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U.S. DEPARTMENT OF COMMERCE  
Patent and Trademark Office



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To the Honorable Commissioner of Patents

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1 original documents or copy thereof.

1998 SEP 24 AM 11:34

1. Name of conveying party(ies):

Allied Plastics International, Ltd.

Additional name(s) of conveying party(ies) attached?  Yes  No

2. Name and address of receiving party(ies)

Name: Allied Logic Corporation

Internal Address: \_\_\_\_\_

Street Address: 100 Golden Drive

City: Durham State: NC ZIP: 27705

Additional name(s) & address(es) attached?  Yes  No

3. Nature of conveyance:

- Assignment  Merger
- Security Agreement  Change of Name
- Other License Agreement

Execution Date: November 12, 1994

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

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) 5,458,844  
5,634,425  
5,601,048

Additional numbers attached?  Yes  No

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

Name: Michael R. Philips  
Attorney for Assignee  
Internal Address: \_\_\_\_\_

OLIVE & OLIVE, P.A.

Street Address: 500 Memorial Street

PO Box 2049

City: Durham State: NC ZIP: 27702

6. Total number of applications and patents involved: 3

7. Total fee (37 CFR 3.41).....\$ 120.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

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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.

Michael R. Philips

Name of Person Signing

Michael Philips  
Signature

Sept. 21, 1998

Date

Total number of pages including cover sheet, attachments, and document: 3

Mail documents to be recorded with required cover sheet information to:  
Commissioner of Patents & Trademarks, Box Assignments  
Washington, D.C. 20231

PATENT  
REEL: 9472 FRAME: 0955

## TECHNOLOGY AND PATENT LICENSE AGREEMENT

**THIS Technology and Patent Agreement (the "License Agreement") is made the 12th day of November, 1994 (the "Execution Date") between ALLIED PLASTICS INTERNATIONAL, LTD. ("Allied"), of 4/F Main Pole House, 151 Hennessy Road, Wanchai, Hong Kong and ALLIED LOGIC CORPORATION ("Logic") of 519 Ferndale Road, Wayzata, MN 55391.**

### WHEREAS

- A. Logic desires to acquire the capacity, know-how, machinery and equipment necessary to undertake the rotational molding of boats and other products; and
- B. Allied has the know-how, designs, procedures, technique and knowledge related to the fabrication of machinery and rotational molding of boats and other products; and
- C. Allied is the owner or holder of know how, trade secrets, intellectual property and patent rights relating to the design and rotational molding of boats and other products; and
- D. The parties now wish to record the terms of the above agreements and certain understandings in relation to their future dealings.

**NOW THE PARTIES AGREE as follows, acknowledging and agreeing in all respects that the various covenants and conditions herein are sufficient consideration for the agreements of each and every party:**

### 1. DEFINITIONS

In this agreement unless the context otherwise requires:

- 1.1 "Allied" means Allied Plastics International, Ltd., a British Virgin Islands corporation, its subsidiaries, joint ventures and affiliates;
- 1.2 "Allied Territory" means the world, excluding the Logic Territory."
- 1.3 "Logic" means Allied Logic Corporation, its subsidiaries, joint ventures and affiliates.
- 1.4 "Logic Territory" means that Territory described at Exhibit 1.4, "Territory".
- 1.5 "Net Sales" and "Net Sales Price" shall mean the total price charged less discounts, credits and returns.
- 1.6 "Rotational Molding Technologies" means information, know-how, techniques (both patented and non-patented), confidential information, patents, copyrights, designs, trademarks (if any), tradenames and get-up, and other intellectual property rights (including all registrations and applications for registration of such rights) relating to (a) rotational molding; (b) molds, tools and processes for rotational molding; (c) products and product designs for rotational molding. Rotational Molding Technologies *exclude* design, fabrication or manufacture of rotational molding ovens.
  - i. "Allied Rotational Molding Technologies" means those Rotational Molding Technologies which

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are or come to be owned, licensed or otherwise available to Allied, to the maximum extent licensable to Logic.

ii. "Logic Rotational Molding Technologies" means those Rotational Molding Technologies which are or come to be owned, licensed or otherwise available to Logic, to the maximum extent licensable to Allied.

1.7 "Royalty Bearing Products" shall be products which are manufactured using the Molded Shell Technology described in US patent 5,458,844, Method Of Rotary Moulding A Shell Structure Having An Integral Support Structure, or any amendment, divisional or continuation thereof, during the applicable term of any such granted or pending patent.

## 2. GRANT OF LICENSE

2.1 **Grant of License to Logic:** Allied grants to Logic, and Logic accepts, the continuing, exclusive, perpetual, transferable, assignable and sublicenseable right to use, apply, modify, enhance and develop the Allied Rotational Molding Technologies within the Logic Territory, subject always to limitations and conditions set forth in this License Agreement.

