lender as contemplated in the Merger Agreement.

6. Merger Further Assurances. Borrower, Asia Capital, Jeff Daniel and Craig Daniel hereby covenant and agree with Lender that from the date of the Merger and continuing through the completion of the Spin Off:

(a) Borrower will not transfer, or up stream, any cash from Borrower to Brendan or any entity related to or affiliated with Brendan.

(b) Jeff Daniel Craig Daniel and Ed Daniel are the sole shareholders of Asia Capital.

7. Continuing Further Assurances. Borrower, Jeff Daniel, Craig Daniel and Ed Daniel hereby covenant and agree with Lender that up to and including the Merger Transaction:

(a) Each Guarantor shall ratify this agreement and shall acknowledge that its respective Guaranty is in full force and effect until specifically released by Lender in writing.

(b) Jeffrey K. Daniel and Craig L. Daniel, as directors or Borrower, shall continue to exert control over the Borrower.

(c) Ed Daniel shall execute a guaranty in favor of PACCAR Machinery Corporation in the form of Exhibit A hereto.

8. The failure of any of the Merger Further Assurances in Paragraph 6 hereof, or of any of the Continuing Further Assurances in Paragraph 7 hereof shall constitute a default and an Event of Default under the Loan Agreement, and the Lender shall be entitled to exercise any and all available remedies under the Loan Documents, at law, or in equity, based upon said failure.

9. Borrower hereby restates, ratifies, and reaffirms each and every term, condition, representation and warranty heretofore made by it under or in connection with the execution and delivery of the Loan Agreement, as amended hereby, and the other Loan Documents, as fully as though such representations and warranties had been made on the date hereof and with specific reference to this Agreement and the Loan Documents.

10. Except as set forth herein, the Loan Documents shall be and remain in full force and effect as originally written, and shall constitute the legal, valid, binding and enforceable obligation of Borrower and each Guarantor, respectively, to Lender.

11. In consideration of the accommodations made by Lender hereunder, Borrower agrees to reimburse Lender for all reasonable out-of-pocket expenses incurred by Lender in connection with the Loans, including, but not limited to, filing fees, tax, lien and judgment search fees, fees of outside auditors, bank fees, outside attorneys' fees, and any other reasonable fees or expenses.

12. To induce Lender to enter into this Agreement, Borrower hereby represents and warrants that, as of the date hereof, and after giving effect to the terms hereof, there exists no Event of Default under the Loan Agreement or any of the other Loan Documents.

13. To induce Lender to enter into this Agreement, Borrower and Guarantors (a) acknowledge and agree that no right of offset, defense, counterclaim, claim or objection exists in favor of Borrower and any Guarantors against Lender arising out of or with respect to the Loan Agreement, the other Loan Documents, or any other arrangement or relationship between Lender and Borrower and/or Guarantors, and (b) release, acquit, remise and forever discharges Lender and its affiliates and all of their past, present and future officers, directors, employees, agents, attorneys, representatives, successors and assigns from any and all claims, demands, actions and causes of action, whether at law or in equity, whether now accrued or hereafter maturing, and whether known or unknown, which the Borrower or Guarantors now or hereafter may have by reason of any manner, cause or things to and including the date of this Agreement with respect to matters arising out of or with respect to the Loan Agreement, the other Loan Documents, or any other arrangement or relationship between Lender and Borrower.

14. Borrower and Guarantors acknowledge that (a) except as expressly set forth herein, Lender has not agreed (and has no obligation whatsoever to discuss, negotiate or agree) to any restructuring, modification, amendment, waiver or forbearance with respect to any of the terms of the Loan Documents, (b) no understanding with respect to any other restructuring, modification, amendment, waiver or forbearance with respect to the terms of the Loan Documents shall constitute a legally binding agreement or contract, or have any force or effect whatsoever, unless and until reduced to writing and signed by authorized representatives of Borrower, Guarantors, and Lender, and (c) the execution and delivery of this Agreement has not established any course of dealing among the parties hereto or created any obligation or agreement of Lender with respect to any future restructuring, modification, amendment, waiver or forbearance with respect to any of the terms of the Loan Documents.

15. Borrower and Guarantors, hereby understand and agree that any release of Borrower from its liabilities regarding the Loan shall not affect the liability of any party not specifically released by Lender.

16. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which, when so executed and delivered, shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same instrument.

17. This Agreement shall be binding upon and inure to the benefit of the successors and permitted assigns of the parties hereto.

18. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Washington, other than its laws respecting choice of law.

IN WITNESS WHEREOF, Borrower and Lender have caused this Agreement to be duly executed as of the date first above written.

OMNI U.S.A., INC., a Nevada corporation

By: _____

Name: _____

Title: _____

PACCAR MACHINERY CORPORATION,
A Delaware corporation

By: _____

Name: _____

Title: _____

ASIA CAPITAL, INC.,
a Nevada corporation

By: _____

Name: _____

Title: _____

**Acknowledgment of Guarantee**

The undersigned have previously given their personal guarantee dated September 23, 1999 (the "Limited Guaranty") to PACCAR Machinery Corporation covering, the loan made by PACCAR Machinery Corporation to Omni U.S.A., Inc., a Nevada corporation, under that certain Loan Agreement dated September 23, 1999.

In order to induce PACCAR Machinery Corporation to enter into the foregoing Amendment to the Loan Agreement the undersigned Guarantors each hereby restate, ratify, and reaffirm each and every term, condition, representation and warranty heretofore made by it under or in connection with the execution and delivery of the Limited Guaranty, and the other Loan Documents to which it is a party, as fully as though such representations and warranties had been made on the date hereof and with specific reference to this Agreement and such Loan Documents, and acknowledge the foregoing and agree that their respective guaranties in favor of Lender remain in full force and effect, subject to no right of offset, claim or counterclaim

JEFFREY K. DANIEL

CRAIG L. DANIEL

**SECOND AMENDMENT TO LOAN AND SECURITY AGREEMENT**
**AND WAIVER OF DEFAULT**

THIS SECOND AMENDMENT TO LOAN AND SECURITY AGREEMENT AND WAIVER OF DEFAULT (this "Agreement") is made and entered into as of the ___ day of December, 2005, by and among **TEXTRON FINANCIAL CORPORATION**, a Delaware corporation ("Lender"), and **OMNI USA, INC.**, a Washington corporation, and **BUTLER PRODUCTS CORP.**, a Kentucky corporation (individually a "Borrower" and collectively the "Borrowers").

**W I T N E S S E T H:**

WHEREAS, Borrowers and Lender are parties to that certain Loan and Security Agreement dated as of August 2, 2004 (as amended, restated, modified or supplemented from time to time, the "Loan Agreement"; all documents and instruments executed in connection therewith may be referred to collectively as the Loan Documents); and

WHEREAS, Each Borrower is currently a wholly-owned subsidiary of Omni U.S.A., Inc., a Nevada corporation, ("Omni Nevada"); and

WHEREAS, among other documents and instruments the Obligations (as defined in the Loan Agreement) are secured by that certain Stock Pledge Agreement dated as of August 2, 2004 from Omni Nevada to Lender; and

WHEREAS, Omni Nevada shall sell all of the capital stock of the Borrowers to Jeffrey K. Daniel and Craig L. Daniel, and Edward Daniel (collectively the "Daniels") in accordance with that certain Stock Purchase Agreement dated as of _____, 2005 (the "Spin Off Agreement"), and the Daniels intend to subsequently contribute all of the capital stock of the Borrowers to Asia Capital, Inc., a Nevada corporation ("Asia") wholly-owned by Jeffrey K. Daniel, Craig L. Daniel, and Edward Daniel (the "Spin Off"); and

