

08-07-1998



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PATENTS ONLY

/ER SHEET

U.S. Dept. of Commerce
Patent & Trademark Office

To The Honorable Commissioner of Patents and Trademarks: Please record the attached

1. Name of conveying party(ies):

B.M.T.L., Inc., an Illinois corporation

Additional name(s) of conveying party(ies) attached?

☐ Yes☒ No

2. Name and address of receiving party(ies)

Name: Paramount Technologies, Inc.

Internal Address: _____

Street Address: 100 W. Monroe StreetSuite 705
City: Chicago,State: Illinois Zip: 60603

Additional name(s) & address(es) attached?

☐ Yes☒ No

3. Nature of conveyance:

☐ Assignment☐ Merger☐ Security Agreement☐ Change of Name☒ Other Patent License Agreement, effective
as of July 30, 1997

4. Application number(s) or patent number(s):

A. Patent Application No.(s)

Additional sheet attached? ☐ Yes ☒ No

B. Patent No.(s)

5,662,333

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

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Sandra McNaughtonInternal Address: Freeborn & PetersStreet Address: 311 South Wacker Drive, Suite 3000City: ChicagoState: Illinois Zip: 60606-6677

6. Number of Applications and registrations involved:

7. Amount of fee enclosed or authorized to be charged:

\$40

8. Deposit account number (Attach duplicate copy of this form if paying by deposit account):

DO NOT USE THIS SPACE

9. Statement and Signature.

*To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.*July 29, 1998

Date

Sandra McNaughton
SignatureSandra McNaughton

Name of Person Signing

08/04/1998 SSNITH

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Total Number of pages including cover sheet, attachments and document 9

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PATENT
REEL: 9350 FRAME: 0926

PATENT LICENSE AGREEMENT

This PATENT LICENSE AGREEMENT (this "Agreement") is entered into effective as of the 30th day of July 1997, by and between B.M.T.L., INC., an Illinois corporation ("BMTL"), and PARAMOUNT TECHNOLOGIES, INC., an Illinois corporation ("Paramount").

RECITALS

WHEREAS, BMTL is the owner of certain patents and patent rights and Paramount desires to license such rights from BMTL for the consideration and subject to the terms and conditions of this Agreement;

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Paramount and BMTL hereby agree as follows:

Section 1. Defined Terms.

(a) Licensed Patents. The term "Licensed Patents" means the patents and pending patent applications described on Schedule 1 attached hereto, including the extensions, renewals or reissues thereof, continuations, continuations-in-part, and divisions thereof, patent disclosures with respect thereto, and modifications thereof.

(b) Licensed Technology. The term "Licensed Technology" means copyrights, copyright registrations and applications for registration thereof, product designs, prototypes, schematics, trade secrets (including ideas, formulas, compositions, inventions (whether patentable or unpatentable and whether or not reduced to practice), know-how, manufacturing and production processes and techniques, research and development information, drawings, specifications, designs, plans, bills of material, proposals, and technical data), other proprietary rights, and copies and tangible embodiments thereof (in whatever form or medium) owned by BMTL which directly relate to the Licensed Patents and the inventions and improvements described and claimed therein.

(c) License Rights. The term "License Rights" means the licenses and other rights granted to Paramount under paragraph (a) of Section 2.

(d) Product. The term "Product" means the missile detection and location system covered by the Licensed Patents.

Section 2. Grant of License in Patents and Technology.

(a) Grant. BMTL hereby grants to Paramount a perpetual, irrevocable, worldwide, right and license to use and sublicense the Licensed Patents and the Licensed Technology. The foregoing grant of rights shall include, without limitation, (i) the right and license to commercially exploit the Licensed Patents and the Licensed Technology in any manner whatsoever, to practice the inventions

covered by the claims of the Licensed Patents, and to make, have made, use, sell or have sold, or lease or have leased the Product using the Licensed Patents and the Licensed Technology or improvements, enhancements, or modifications thereof, (ii) the right of Paramount to sublicense the Licensed Patents and the Licensed Technology, (iii) to enforce the Licensed Patents and the Licensed Technology against infringers, and (iv) (at Paramount's election and expense) to apply for, and obtain rights in BMTL's name and with BMTL as owner under, any continuation-in-part patents, divisional patents, reissue patents, improvement patents, or functional equivalents of the Licensed Patents.

(b) Scope; Exclusivity. The License Rights are hereby expressly limited to the exercise thereof with Products comprised solely of coin operated arcade game machines (the "Paramount Market"). The License Rights shall be exclusive to Paramount within the Paramount Market and BMTL shall neither itself exercise nor grant to any other party any rights in the Licensed Patents or Licensed Technology within the Paramount Market.

