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U.S. DEPARTMENT OF COMMERCE

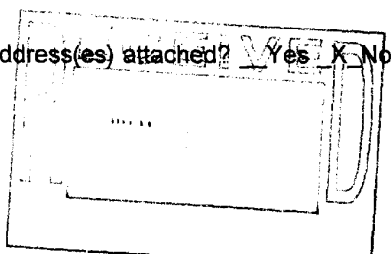
Patent and Trademark Office

*cert. of 1st class MD 6-8-98*



100745973

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

<p>1. Name of conveying party(ies): Albert L. Saari and Robert L. Esse</p> <p>Additional name(s) conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>2. Name and address of receiving party(ies): Name: Humidi-Pak, Inc Internal Address: Street Address: 800 Washington Ave. No. City: Minneapolis State: MN ZIP: 55401</p> <p>Additional name(s) &amp; address(es) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> 
<p>3. Nature on conveyance: <input checked="" type="checkbox"/> Assignment <input type="checkbox"/> Merger <input type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Other _____</p> <p>Execution Date: June 8, 1998</p>	

4. Application number(s) or patent number(s): 08/871,560

If this document is being filed together with a new application, the execution date of the application is:

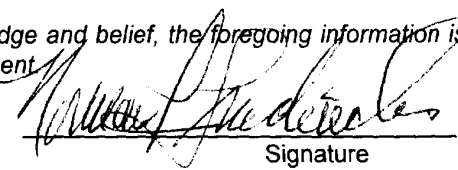
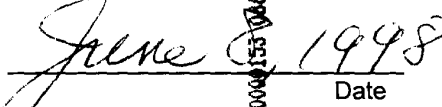
A. Patent Application No.(s) \_\_\_\_\_ B. Patent No.(s) \_\_\_\_\_

Additional numbers attached?  Yes  No

<p>5. Name and address of party to whom correspondence concerning document should be mailed: Name: Friederichs Law Firm, plc Internal Address: Street Address: 100 South Fifth Street, Suite 1295 City: Minneapolis State: MN ZIP: 55402</p>	<p>6. Total number of applications and registrations involved:.....1</p> <p>7. Total fee (37 CFR 3.41):.....\$ 40.00 <i>E</i> <input checked="" type="checkbox"/> Enclosed <input type="checkbox"/> Authorized to be charged to deposit account</p> <p>8. Deposit account number: _____ <i>WB</i> (Attach duplicate copy of this page if paying by deposit account)</p>
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DO NOT USE THIS SPACE

To the best of my knowledge and belief, the foregoing information is true and correct and an attached copy is a true copy of the original document

Norman P. Friederichs  June 8, 1998 

Signature Date

Total number of pages including cover sheet, attachments, and documents: \_\_\_\_\_

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ASSIGNMENT

Inventors/ Assignors: Albert L. Saari and Robert L. Esse  
Assignee: Humidi-Pak, Inc.  
Title: HUMIDITY CONTROL DEVICE

WHEREAS, I, Albert L. Saari, residing at 16305 15th Avenue North, Plymouth, Minnesota 55447, have invented certain new and useful improvements as designated in an application entitled HUMIDITY CONTROL DEVICE for Letters Patent of the United States, the application having been filed on June 10, 1997, and/or being identifiable in the United States Patent and Trademark Office by Serial No. 08/871,560, as well as, related know-how and other related inventions; and

WHEREAS, I, Robert L. Esse, residing at 3502 134th Street N.W., Monticello, Minnesota 55362, have invented certain new and useful improvements as designated in an application entitled HUMIDITY CONTROL DEVICE for Letters Patent of the United States, the application having been filed on June 10, 1997, and/or being identifiable in the United States Patent and Trademark Office by Serial No. 08/871,560, as well as, related know-how and other related inventions; and

WHEREAS, Humidi-Pak, Inc., a corporation organized and existing under the laws of the State of Minnesota, and having offices at 800 Washington Avenue North Minneapolis, Minnesota 55401 is desirous of acquiring the entire, right, title and interest in and to the invention, the application, and any and all Letters Patent or

similar legal protection, foreign or domestic, to be obtained therefor;

NOW, THEREFORE, for good and valuable consideration described below, Assignors transfer to Assignee, its successors and assigns, their entire right, title and interest in and to the invention, the above-identified application, corresponding domestic and foreign applications, all Letters Patent or similar legal protection issuing thereon, and all rights and benefits under any applicable treaty or convention; and Assignors authorize the Commissioner of Patents and Trademarks of the United States or foreign equivalent thereof to issue the Letters Patent or similar legal protection to the Assignee. Assignors' make no representation or warranty that Assignors' technology is free of infringement of the rights of others. Assignors represent that they are unaware of any U. S. Patent which in their opinion, would be infringed by Assignors' technology.