WHEREAS, Jeffrey K. Daniel, Craig L. Daniel, and Edward Daniel each intend to enter into a promissory note in favor of Omni Nevada as payment of the entire purchase price of the Spin Off (the "Spin Off Debt"); and

WHEREAS, Omni Nevada has entered into an Agreement and Plan of Merger dated as of _____, 2005 (the "Merger Agreement") by and among Omni Nevada, Omni Merger Sub, Inc., a wholly-owned subsidiary of Omni Nevada ("Omni Sub") and Brendan Technologies, Inc. ("Brendan") whereby immediately subsequently to or contemporaneously with the Spin Off, Omni Sub will be merged into Brendan (the "Merger"), and Brendan will be the surviving corporation in the Merger; and

WHEREAS the Merger and the Spin Off (collectively, the "Transaction") each separately and collectively constitute a Change of Control which is a default and an Event of Default under the Loan Agreement; and

WHEREAS, Borrowers have requested that Lender waive such defaults prospectively, and Lender is willing to do so on the terms and conditions set forth herein; and

WHEREAS, Borrowers and Lender desire to amend the Loan Agreement and other Loan Documents on the terms and conditions set forth herein.

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NOW, THEREFORE, in consideration of the foregoing premises, and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Capitalized Terms. All capitalized terms used herein and not otherwise expressly defined herein shall have the respective meanings given to such terms in the Loan Agreement.

2. Acknowledgment of Defaults. Borrowers hereby acknowledge and agree that the Transaction would constitute, inter alia, a default under Section 7.7 of the Loan Agreement (the "Change of Control Covenant") and an Event of Default under Section 9.1(c) as a result of the Change of Control of Borrower (the "Change of Control Default").

3. Waiver of Default Resulting from Change of Control. Lender hereby waives the Change of Control Default occasioned by the Transaction. Lender reserves its rights and remedies with respect to any other Event of Default.

4. Amendment of Definition of "Change of Control". The Loan Agreement is hereby amended by deleting the definition of "Change of Control" in its entirety and substituting the following in lieu thereof:

> "Change of Control" means the occurrence of any of the following events: (i) the sale or transfer of all or substantially all of the assets of the Borrower as an entirety to any person or related group of persons other than an Affiliate or Affiliates of the Borrower; (ii) Jeffrey K. Daniel and/or Craig L. Daniel shall cease to control the Borrower, or either of them; (iii) Asia Capital, Inc., a Nevada corporation, shall cease to own all of the stock of Borrower, or either of them, or (iv) the Borrower, or either of them, is liquidated, dissolved, or adopts a plan of liquidation pursuant to the Bankruptcy Code or any other bankruptcy law.

5. Amendment of Definition of "Guarantor" and "Guarantors". The Loan Agreement is hereby amended to reflect the release of Omni Nevada's Guaranty by deleting the definition of "Guarantor" or "Guarantors" in its entirety and substituting the following in lieu thereof:

> "Guarantor" or "Guarantors" means (a) with respect to those recourse Guaranties executed or to be executed in connection herewith, Asia Capital, Inc., a Nevada corporation, Jeffery K. Daniel, and Craig L. Daniel, (b) with respect to the Validity Guaranty executed in connection herewith, Frank Jakubec, and (c) each other Person guaranteeing to Lender all or part of the Obligations.

6. Amendment of Definition of "Guaranty" and "Guaranties". The Loan Agreement is hereby amended by deleting the definition of "Guaranty" or "Guaranties" in its entirety and substituting the following in lieu thereof:

> "Guaranty" or "Guaranties" means each of (a) that recourse Guaranty dated on or about December __, 2005 by Asia Capital, Inc., a Nevada corporation, (b) that recourse Guaranty dated as of August 2, 2004 by Jeffrey K. Daniel, (c) that recourse Guaranty dated on or about July 16, 2004 by Craig L. Daniel, (d) that Validity Guaranty dated on or about July 15, 2004 by Frank Jakubec, and (e) any other guaranty executed and delivered by a Guarantor in favor of Lender, in each case in form and substance satisfactory to Lender.

7. Amendment of Adjusted Tangible Net Worth Covenant. Borrowers and Lender understand and agree that, upon completion of the Transaction, Section 7.6 (b) of the Loan Agreement shall be amended to reset the Adjusted Tangible Net Worth covenant to a level reflective, in the Lender's sole discretion, of each Borrower's equity structure as it is exists after the completion of the Transaction.

8. Delivery in Trust of Shares of Borrowers. Lender shall deliver the originals of certificates representing one hundred percent (100%) of the issued and outstanding shares of each Borrower to Omni Nevada to hold in trust for the purpose of allowing Omni Nevada to consummate the Spin Off as set forth in the Spin Off Agreement.

9. Conditions of Effectiveness. This Amendment, and the consents, waivers, releases, and modifications contained herein, shall become effective as of the date of this Amendment upon satisfaction of all of the following conditions precedent:

(a) Lender's receipt of a true and correct copy of each of the Spin Off Agreement and Merger Agreement, fully executed by the parties thereto, each in form and substance acceptable to Lender.

(b) Completion of the Spin Off to the satisfaction of Lender as contemplated by the Spin Off Agreement.

(c) Completion of the Merger to the satisfaction of Lender as contemplated in the Merger Agreement.

(d) To the satisfaction of the Lender, all intellectual property, including but not limited to trademarks, patents, and trade names, held by Omni Nevada shall be transferred to Asia prior to or contemporaneously with the Merger Transaction and shall be and remain subject to the lien and security interest of Lender therein,.

(e) Asia shall execute a recourse Guaranty, in form and substance acceptable to Lender in its sole discretion, unconditionally guaranteeing Lender's receipt of the full amount of the Indebtedness.

(f) Asia shall execute a stock pledge agreement in favor of Lender granting a security interest in and to one hundred percent (100%) of the issued and outstanding stock of the Borrowers and shall deliver to Lender duly executed original stock powers in connection therewith.

(g) Jeffrey K. Daniel, Craig L. Daniel and Edward Daniel shall each execute a stock pledge agreement in favor of Lender granting a security interest in and to one hundred percent (100%) of the issued and outstanding stock of Asia and shall deliver to Lender duly executed original stock powers in connection therewith.

(h) Borrowers shall deliver to Lender a true and correct copy of the promissory note executed by Jeffrey K. Daniel, Craig L. Daniel, and Edward Daniel in favor of Omni Nevada in connection with the Spin Off Debt, and the entire amount of the Spin Off Debt shall be evidenced by a promissory note reflecting Jeffrey K. Daniel, Craig L. Daniel, and Edward Daniel as Maker.

(i) Borrowers shall pay to Lender the full amount of the Waiver and Amendment Fee (defined herein below).

(j) Borrowers shall pay to Lender the full amount of any and all legal costs incurred by Lender in connection with this Agreement.

10. Merger Further Assurances. Each Borrower hereby covenants and agrees with Lender that from the date of the Merger and continuing through the completion of the Spin Off:

(a) From and after the Closing (as defined in the Spin Off Agreement) Borrowers will not transfer, or up stream, any cash from Borrower to Brendan or any entity related to or affiliated with Brendan; and

(b) At all times, the Daniels or an entity substantially owned and fully controlled by the Daniels, will have and maintain control of the Borrowers.

(c) Dunn is the largest shareholder of Brendan, holding at least 19.2% of Brendan's voting stock.