(c) Power to Grant. BMTL hereby warrants that it has full right and power to grant the licenses granted herein in the manner and to the full extent set forth, free and clear of any adverse assignment, grant, or other encumbrance inconsistent with BMTL's grants to Paramount herein. BMTL will refrain from doing anything potentially adverse to BMTL's grants to Paramount herein.

(d) Further Assurances. An officer of BMTL shall execute and deliver such other agreements, documents, or instruments as requested by Paramount from time to time which are reasonably necessary to effect the terms of this Agreement.

Section 3. Technical Information and Specifications.

(a) Disclosure of Technical Information. For use by Paramount pursuant to this Agreement, BMTL shall disclose, deliver, and make available to Paramount copies of all Product designs, specifications, drawings, schematics, blueprints, parts lists, engineering reports, technical descriptions, bills of material, source code (including all comments), object code, documentation, and other technical information concerning the Product, the Licensed Patents, and the Licensed Technology.

(b) Specifications. BMTL warrants that the Licensed Patents and the Licensed Technology shall enable a reasonably skilled technician to manufacture the Product to substantially conform to the specifications required of the Product within the Paramount Market.

Section 4. Prosecution and Infringement.

(a) Patent Application and Prosecution. In consideration for the licenses granted hereunder, Paramount shall pay, at the request of BMTL, the reasonable expenses (including attorneys fees) of BMTL incurred in the filing and registration of the Licensed Patents.

(b) Infringement of Third Party. BMTL hereby agrees to indemnify (up to a maximum amount not to exceed the Royalties paid by Paramount hereunder) Paramount against any actions, suits, claims or demands, including the costs and expenses connected therewith, which Paramount may incur or become liable to pay by reason of any claim, suit, or demand for infringement of any patent, copyright, trade secret or other intellectual property right because of the manufacture, use or sale of the Product in accordance with this Agreement.

(c) Infringement Actions. BMTL will inform Paramount immediately of any infringement or suspected infringement within the Paramount Market of the Licensed Patents or the Licensed Technology of which BMTL becomes aware. If BMTL shall elect to prosecute such infringer, Paramount, at its election and cost, may join BMTL in litigation with respect thereto. If BMTL shall not elect to prosecute an infringer of the Licensed Patents or the Licensed Technology, Paramount, at its election and cost, may prosecute such infringer, including but not limited to such settlements as Paramount deems reasonably appropriate. If Paramount is unable to initiate or prosecute or join in the litigation in its own name, BMTL shall (at Paramount's expense) take such steps as are reasonably requested by Paramount to enable it to protect its rights hereunder against infringement or suspected infringement within the Paramount Market of the Licensed Patents or the Licensed Technology.

Section 5. Royalties. In consideration for the obligations of BMTL hereunder and as the only compensation payable by Paramount to BMTL hereunder, Paramount shall pay BMTL a royalty amount equal to \$500 per year in arrears payable on each anniversary date of this Agreement (the "Royalties"). If all claims of all of the Licensed Patents are finally determined to be invalid by a decision of a court of competent jurisdiction that is final beyond further right of appeal, Paramount's obligation to pay the Royalties shall terminate.

Section 6. Term. This Agreement, the licenses granted herein, and the obligation to pay the Royalties shall terminate upon the later of (a) twenty (20) years from the effective date hereof and (b) the expiration or termination of the last issued Licensed Patent, including any modifications, extensions, or reissues thereof.

Section 7. Confidentiality. Each party hereto understands that in connection with this Agreement it may disclose to the other party certain of the disclosing party's proprietary and confidential information ("Confidential Information"), including, without limitation, the Licensed Patents and the Licensed Technology. Each party agrees to maintain the other party's Confidential Information in strict confidence and not to, directly or indirectly, use for its benefit or the benefit of any third party, or duplicate or disclose any of such other party's Confidential Information, except as required or permitted under this Agreement or as specifically authorized by the other party in writing. The term "Confidential Information" shall not include any information of a party which was known to or in the possession of the other party at the time such information is first disclosed or made available to the other party or is thereafter lawfully obtained by the other party from a person other than such party, or is in the public domain or generally known in the relevant trade.

Section 8. Representations of BMTL. BMTL hereby represents and warrants to Paramount, as of the date hereof, as follows:

(a) BMTL: (i) is a corporation duly organized and validly existing under the laws of the State of Illinois; (ii) has the power and authority to own its property and to carry on its business as now conducted or as presently contemplated; and (iii) has the power and authority to execute, deliver and perform this Agreement.

