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On October 17, 2018, the Company, through its wholly owned subsidiary AMTEC Corporation, sold the outstanding stock of its wholly owned subsidiary AMTEC Lethal Systems, Inc. (“ALS”) to PACEM Defense LLC (“PACEM”), a third party, in exchange for cash and promissory notes totaling \$10,636,000, subject to customary post-closing adjustments. The Company tested long-lived assets for recoverability in the quarter ending September 30, 2018 and recorded an impairment charge of \$3,021,000. The pre-tax loss on divestiture, including the impairment charge, recorded in 2018 was \$2,528,000. As of December 31, 2020 and 2019, \$2,869,000 and \$2,853,000, respectively, of promissory notes and accrued interest related to the divestiture of ALS are included on the Company’s balance sheet as Notes Receivable, Current.

The Company determined this transaction did not qualify for discontinued operations treatment, since it did not represent a strategic shift that had or would have a major effect on the Company’s operations and financial results.

R. BUSINESS ACQUISITION

On July 23, 2019, the Company’s wholly-owned subsidiary, OETA, Inc., purchased substantially all the assets of OneEvent Technologies, Inc., a Mount Horeb, Wisconsin company established in 2014 for \$6,501,000, including cash of \$4,020,000, forgiveness of a note receivable of \$2,364,000 and a potential earn out, which is based on earnings over a seven year period. The current estimated value of the earn out is \$117,000, however, the value of the earn out will vary depending on actual earnings over the seven year period. OneEvent’s systems provide early warning of conditions that could ultimately lead to significant losses. The initial application combines patented machine learning, digital sensors and cloud-based technology to continuously monitor freezers and refrigerators, instantly detecting and alerting users to potential safety issues around pharmaceuticals and food. The OneEvent® system also has the ability to continually measure other factors such as small particle concentration, humidity, and moisture. Pursuant to the terms of the transaction, the seller has subsequently changed its corporate name and OETA