11. Continuing Further Assurances. Borrowers hereby covenant and agree with Lender that from the date of the Merger Transaction and continuing through the Termination Date:

(a) Borrowers shall operate pursuant to a financial structure acceptable to Lender in Lender's sole discretion.

(b) Neither any Borrower nor Asia shall grant, and Omni Nevada shall not receive or accept, a security interest in, nor file a lien on, any of the assets of Borrower or Asia.

(c) Each Guarantor shall ratify this agreement and shall acknowledge that its respective Guaranty is in full force and effect until specifically released by Lender in writing.

(d) The Daniels or an entity owned and controlled by the Daniels shall continue to own and exert control over the Borrowers.

12. Default. The failure of any of the Merger Further Assurances in Paragraph 10 hereof, or of any of the Continuing Further Assurances in Paragraph 11 hereof shall constitute a default and an Event of Default under the Loan Agreement, and the Lender shall be entitled to exercise any and all available remedies under the Loan Documents, at law, or in equity, based upon said failure.

13. Waiver and Amendment Fee. In consideration of the accommodations made by Lender hereunder, Borrowers agree to pay to Lender, no later than the date this Agreement is executed by Borrower and delivered to Lender, a waiver and amendment fee, or unpaid portion thereof, in the sum of Twenty Five Thousand Dollars ($25,000.00) (the "Waiver and Amendment Fee").

14. Ratification by Borrowers. Borrowers hereby restate, ratify, and reaffirm each and every term, condition, representation and warranty heretofore made by it under or in connection with the execution and delivery of the Loan Agreement, as amended hereby, and the other Loan Documents, as fully as though such representations and warranties had been made on the date hereof and with specific reference to this Agreement and the Loan Documents.

15. Legal, Valid, Binding, Enforceable Obligations. Except as set forth herein, the Loan Documents shall be and remain in full force and effect as originally written, and shall constitute the legal, valid, binding and enforceable obligation of each Borrower and each Guarantor, respectively, to Lender.

16. Reimbursement for Fees and Expenses. In consideration of the accommodations made by Lender hereunder, Borrower agrees to reimburse Lender for all reasonable out-of-pocket expenses incurred by Lender in connection with the Loans, including, but not limited to, filing fees, tax, lien and judgment search fees, fees of outside auditors, bank fees, outside attorneys' fees, and any other reasonable fees or expenses.

17. Representation and Warranty as to No Default. To induce Lender to enter into this Agreement, Borrower hereby represents and warrants that, as of the date hereof, and after giving effect to the terms hereof, there exists no Event of Default under the Loan Agreement or any of the other Loan Documents.

18. No Offset, Defense, Counterclaim or Claim. To induce Lender to enter into this Agreement, Borrower and Guarantors (a) acknowledge and agree that no right of offset, defense, counterclaim, claim or objection exists in favor of Borrower and any Guarantor against Lender arising out of or with respect to the Loan Agreement, the other Loan Documents, the Obligations, or any other arrangement or relationship between Lender and Borrower and/or any Guarantor, and (b) release, acquit, remise and forever discharges Lender and its affiliates and all of their past, present and future officers, directors, employees, agents, attorneys, representatives, successors and assigns from any and all claims, demands, actions and causes of action, whether at law or in equity, whether now accrued or hereafter maturing, and whether known or unknown, which any of the Borrowers or any Guarantor now or hereafter may have by reason of any manner, cause or things to and including the date of this Agreement with respect to matters arising out of or with respect to the Loan Agreement, the other Loan Documents, the Obligations, or any other arrangement or relationship between Lender and Borrower.

19. No Agreement to Further Modifications. Borrower and Guarantors acknowledge that (a) except as expressly set forth herein, Lender has not agreed (and has no obligation whatsoever to discuss, negotiate or agree) to any restructuring, modification, amendment, waiver or forbearance with respect to the Obligations or any of the terms of the Loan Documents, (b) no understanding with respect to any other restructuring, modification, amendment, waiver or forbearance with respect to the Obligations or any of the terms of the Loan Documents shall constitute a legally binding agreement or contract, or have any force or effect whatsoever, unless and until reduced to writing and signed by authorized representatives of Borrower, Guarantors, and Lender, and (c) the execution and delivery of this Agreement has not established any course of dealing among the parties hereto or created any obligation or agreement of Lender with respect to any future restructuring, modification, amendment, waiver or forbearance with respect to the Obligations or any of the terms of the Loan Documents.

20. No Effect on Liabilities. Each of the Borrowers and each Guarantor hereby understand and agree that any release of Omni Nevada, Borrowers, or any Guarantor from their liabilities regarding the Loan shall not affect the liability of any party not specifically released by Lender. Further, Borrower, Omni Nevada, and each Guarantor hereby consents to the Lender's unilateral release of Omni Nevada, and waives any defense that said release may result in a discharge or release of its liability regarding the Loan.

21. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which, when so executed and delivered, shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same instrument.

22. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the successors and permitted assigns of the parties hereto.

23. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Rhode Island, other than its laws respecting choice of law.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Borrower and Lender have caused this Agreement to be duly executed as of the date first above written.

OMNI USA, INC., a Washington corporation

By: _____

Name: _____

Title: _____

BUTLER PRODUCTS CORP., a Kentucky corporation

By: _____

Name: _____

Title: _____

TEXTRON FINANCIAL CORPORATION,
A Delaware corporation

By: _____

Name: _____

Title: _____

The undersigned Guarantors each hereby restate, ratify, and reaffirm each and every term, condition, representation and warranty heretofore made by it under or in connection with the execution and delivery of its respective Guaranty, as amended, and the other Loan Documents to which it is a party, as fully as though such representations and warranties had been made on the date hereof and with specific reference to this Agreement and such Loan Documents, and acknowledge the foregoing and agree that its respective guaranty agreement in favor of Lender remains in full force and effect, subject to no right of offset, claim or counterclaim.

ASIA CAPITAL, INC., a Nevada corporation

By: _____

Name: _____

Title: _____

OMNI USA, INC., a Nevada corporation

By: _____

Name: _____

Title: _____

_____

JEFFREY K. DANIEL

_____

CRAIG L. DANIEL

**PROMISSORY NOTE**

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED OR, IF APPLICABLE, STATE SECURITIES LAWS. THIS NOTE MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THIS NOTE UNDER SAID ACT OR AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO ASIA CAPITAL, INC. THAT SUCH REGISTRATION IS NOT REQUIRED.

NOTE

FOR VALUE RECEIVED, Jeffrey K. Daniel, Craig L. Daniel and Edward Daniel (collectively, the "Borrowers"), with principal offices located at 7502 Mesa Road, Houston, Texas 77020, hereby promises to pay to Omni U.S.A., Inc., a Nevada Corporation (the "Holder"), or order, without demand, the sum of Six Hundred Seventy-Two Thousand Dollars ($672,000). The remaining principal amount of the Note shall be due and payable on the Maturity Date (as hereinafter defined).

The following terms shall apply to this Note:

ARTICLE I
PAYMENT

Payment. Borrowers shall pay to Holder the amount of $4,000 per month commencing on February 1, 2006 and the first day of each month thereafter.

Maturity Date. On the Maturity Date, the entire unpaid principal amount shall be paid to the Holder without offset or deduction of any kind. The Maturity Date shall be December 29_, 2008.

Prepayment. The Note may be prepaid in whole or in part (subject to a minimum payment of $100,000), without premium or penalty.

ARTICLE II
EVENTS OF DEFAULT

Events of Default. The occurrence of any of the following events of default ("Event of Default") shall, at the option of the Holder hereof, make the principal balance then remaining unpaid hereon and all other amounts payable hereunder immediately due and payable:

Failure to Pay Principal. The Borrowers fail to pay any installment of principal hereon when due and such failure continues for a period of five (5) days after the due date.