(b) The execution, delivery and performance by BMTL of this Agreement: (i) have been duly authorized by all requisite action on the part of BMTL, including any requisite approval of its board of directors; (ii) do not violate any provision of law, the articles of incorporation or by-laws of BMTL, or any applicable order of any court or other governmental agency; and (iii) do not breach of the terms of any agreement, document, or instrument to which BMTL is a party or which is binding upon BMTL.

(c) This Agreement constitutes a legal, valid and binding obligation of BMTL, enforceable against BMTL in accordance with its terms, subject, as to enforcement, to applicable bankruptcy, reorganization, insolvency and similar laws affecting creditors' rights generally and to moratorium laws from time to time in effect and to the extent that such enforcement is subject to the principles of equity in a proceeding at law or in equity.

Section 9. Representations of Paramount. Paramount hereby represents and warrants to BMTL, as of the date hereof, as follows:

(a) Paramount: (i) is a corporation duly organized and validly existing under the laws of the State of Illinois; (ii) has the power and authority to own its property and to carry on its business as now conducted or as presently contemplated; and (iii) has the power and authority to execute, deliver and perform this Agreement.

(b) The execution, delivery and performance by Paramount of this Agreement: (i) have been duly authorized by all requisite action on the part of Paramount, including any requisite approval of its board of directors; (ii) do not violate any provision of law, the articles of incorporation or by-laws of Paramount, or any applicable order of any court or other governmental agency; and (iii) do not breach of the terms of any agreement, document, or instrument to which Paramount is a party or which is binding upon Paramount.

(c) This Agreement constitutes a legal, valid and binding obligation of Paramount, enforceable against Paramount in accordance with its terms, subject, as to enforcement, to applicable bankruptcy, reorganization, insolvency and similar laws affecting creditors' rights generally and to moratorium laws from time to time in effect and to the extent that such enforcement is subject to the principles of equity in a proceeding at law or in equity.

Section 10. Miscellaneous Provisions.

(a) Entire Agreement. This Agreement constitutes the entire agreement between BMTL and Paramount relating to the subject matter hereof. There are no terms, obligations, covenants, representations, statements, or conditions other than those contained herein. No variation or modification of this Agreement or waiver of any of the terms or provisions hereof shall be deemed valid unless made in a writing signed by all parties hereto.

(b) Invalid Sections. Should any one section, or portion thereof, of this Agreement be held invalid or invalidated by reason of any law, statute or regulation existing now or in the future in any jurisdiction by any court of competent jurisdiction or by a legally enforceable directive of any governmental body, such section or portion thereof shall be validly reformed so as to approximate the intent of the parties as nearly as possible, and, if unenforceable, shall be divisible and deleted in such jurisdiction; and otherwise this Agreement shall not be affected.

(c) Succession. This Agreement shall be binding upon each party's respective successors and assigns.

(d) Governing Law; Jurisdiction. This Agreement shall be considered as having been made in the United States of America and shall be construed and the respective rights of the parties determined in accordance with the laws of the State of Illinois. Each party hereto agrees that any legal action or proceeding arising hereunder shall be brought either in federal or state courts located in Cook County, Illinois and irrevocably submit themselves to the jurisdiction of those courts.

(e) Independent Contractors. Each party hereto acknowledges that it is and will be an independent contractor and under no circumstances shall such be considered an agent, employee, partner or joint venturer of or with any other party hereto. No authority or right is granted to any party to assume or create any obligation or responsibility, express or implied, on behalf of or in the name of any other party.

(f) Limitation of Liability. Notwithstanding anything to the contrary contained herein, no party shall, under any circumstances, be liable to any other party for consequential, incidental, or special damages, including but not limited to lost profits, even if such party has been apprised of the likelihood of such damages. The maximum liability of any party hereunder shall not exceed the aggregate amount of Royalties payable hereunder.

(g) Counterparts. This Agreement may be executed by the parties on any number of separate counterparts, and by each party on separate counterparts; each counterpart shall be deemed an original instrument; and all of the counterparts taken together shall be deemed to constitute one and the same instrument.

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

B.M.T.L., INC.

By: Rudolph L. Allison

Name: Rudolph L. Allison

Title: Vice President

PARAMOUNT TECHNOLOGIES, INC.

By: _____

Name: William H. Pope

Title: President

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

B.M.T.L., INC.

By: _____
Name: Rudolph L. Allison
Title: Vice President

PARAMOUNT TECHNOLOGIES, INC.

By: William H. Pope
Name: William H. Pope
Title: President

**Schedule 1
to
Patent License Agreement**

Patents and Patent Applications

<u>Patent</u>	<u>Registration No.</u>	<u>Issue Date</u>
Missile Detection and Location	5,662,333	9/2/97