NOW THEREFORE, Assignee grants 100,000 stock options at a base price of \$2.50 per share to Al Saari, and Assignee grants 100,000 stock options at a base price of \$2.50 per share to Bob Esse. These stock options are to be exercised no sooner than three (3) years from the date of this agreement and shall expire ten (10) years from the date of this agreement. These stock options are only exercisable providing patent protection has been obtained on the technology

NOW THEREFORE, Assignee will pay the following royalties to be split equally

between Albert L. Saari and Robert L. Esse:

a) A royalty of 4% of net sales for any products directly or indirectly related to humidity control. Net sales means gross sales minus returns. Assignee will maintain true and accurate records and books of accounts. The records and books of accounts will be kept for a period of at least 5 years and made available to Assignors for review upon reasonable notice and during normal business hours.

b) When Assignee has reached \$50 million cumulative sales covered by the royalty rate in item "a)" above, the rate will drop to 3% of net sales and also on the condition that at the same time any shares of ownership in Assignee held by Saari or Esse can be transferred for long term holding to their spouse, family or other group each may designate. This stock may be required to be non-voting stock if so determined by the Board of Directors.

c) Royalty payments may be delayed by the Board of Directors to 1999 and then minimum quarterly payments of the lesser of \$9000 (\$4500 each to Saari and Esse) or the total amount of royalty payments due at the time would commence.

d) Royalty payments are to be current and any back amounts would be paid up no later than the first quarter in the year 2001

e) Any out of pocket expenses of Saari or Esse will be paid by Assignee within ninety (90) days of the date of this agreement and any future out of pocket expenses within 30 days of submitting invoices.

f) Assignee shall pay all costs for obtaining the patent for past as well as future charges and not obligate Saari or Esse for any future obligations for any

litigation.

g) Upon the death of either Saari or Esse, the royalty payments shall continue to their designated heir. In the case of Robert L. Esse, they should continue to Barbara A. Esse or if not living, into his estate. In the case of Albert L. Saari, to Janis Saari, or if not living, into his estate.

Assignors, acting jointly, shall have the right to terminate this agreement and the rights conveyed by this agreement shall be automatically reconveyed back to Assignors upon the occurrence of any of the following events:

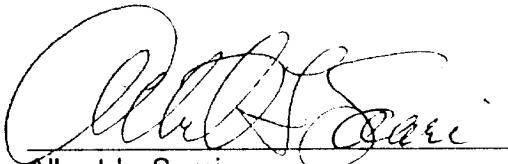
a) Assignee fails to make any payment due and payable under this agreement and such failure continues for forty-five (45) days after written notice thereof by either Saari or Esse to Assignee;

b) Assignee files a petition in bankruptcy or is adjudicated as bankrupt or insolvent, or makes an assignment for the benefit of creditors, or has a trustee appointed for it after a petition has been filed for its reorganization under the Bankruptcy Act of the United States or any successor law and such trustee is not removed within a period of sixty (60) days thereafter, or if Assignee discontinues or dissolves its business.

Assignors authorize the Assignee, its successors and assigns, or anyone it may properly designate, to apply for Letters Patent or similar legal protection, in its own name if desired, in any and all foreign countries.

Assignors represent to the Assignee, its successors and assigns, that Assignors have not and shall not execute any writing or do any act whatsoever conflicting with this Assignment. Assignors, their executors or administrators, will at any time upon request, without additional consideration, but at the expense of the Assignee, its successors and assigns, execute such additional writings and do such additional acts as the Assignee, its successors and assigns, may deem desirable to perfect its enjoyment of this grant, and render all assistance in making application for and obtaining, maintaining, and enforcing the Letters Patent or similar legal protection on the invention in any and all countries.

This agreement may be modified only by a written Addendum signed by all parties and attached to each party's Agreement as an Addendum. This agreement shall be binding upon Assignors, its successors and assigns and upon Assignee, its successors and assigns including the transfer or sale of Assignee in whole or in part.

  
Albert L. Saari


  
By Sean Knutsen, President  
HUMIDI-PAK, INC.

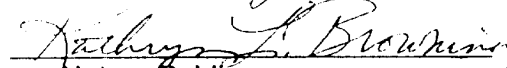
STATE OF MINNESOTA )  
 ) SS.  
COUNTY OF HENNEPIN )

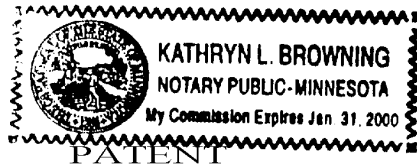
STATE OF MINNESOTA )  
 ) SS.  
COUNTY OF HENNEPIN )

Subscribed and sworn to before me  
this 6<sup>th</sup> day of June, 1998.

Subscribed and sworn to before me  
this 8<sup>th</sup> day of June, 1998.

  
Notary Public

  
Notary Public



Robert L. Esse  
Robert L. Esse

STATE OF MINNESOTA )  
   ) SS.  
COUNTY OF HENNEPIN )

Subscribed and sworn to before me  
this 8<sup>th</sup> day of June, 1998.

Kathryn L. Browning  
Notary Public