Breach of Covenant. The Borrowers breach any material covenant or other term or condition of this Note in any material respect and such breach, if subject to cure, continues for a period of five (5) days after written notice to the Borrowers from the Holder.

Receiver or Trustee. The Borrowers shall make an assignment for the benefit of creditors, or apply for or consent to the appointment of a receiver or trustee for it or for a substantial part of its property or business; or such a receiver or trustee shall otherwise be appointed.

Judgments. Any money judgment, writ or similar final process, shall be entered or filed against any of the Borrowers or any of their property or other assets for more than $250,000 collectively, and shall remain unvacated, unbonded or unstayed for a period of forty-five (45) days.

Bankruptcy. Bankruptcy, insolvency, reorganization or liquidation proceedings or other proceedings or relief under any bankruptcy law or any law for the relief of debtors shall be instituted by or against the Borrowers and if instituted against Borrowers are not dismissed within 60 days of initiation.

Enforcement. Upon the occurrence of any Event of Default, the Holder may thereupon proceed to protect and enforce its rights either by suit in equity and/or by action at law or by other appropriate proceedings whether for the specific performance (to the extent permitted by law) of any covenant or agreement contained in this Note or in aid of the exercise of any power granted in this Note, and proceed to enforce the payment of this Note held by it, and to enforce any other legal or equitable right of the Holder.

## ARTICLE III
## MISCELLANEOUS

Failure or Indulgence Not Waiver. No failure or delay on the part of Holder hereof in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege. All rights and remedies existing hereunder are cumulative to, and not exclusive of, any rights or remedies otherwise available.

Notices. Any notice herein required or permitted to be given shall be in writing and may be personally served or sent by fax transmission (with copy sent by certified or registered mail or by overnight courier). For the purposes hereof, the address and fax number of the Holder is set forth on the signature page hereto. The address and fax number of the Borrowers is 7502 Mesa Road, Houston, Texas 77020 facsimile (713) 635-6360. Both Holder and Borrowers may change the address and fax number for service by service of notice to the other as herein provided.

Amendment Provision. The term “Note” and all reference thereto, as used throughout this instrument, shall mean this instrument as originally executed, or if later amended or supplemented, then as so amended or supplemented.

Assignability. This Note shall be binding upon the Borrowers and their successors and assigns, and shall inure to the benefit of the Holder and its successors and assigns, and may be assigned by the Holder.

Cost of Collection. If default is made in the payment of this Note, Borrowers shall pay the Holder hereof reasonable costs of collection, including reasonable attorneys' fees.

Maximum Payments. Nothing contained herein shall be deemed to establish or require the payment of a rate of interest or other charges in excess of the maximum permitted by applicable law. In the event that the rate of interest required to be paid or other charges hereunder exceed the maximum permitted by such law, any payments in excess of such maximum shall be credited against amounts owed by the Borrowers to the Holder and thus refunded to the Borrowers.

Governing Law and Venue. This Note shall be governed by and interpreted in accordance with the laws of the State of California without regard to the principles of conflict of laws. In the event of any litigation regarding the interpretation or application of this Note, the parties irrevocably consent to jurisdiction in any of the state or federal courts located in the City of Los Angeles, State of California and waive their rights to object to venue in any such court, regardless of the convenience or inconvenience thereof to any party. Service of process in any civil action relating to or arising out of this Agreement or the transaction(s) contemplated herein may be accomplished in any manner provided by law. The parties hereto agree that a final, non-appealable judgment in any such suit or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on such judgment or in any other lawful manner.

IN WITNESS WHEREOF, each Borrower has caused this Note to be signed on this 29th day of December, 2005.

/S/ JEFFREY K. DANIEL

Name: Jeffrey K. Daniel

/S/ CRAIG L. DANIEL

Name: Craig L. Daniel

/S/ EDWARD DANIEL

Name: Edward Daniel

Address of Holder

Omni U.S.A., Inc.
2236 Rutherford Road, Suite 107
Carlsbad, California 92008
Attn: John R. Dunn
Facsimile: 760-929-7504

# BRENDAN TECHNOLOGIES, INC.

## EMPLOYMENT AGREEMENT

This Employment Agreement (the "Agreement") is made this day of November 1, 2004 by and between Brendan Technologies, Incorporated, a Michigan corporation ("Company") and John R. Dunn, II ("Employee").

***W I T N E S S E T H:***

***WHEREAS***, the Company agrees to employ the Employee as its Chairman and Chief Executive Officer; and ***WHEREAS***, the Employee desires to be continuously employed by the Company; and

***WHEREAS***, the parties hereto are desirous of entering into a formal agreement of employment.

***NOW, THEREFORE***, in consideration of the premises and covenants herein contained, the parties covenant and agree as follows:

1. **EMPLOYMENT**. The Company agrees to employ the Employee and the Employee agrees to be employed in the capacity of Chairman and Chief Executive Officer of the Company.

2. **DUTIES**. The Employee shall diligently and conscientiously devote, on a full-time basis, his best efforts to the discharge of his duties as established from time to time by the Bylaws of the Company, the Board of Directors of the Company ("Board") and/or otherwise, and shall be under the supervision of the Board of Directors.

3. **COMPENSATION**.

   a. **Salary**. The Company shall pay the Employee a salary at a rate of nine thousand ($9,000) Dollars per month ($108,000 annually), subject to all applicable withholdings, for services rendered as the Company's Chairman and Chief Executive Officer. The Employee and the Company recognize that this salary is below the market average for this position and industry but is necessary to allow the Company to achieve a secure financial position. The Employee's base salary shall be reviewed in six months from the Agreement date, and may be adjusted based on performance and other relevant factors deemed reasonable by the Company. Thereafter, the Employee’s base salary shall be reviewed annually.

   b. **Other Benefits**. The Employee shall be entitled to participate in any plan or program of employee benefits maintained by the Company as of the date hereof, and which may be hereafter adopted or modified by the Company, which is or shall be available to the Employee as a result of his employment by the Company pursuant to this Agreement, subject to the requirements of such plans or programs. A list of specific benefits to which the Employee shall be entitled is set forth in Exhibit A, a copy of which is attached hereto and is herein incorporated by reference.

c. **Vacations**. The Employee shall be entitled to thirty (30) days paid vacation each year.

d. **Confidentiality**. Employee agrees to keep all information concerning salary, stock, and other compensation confidential. Failure to do so may be grounds for dismissal.

4. **TERM**. Unless terminated earlier in accordance with Section 6 hereof, or renewed pursuant to Section 5 hereof, the term of this Agreement shall commence on the date hereof and shall continue for a period of seven (7) years thereafter.

5. **RENEWAL**. This Agreement shall automatically renew for successive one-year periods at the end of the seven (7) year term, subject, however, to sixty (60) days written notice of termination by either party hereto prior to the commencement of any such renewal period. The terms and conditions of this Agreement shall apply during any such renewal period.

6. **TERMINATION**. Notwithstanding any provision herein to the contrary, during the term of this Agreement, or during any period following an automatic renewal under Section 5 hereof, the Company's employment of the Employee under this Agreement shall be terminated:

a. Upon the Employee's death.

b. Upon the Disability (as that term is defined herein) of the Employee. For purposes of this Agreement the Disability of an Employee shall mean an illness, injury, or physical or mental condition of the Employee occurring for a period of six consecutive months from the commencement of such illness, injury or condition which results in the Employee's inability during such period to perform substantially all of his regular duties to the Company. In the event the Company and the Employee do not agree on whether the Employee suffered a Disability within the meaning of this Section 6, then the issue shall be settled by binding arbitration under the rules and regulations of the American Arbitration Association, and the decision or award of the arbitrator or arbitrators in such arbitration shall be final, conclusive and binding upon the parties thereto and judgment may be entered thereon in any court of competent jurisdiction.

c. By the Company for "just cause" (as that term is defined herein). For purposes of this Agreement, "just cause" shall mean dishonesty, nonfeasance, misfeasance or malfeasance in the performance of the Employee's duties contemplated by this Agreement, including but not limited to the failure by the Employee to adhere to the policies of the Board.

d. In the event of the termination of this Agreement for any of the reasons set forth above in subparagraphs 6(a), 6(b), or 6(c), the Employee shall be entitled to the base salary earned by him prior to the date of termination, but shall not be entitled to any bonus which might otherwise be payable to the Employee.

e. By the Employee at any time for "good reason", upon not less than thirty (30) days prior written notice to the Company specifying in reasonable detail the reason therefor, provided that the Company shall be entitled, by providing written notice of the Employee within fourteen (14) days after receipt of the foregoing notice, to require that the proposed

resignation for "good reason" first be submitted to arbitration in accordance with Section 8 hereof, by which arbitration shall determine whether "good reason" actually exists. For purposes of this Section, "good reason" means any of the following:

i. The failure of the Company, within thirty (30) business days after the Employee has provided written notice to the Board of Directors of the Company (with a copy to the Chairman of the Company's Compensation Committee, if any), requesting any payment of Base Salary, material reimbursable expenses or incentive bonus due and owing to the Employee hereunder, to make said payment to the Employee;

ii. The Company requires the Employee to be based at any office or location more than 100 miles from the office at which the Employee is based on the Effective Date, except for travel reasonably required in the performance and discharge of the Employee's tasks and duties hereunder, and unless the Company and the Employee agree that such requirement shall not constitute "good reason";

iii. Any failure by the Company to obtain the assumption of this Agreement by any successor of the Company;

iv. The Company merges into or consolidates with another entity, or is subject in any way to a transfer of a substantial amount of its assets, resulting in the assets, business or operations of the Company being controlled by an entity or individual other than the Company (a "Change of Ownership"), or there occurs any "Change in Control" (as defined below) of the Company or there is a significant change in the nature and scope of the duties and powers of the Employee, as outlined in paragraph 2, or the Employee reasonably determines that, as a result of the occurrence of one or more of the events described in subparagraph 6(e), he is unable to exercise or perform the powers, functions or duties as set forth in this Agreement, then the Employee shall be entitled, upon giving thirty (30) days advance written notice to the Company, to terminate this Agreement and shall within 90 days after the effective date of such termination, receive a lump sum amount equal to his base salary for twenty-four (24) months at the rate in effect on the date such notice is given to the Company. In addition, the Employee shall fully vest in all outstanding options as of the date of such written notice, and shall have the right to exercise such options within 90 days after the effective date of termination, in accordance with the terms and provisions of the Plan.

v. Any material change by the Company in the Employee's function, duties, or responsibilities from those contemplated herein, without the prior written consent of the Employee, which consent shall not be unreasonably withheld; or

vi. Any pattern or practice of harassment or other malicious conduct by the Board of Directors of the Company or the Company's senior management intended to provoke the Employee's resignation.

Upon such termination, the Company shall pay to the Employee the amounts as set forth in Section 6(f) hereof.

"Change in Control" shall, for purposes of this Agreement, be deemed to have taken place if (i) a third person, including a group of individuals or entities, becomes the beneficial owner of shares of the Company having fifty (50%) percent or more of the total number of votes that may be cast for the election of Directors of the Company, or (ii) as a result of, or in connection with any cash tender or exchange offer, merger, consolidation or other business combination, or sale of assets, or any combination of the foregoing events, the persons who are directors of the Company before the occurrence of such event or events cease to constitute twenty-five (25%) percent of the Board of Directors of the Company.

f. Notwithstanding any other provision in this Agreement to the contrary, the Company may terminate this Agreement upon giving to the Employee ninety (90) days advance written notice of such termination. In the event the Company terminates this Agreement pursuant to this paragraph 6(f), the Company shall pay to the Employee or, in the event of the Employee's death subsequent to termination of this Agreement, to the Employee's estate a monthly sum equal to the highest monthly rate of base salary paid to the Employee during the Contract Term pursuant to paragraph 4 of this Agreement. Such payments shall commence on the last day of the month next following the termination of employment of the Employee and shall continue as follows:

i. If the Employee shall have been willing to continue in the employ of the Company, and shall have been in the continuous employ of the Company since the effective date of this Agreement, and if such termination shall occur prior to the Employee's normal retirement date, such payment shall continue, except as otherwise provided in subparagraph 6(f)(ii) below, until the last day of the twenty-fourth (24th) full calendar month following the termination of employment of the Employee.

ii. Regardless of whether the provisions of subparagraph 6(f)(i) are otherwise applicable, such payments shall not continue beyond the earliest of (i) the last day of the month preceding the Employee's normal retirement date and (ii) the last day of the month next preceding the month in which the Employee shall, with his written consent, commence receiving his retirement allowance under any pension plan of the Company. For purposes of this Agreement, the term "retirement" or "normal retirement date" shall mean the last day of the month during which the Employee attains the age of 65. In the event this Agreement is terminated pursuant to this subparagraph 6(f), the Employee shall be entitled to any bonus which might otherwise be payable to the Employee for any bonus period in which this Agreement is terminated.

iii. In addition to the foregoing, the Employee shall immediately vest in any options to purchase the Company’s stock which have been issued to him, and he shall have 90 days from the date of termination in which to exercise such options.

**7. NONDISCLOSURE OF CONFIDENTIAL INFORMATION**. The Employee agrees that during the Contract Term, and at all times thereafter, any data, figures, projections, estimates, customer lists, tax records, personnel histories and records, information regarding sales, information regarding properties and any other information regarding the business, operations, properties or personnel of

the Company (collectively referred to herein as the "Confidential Information") disclosed to or acquired by the Employee shall be held in confidence and treated as proprietary to the Company, and the Employee agrees not to use or disclose any Confidential Information without the prior written consent of the Company; provided, however, that no such prior written consent shall be required for the disclosure and use by the Employee of Confidential Information to promote and advance the business interests of the Company (including disclosure of information reasonably requested by underwriters) or in response to any lawful process of a court or government agency, whether state, federal or local, such as a subpoena, summons, discovery request in the course of a court or administrative proceeding, which requires the Employee's response, whether sworn or unsworn, or when a response is otherwise required by applicable law.

8. **SETTLEMENT OF CONTROVERSY AND EXPENSES**.

a. Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration in Wayne County, Michigan in accordance with the Voluntary Labor Arbitration Rules of the American Arbitration Association then in effect.

The arbitrator shall be chosen mutually by the parties and shall not have jurisdiction or authority to change, add to or subtract from any of the provisions of this Agreement. The arbitration decision shall be final and binding and judgment may be entered on the arbitrator's award in any court having jurisdiction.

b. In the event proceedings are brought to enforce any provision in this Agreement and the Employee prevails, then he shall be entitled to recover from the Company his reasonable costs and expenses of the proceeding, including reasonable fees and disbursements of counsel and what would otherwise be the Employee's portion of the costs of arbitration. If the Company prevails, then each party shall be responsible for his/its respective costs, expenses and attorneys fees and the costs of arbitration shall be equally divided. In the event it is determined that the Employee is entitled to compensation, legal fees and expenses hereunder, he also shall be entitled to interest thereon, payable to him at the prime rate of interest of Manufacturers National Bank of Detroit, as in effect from time to time during the period from the date such amounts should have been paid to the date of actual payment. For purposes of determining the date when legal fees and expenses are payable, such amounts are not due until 30 days after notification to the Company of such amounts.

9. **TERMINATION PAYMENT MAXIMUM**. If any payments under this Agreement, when aggregated with any other payments by the Company to the Employee from other policies, plans and agreements of the Company that are deemed to constitute "golden parachute" payments (as defined in §280G of the Internal Revenue Code of 1986, as amended) ("Code"), exceed the maximum amount of golden parachute compensation under §§280G and 4999 of the Code that may be paid without tax penalties to the Employee and the loss or partial loss of the compensation tax deduction to the Company, then the Employee shall specify which of his payments from the Company shall be reduced until his aggregate golden parachute compensation reaches the highest amount permissible without triggering tax penalties to the Employee and the loss or partial loss of the compensation tax deduction to the Company under Code §§280G and 4999. Provided, however, that when the Employee designates which of his golden parachute payments from the Company shall be reduced to meet the limitations under Code §§ 280G and 4999, no change in the timing of the payments shall be made without the consent of the Company.

10. **WAIVER**. Failure by either party to insist upon strict compliance with any of the terms, covenants, or conditions hereof shall not be deemed a waiver by that party of any such term, covenant or condition, nor shall any waiver or relinquishment of any right or power hereunder at any one or more times be deemed a waiver or relinquishment of any such right or power at any other time or times.

11. **SEVERABILITY**. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.

12. **NONTRANSFERABILITY**. Neither the Employee, nor his heirs, assigns or estate shall have the right to assign, encumber or dispose of any payment or right hereunder, which payment and right is expressly declared nonassignable and nontransferable, except as otherwise specifically provided herein.

13. **SUCCESSORS AND ASSIGNS**. The Company and the Employee bind themselves, and their respective partners, successors, assigns, heirs and legal representatives to all of the terms and conditions of this Agreement.

14. **ASSIGNMENT**. This Agreement, and any or all rights hereunder, may not be assigned, in whole or in part, by the Employee. The Company may assign this Agreement, in whole or in part, and any or all of its rights hereunder.

15. **NOTICES**.

    a. Every notice of other communication required or permitted to be given under this Agreement ("Notice") shall be in writing and shall be given by registered or certified mail, postage prepaid, return receipt requested, or by delivering such Notice personally or causing such Notice to be delivered by reputable air courier or otherwise. All such Notices shall be mailed or delivered to the Parties at the following addresses:

If to the Company:

Brendan Technologies, Inc.
2236 Rutherford Road, Suite 107
Carlsbad, CA 92008
Attn: Dr. John R. Dunn II, Chairman and CTO

If to the Employee:

John R. Dunn, II
2236 Rutherford Road, Suite 107
Carlsbad, CA 92008

or such other addresses as the parties may from time to time designate by written notice. Delivery under this Paragraph 16, when by mail, shall be effective as of the date upon which the return receipt is accepted or

refused. A Notice personally delivered under this Section 15 shall be effective upon such delivery or, if delivery is refused, upon such refusal.

16. **ENTIRE AGREEMENT**. The foregoing provisions contain the entire agreement of the parties hereto, and no modification hereof shall be binding upon the parties unless the same is in writing and signed by the respective parties hereto.

17. **APPLICABLE LAW**. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Michigan.

18. **COUNTERPARTS**. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but such counterparts together shall constitute one instrument.

**In Witness** the parties, intending to be legally bound, set their hands and seals this _____ day of _____, 200__.

**BRENDAN TECHNOLOGIES, INC.**
By: _____
Title: _____

**EMPLOYEE**
By: _____

## EXHIBIT A

## EMPLOYEE PLANS AND PROGRAMS

1. **HEALTH AND LIFE INSURANCE**

Health insurance with family coverage consistent with the health insurance provided other executives of the Company.

# BRENDAN TECHNOLOGIES, INC.

## EMPLOYMENT AGREEMENT

This Employment Agreement (the "Agreement") is made this day of November 1, 2004 by and between Brendan Technologies, Incorporated, a Michigan corporation ("Company") and George P. Dunn ("Employee").

***W I T N E S S E T H:***

***WHEREAS***, the Company agrees to employ the Employee as its Vice President of Marketing and Chief Operating Officer; and

***WHEREAS***, the Employee desires to be continuously employed by the Company; and

***WHEREAS***, the parties hereto are desirous of entering into a formal agreement of employment.

***NOW, THEREFORE***, in consideration of the premises and covenants herein contained, the parties covenant and agree as follows:

1. **EMPLOYMENT**. The Company agrees to employ the Employee and the Employee agrees to be employed in the capacity of Vice President of Marketing and Chief Operating Officer of the Company.

2. **DUTIES**. The Employee shall diligently and conscientiously devote, on a full-time basis, his best efforts to the discharge of his duties as established from time to time by the Bylaws of the Company, the Board of Directors of the Company ("Board") and/or otherwise, and shall be under the supervision of the President.

3. **COMPENSATION**.

    a. **Salary**. The Company shall pay the Employee a salary at a rate of eight thousand ($8,000) Dollars per month ($96,000 annually), subject to all applicable withholdings, for services rendered as the Company's Vice President of Marketing and Sales. The Employee and the Company recognize that this salary is below the market average for this position and industry but is necessary to allow the Company to achieve a secure financial position. The Employee's base salary shall be reviewed in six months from the Agreement date, and may be adjusted based on performance and other relevant factors deemed reasonable by the Company. Thereafter, the Employee's base salary shall be reviewed annually.

    b. **Other Benefits**. The Employee shall be entitled to participate in any plan or program of employee benefits maintained by the Company as of the date hereof, and which may be hereafter adopted or modified by the Company, which is or shall be available to the Employee as a result of his employment by the Company pursuant to this Agreement, subject to the requirements of such plans or programs. A list of specific benefits to which the



Employee shall be entitled is set forth in Exhibit A, a copy of which is attached hereto and is herein incorporated by reference.

c. **Vacations**. The Employee shall be entitled to thirty (30) days paid vacation each year.

e. **Confidentiality**. Employee agrees to keep all information concerning salary, stock, and other compensation confidential. Failure to do so may be grounds for dismissal.

4. **TERM**. Unless terminated earlier in accordance with Section 6 hereof, or renewed pursuant to Section 5 hereof, the term of this Agreement shall commence on the date hereof and shall continue for a period of seven (7) years thereafter.

5. **RENEWAL**. This Agreement shall automatically renew for successive one-year periods at the end of the seven (7) year term, subject, however, to sixty (60) days written notice of termination by either party hereto prior to the commencement of any such renewal period. The terms and conditions of this Agreement shall apply during any such renewal period.

6. **TERMINATION**. Notwithstanding any provision herein to the contrary, during the term of this Agreement, or during any period following an automatic renewal under Section 5 hereof, the Company's employment of the Employee under this Agreement shall be terminated:

   a. Upon the Employee's death.

   b. Upon the Disability (as that term is defined herein) of the Employee. For purposes of this Agreement the Disability of an Employee shall mean an illness, injury, or physical or mental condition of the Employee occurring for a period of six consecutive months from the commencement of such illness, injury or condition which results in the Employee's inability during such period to perform substantially all of his regular duties to the Company. In the event the Company and the Employee do not agree on whether the Employee suffered a Disability within the meaning of this Section 6, then the issue shall be settled by binding arbitration under the rules and regulations of the American Arbitration Association, and the decision or award of the arbitrator or arbitrators in such arbitration shall be final, conclusive and binding upon the parties thereto and judgment may be entered thereon in any court of competent jurisdiction.

   c. By the Company for "just cause" (as that term is defined herein). For purposes of this Agreement, "just cause" shall mean dishonesty, nonfeasance, misfeasance or malfeasance in the performance of the Employee's duties contemplated by this Agreement, including but not limited to the failure by the Employee to adhere to the policies of the Board.

   d. In the event of the termination of this Agreement for any of the reasons set forth above in subparagraphs 6(a), 6(b), or 6(c), the Employee shall be entitled to the base salary earned by him prior to the date of termination, but shall not be entitled to any bonus which might otherwise be payable to the Employee.

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e. By the Employee at any time for "good reason", upon not less than thirty (30) days prior written notice to the Company specifying in reasonable detail the reason therefor, provided that the Company shall be entitled, by providing written notice of the Employee within fourteen (14) days after receipt of the foregoing notice, to require that the proposed resignation for "good reason" first be submitted to arbitration in accordance with Section 8 hereof, by which arbitration shall determine whether "good reason" actually exists. For purposes of this Section, "good reason" means any of the following:

   i. The failure of the Company, within thirty (30) business days after the Employee has provided written notice to the Board of Directors of the Company (with a copy to the Chairman of the Company's Compensation Committee, if any), requesting any payment of Base Salary, material reimbursable expenses or incentive bonus due and owing to the Employee hereunder, to make said payment to the Employee;

   ii. The Company requires the Employee to be based at any office or location more than 100 miles from the office at which the Employee is based on the Effective Date, except for travel reasonably required in the performance and discharge of the Employee's tasks and duties hereunder, and unless the Company and the Employee agree that such requirement shall not constitute "good reason";

   iii. Any failure by the Company to obtain the assumption of this Agreement by any successor of the Company;

iv. The Company merges into or consolidates with another entity, or is subject in any way to a transfer of a substantial amount of its assets, resulting in the assets, business or operations of the Company being controlled by an entity or individual other than the Company (a "Change of Ownership"), or there occurs any "Change in Control" (as defined below) of the Company or there is a significant change in the nature and scope of the duties and powers of the Employee, as outlined in paragraph 2, or the Employee reasonably determines that, as a result of the occurrence of one or more of the events described in subparagraph 6(e), he is unable to exercise or perform the powers, functions or duties as set forth in this Agreement, then the Employee shall be entitled, upon giving thirty (30) days advance written notice to the Company, to terminate this Agreement and shall within 90 days after the effective date of such termination, receive a lump sum amount equal to his base salary for twenty-four (24) months at the rate in effect on the date such notice is given to the Company. In addition, the Employee shall fully vest in all outstanding options as of the date of such written notice, and shall have the right to exercise such options within 90 days after the effective date of termination, in accordance with the terms and provisions of the Plan.

v. Any material change by the Company in the Employee's function, duties, or responsibilities from those contemplated herein, without the prior written consent of the Employee, which consent shall not be unreasonably withheld; or



vi. Any pattern or practice of harassment or other malicious conduct by the Board of Directors of the Company or the Company's senior management intended to provoke the Employee's resignation.

Upon such termination, the Company shall pay to the Employee the amounts as set forth in Section 6(f) hereof.

"Change in Control" shall, for purposes of this Agreement, be deemed to have taken place if (i) a third person, including a group of individuals or entities, becomes the beneficial owner of shares of the Company having fifty (50%) percent or more of the total number of votes that may be cast for the election of Directors of the Company, or (ii) as a result of, or in connection with any cash tender or exchange offer, merger, consolidation or other business combination, or sale of assets, or any combination of the foregoing events, the persons who are directors of the Company before the occurrence of such event or events cease to constitute twenty-five (25%) percent of the Board of Directors of the Company.

f. Notwithstanding any other provision in this Agreement to the contrary, the Company may terminate this Agreement upon giving to the Employee ninety (90) days advance written notice of such termination. In the event the Company terminates this Agreement pursuant to this paragraph 6(f), the Company shall pay to the Employee or, in the event of the Employee's death subsequent to termination of this Agreement, to the Employee's estate a monthly sum equal to the highest monthly rate of base salary paid to the Employee during the Contract Term pursuant to paragraph 4 of this Agreement. Such payments shall commence on the last day of the month next following the termination of employment of the Employee and shall continue as follows:

i. If the Employee shall have been willing to continue in the employ of the Company, and shall have been in the continuous employ of the Company since the effective date of this Agreement, and if such termination shall occur prior to the Employee's normal retirement date, such payment shall continue, except as otherwise provided in subparagraph 6(f)(ii) below, until the last day of the twenty-fourth (24th) full calendar month following the termination of employment of the Employee.

ii. Regardless of whether the provisions of subparagraph 6(f)(i) are otherwise applicable, such payments shall not continue beyond the earliest of (i) the last day of the month preceding the Employee's normal retirement date and (ii) the last day of the month next preceding the month in which the Employee shall, with his written consent, commence receiving his retirement allowance under any pension plan of the Company. For purposes of this Agreement, the term "retirement" or "normal retirement date" shall mean the last day of the month during which the Employee attains the age of 65. In the event this Agreement is terminated pursuant to this subparagraph 6(f), the Employee shall be entitled to any bonus which might otherwise be payable to the Employee for any bonus period in which this Agreement is terminated.

iii. In addition to the foregoing, the Employee shall immediately vest in any options to purchase the Company's stock which have been issued to him, and he shall have 90 days from the date of termination in which to exercise such options.

7. **NONDISCLOSURE OF CONFIDENTIAL INFORMATION**. The Employee agrees that during the Contract Term, and at all times thereafter, any data, figures, projections, estimates, customer lists, tax records, personnel histories and records, information regarding sales, information regarding properties and any other information regarding the business, operations, properties or personnel of the Company (collectively referred to herein as the "Confidential Information") disclosed to or acquired by the Employee shall be held in confidence and treated as proprietary to the Company, and the Employee agrees not to use or disclose any Confidential Information without the prior written consent of the Company; provided, however, that no such prior written consent shall be required for the disclosure and use by the Employee of Confidential Information to promote and advance the business interests of the Company (including disclosure of information reasonably requested by underwriters) or in response to any lawful process of a court or government agency, whether state, federal or local, such as a subpoena, summons, discovery request in the course of a court or administrative proceeding, which requires the Employee's response, whether sworn or unsworn, or when a response is otherwise required by applicable law.

8. **SETTLEMENT OF CONTROVERSY AND EXPENSES**.

a. Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration in Wayne County, Michigan in accordance with the Voluntary Labor Arbitration Rules of the American Arbitration Association then in effect.

The arbitrator shall be chosen mutually by the parties and shall not have jurisdiction or authority to change, add to or subtract from any of the provisions of this Agreement. The arbitration decision shall be final and binding and judgment may be entered on the arbitrator's award in any court having jurisdiction.

b. In the event proceedings are brought to enforce any provision in this Agreement and the Employee prevails, then he shall be entitled to recover from the Company his reasonable costs and expenses of the proceeding, including reasonable fees and disbursements of counsel and what would otherwise be the Employee's portion of the costs of arbitration. If the Company prevails, then each party shall be responsible for his/its respective costs, expenses and attorneys fees and the costs of arbitration shall be equally divided. In the event it is determined that the Employee is entitled to compensation, legal fees and expenses hereunder, he also shall be entitled to interest thereon, payable to him at the prime rate of interest of Manufacturers National Bank of Detroit, as in effect from time to time during the period from the date such amounts should have been paid to the date of actual payment. For purposes of determining the date when legal fees and expenses are payable, such amounts are not due until 30 days after notification to the Company of such amounts.

9. **TERMINATION PAYMENT MAXIMUM**. If any payments under this Agreement, when aggregated with any other payments by the Company to the Employee from other policies, plans and agreements of the Company that are deemed to constitute "golden parachute" payments (as defined in §280G of the Internal Revenue Code of 1986, as amended) ("Code"), exceed the maximum amount of golden parachute compensation under §§280G and 4999 of the Code that may be paid without tax



penalties to the Employee and the loss or partial loss of the compensation tax deduction to the Company, then the Employee shall specify which of his payments from the Company shall be reduced until his aggregate golden parachute compensation reaches the highest amount permissible without triggering tax penalties to the Employee and the loss or partial loss of the compensation tax deduction to the Company under Code §§280G and 4999. Provided, however, that when the Employee designates which of his golden parachute payments from the

Company shall be reduced to meet the limitations under Code §§ 280G and 4999, no change in the timing of the payments shall be made without the consent of the Company.

10. **WAIVER**. Failure by either party to insist upon strict compliance with any of the terms, covenants, or conditions hereof shall not be deemed a waiver by that party of any such term, covenant or condition, nor shall any waiver or relinquishment of any right or power hereunder at any one or more times be deemed a waiver or relinquishment of any such right or power at any other time or times.

11. **SEVERABILITY**. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.

12. **NONTRANSFERABILITY**. Neither the Employee, nor his heirs, assigns or estate shall have the right to assign, encumber or dispose of any payment or right hereunder, which payment and right is expressly declared nonassignable and nontransferable, except as otherwise specifically provided herein.

13. **SUCCESSORS AND ASSIGNS**. The Company and the Employee bind themselves, and their respective partners, successors, assigns, heirs and legal representatives to all of the terms and conditions of this Agreement.

14. **ASSIGNMENT**. This Agreement, and any or all rights hereunder, may not be assigned, in whole or in part, by the Employee. The Company may assign this Agreement, in whole or in part, and any or all of its rights hereunder.

15. **NOTICES**.

    a. Every notice of other communication required or permitted to be given under this Agreement ("Notice") shall be in writing and shall be given by registered or certified mail, postage prepaid, return receipt requested, or by delivering such Notice personally or causing such Notice to be delivered by reputable air courier or otherwise. All such Notices shall be mailed or delivered to the Parties at the following addresses:

If to the Company:

Brendan Technologies, Inc.
2236 Rutherford Road, Suite 107
Carlsbad, CA 92008
Attn: Dr. John R. Dunn II, Chairman and CTO

If to the Employee:



George P. Dunn
2236 Rutherford Road, Suite 107
Carlsbad, CA 92008

or such other addresses as the parties may from time to time designate by written notice. Delivery under this Paragraph 16, when by mail, shall be effective as of the date upon which the return receipt is accepted or refused. A Notice personally delivered under this Section 15 shall be effective upon such delivery or, if delivery is refused, upon such refusal.

16. **ENTIRE AGREEMENT**. The foregoing provisions contain the entire agreement of the parties hereto, and no modification hereof shall be binding upon the parties unless the same is in writing and signed by the respective parties hereto.

17. **APPLICABLE LAW**. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Michigan.

18. **COUNTERPARTS**. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but such counterparts together shall constitute one instrument.

**In Witness** the parties, intending to be legally bound, set their hands and seals this day of

_____

, 200__.

| **BRENDAN TECHNOLOGIES, INC.** | **EMPLOYEE** |
|---|---|
| By: | By: _____ |
| Title: | |

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**EXHIBIT A**

**EMPLOYEE PLANS AND PROGRAMS**

1. **HEALTH AND LIFE INSURANCE**

Health insurance with family coverage consistent with the health insurance provided other executives of the Company.

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Exhibit 16.1

Harper & Pearson Company, P.C.
One Riverway Suite 1000
Houston, Texas 77056
713-622-2310 phone
713-622-5613 fax
www.harperpearson.com

January 4, 2006

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, DC 20549

RE: Omni U.S.A., Inc.

We have read the statements of Omni U.S.A., Inc. pertaining to the recent change in auditors included under Item 4.01 of Form 8-K dated December 29, 2005 and agree with such statements as they pertain to our firm. We have no basis to agree or disagree with other statements of the registrant contained therein.

Sincerely,

/s/ Harper & Pearson Company

Exhibit 99.1

**Press Release** Source: Omni U.S.A., Inc.

**For Immediate Release**

# Omni U.S.A. Acquires Brendan Technologies and Disposes of OmniGear and Butler

Wednesday January 4, 2006

**Company to Focus Efforts on Pharmaceutical Software Technology**

CARLSBAD, CA, Jan. 4 Omni U.S.A., Inc. (OTCBB: OUSA.OB- News), a provider of power transmission and trailer and implement components, announced today that its wholly-owned subsidiary, Omni Merger Sub, Inc. (OMS) has completed the acquisition of substantially all of the assets of privately-owned Brendan Technologies, Inc. (BTI), a Carlsbad, CA-based pharmaceutical software company. Founded in 1997, BTI has been actively involved in providing software solutions to improve the accuracy, quality control, and workflow of immunoassay testing in laboratories in the biopharmaceutical, clinical, research, veterinarian and agricultural industries.

In connection with the acquisition, Omni issued 24,847,889 shares of its common stock to the existing shareholders, note-holders and individuals involved in putting the transaction together.

Also, Omni announced it has disposed of its OmniGear and Butler subsidiaries to Jeffrey, Craig and Ed Daniel in exchange for a $672,000 note. This disposition will mean that BTI is the only wholly-owned subsidiary of Omni which will now focus primarily on the life sciences software industry.

John Dunn, who will now replace Jeffrey Daniel as the Chairman and CEO of Omni stated, "BTI has been looking forward to the opportunity to enter the public market place with our innovative software that addresses the data analysis, workflow and regulatory needs of our customers. The company is redesigning and expanding its current product lineup to better capitalize on the growing demand of our target markets for more advanced software. We fully anticipate the value to both the previous and the newly created Omni shareholders to benefit."

As part of the acquisition and disposition of the subsidiaries, the previous officers and directors of Omni were replaced with, in addition to Dr. Dunn, Lowell Giffhorn, Theo Vermelen, and Stephen Eisold as directors and Dr. Dunn, Lowell Giffhorn and George Dunn as officers. The previous accounting firm of Harper & Pearson Company was replaced by Farber & Hass LLP.

Omni’s wholly-owned subsidiary BTI is a scientific software company that designs, develops and markets computational analytical software products for the laboratory testing industry.

Statements included in this update that are not historical in nature are intended to be, and are hereby identified as, "forward-looking statements" for purposes of the safe harbor provided by Section 21E of the Securities Exchange Act of 1934, as amended by Public Law 104-67. Forward-looking statements may be identified by words including "anticipate," "believe," "intends," "estimates," "expect," and similar expressions. The Company cautions readers that forward-looking statements including, without limitation, those relating to the Company's future business prospects are subject to certain risks and uncertainties that could cause actual results to differ materially from those indicated in the forward-looking statements, due to factors such as those relating to economic, governmental, technological, and other risks and factors identified from time to time in the Company's reports filed with the SEC.

Omni U.S.A, Inc.

CONTACT: Lowell Giffhorn, CFO

PHONE: 760-929-7500 Ext. 210