### 2.2 Limitations on License to Logic

- a) Except at the direction of or with the consent of Allied, Logic and its sublicensees shall use their commercially reasonable best efforts to avoid export from the Logic Territory to the Allied Territory of products manufactured using the Allied or the Logic Rotational Molding Technologies;
- b) Logic will manufacture products using the Allied Rotational Molding Technologies to the same standard of quality, functionality and care demonstrated by Allied. Logic shall conduct a strict and systematic control of all such products manufactured by Logic;
- c) Sublicenses granted by Logic will be in a form acceptable to Allied, and shall provide (a) that Sublicensees have no further right to sublicense; (b) that such sublicense is for the benefit of Allied; and (c) that such sublicense shall be restricted to production for sublicensee's own use, market and sale, and not for the production of goods or services on an OEM or private label basis.

2.3 **Royalty Payable to Allied:** Commencing on January 1, 1997, Logic shall pay to Allied, on a quarterly basis, payable within forty-five (45) days after the end of each quarter:

- i) a royalty equal to two percent (2%) of Logic's Net Sales of Royalty Bearing Products sold to third parties; and
- ii) a royalty equal to thirty percent (30%) of Logic's Net sublicense fees to third parties, where such license is attributable in whole or in part to the sublicense of Allied Rotational Molding Technologies.

2.4 **Grant of License to Allied:** Logic grants to Allied, and Allied accepts, the continuing, exclusive, perpetual, transferable, assignable, sublicenseable and royalty-free right to use, apply, modify, enhance and develop the Allied Rotational Molding Technologies within the Allied Territory, subject always to limitations and conditions set forth in this License

## 2.5 Limitations on License to Allied

- i) Except at the direction of or with the consent of Logic, Allied and its sublicensees shall use their commercially reasonable best efforts to avoid export from the Allied Territory to the Logic Territory of products manufactured using the Allied or the Logic Rotational Molding Technologies;
- ii) Allied will manufacture products using the Logic Rotational Molding Technologies to the same standard of quality, functionality and care demonstrated by Logic. Allied shall conduct a strict and systematic control of all such products manufactured by Allied.

2.6 **Improvements to Rotational Molding Technologies:** Any modification or enhancement to the Rotational Molding Technologies created by or under the direction and control of Allied or Logic shall be promptly disclosed to the other and shall be deemed to be included in this License Agreement. The parties agree to assist one another in securing and maintaining patent and other protection for Rotational Molding Technologies in their own and in the other parties Territory. Such assistance will include working cooperatively with the other party, at the expense of the party within whose Territory protection is sought, to sign all necessary documents and do all other things reasonably necessary or desirable to achieve this.

2.7 **Audit.** Logic shall maintain complete and accurate accounting records, in accordance with sound accounting practices, to support and document royalties payable in connection with the Allied Rotational Molding Technologies. Such records shall be retained for a period of at least five (5) years after the royalties to which such records relate have accrued and been paid. Logic shall, upon written request, during normal business hours, provide access to such records to an independent accounting firm chosen and compensated by Allied (provided that reasonable and actual expenses will be paid by Logic if an underpayment variance in excess of five percent (5%) is found), for purposes of audit. Such an audit shall not be requested more frequently than once each calendar year.

## 3. INDEMNIFICATION

3.1 **Indemnification by Logic:** Logic will indemnify and hold Allied harmless against all actions, proceedings, damages, costs, claims, demands and liabilities whatsoever which Allied may sustain itself or incur to any person as a result of any willful or grossly negligent act or omission by Logic.

3.2 **Indemnification by Allied:** Allied will indemnify and hold Logic harmless against all actions, proceedings, damages, costs, claims, demands and liabilities whatsoever which Logic may sustain itself or incur to any person as a result of any willful or grossly negligent act or omission by Allied.

## 4. TERM AND TERMINATION OF LICENSE AGREEMENT.

4.1 **Term:** Unless sooner terminated hereunder, this License Agreement shall remain in force through expiration of all copyrights and other intellectual property rights in all Rotational Molding Technology licensed hereunder.

- 4.2 **Termination by Allied:** At its option, Allied may terminate this Agreement or specifically disclaim and terminate that grant of license to Logic set forth at section 2.1 hereof, preserving and continuing the remainder of the License Agreement, by written notice to Logic, in the event Logic materially fails to perform or comply with this Agreement or any provision hereof, or any other written agreement between the parties, and fails to remedy such default within thirty (30) days of written notice demanding such remedy. Upon such full or partial termination, Logic shall return to Allied all confidential materials, brochures, engineering and construction manuals and other materials related to the Rotational Molding Technologies previously provided Logic by Allied.
- 4.3 **Termination by Logic:** At its option, Logic may terminate this Agreement or specifically disclaim and terminate that grant of license to Allied set forth at section 2.4 hereof, preserving and continuing the remainder of the License Agreement, by written notice to Allied, in the event Allied materially fails to perform or comply with this Agreement or any provision hereof, or any other written agreement between the parties, and fails to remedy such default within thirty (30) days of written notice demanding such remedy. Upon such full or partial termination, Allied shall return to Logic all confidential materials, brochures, engineering and construction manuals and other materials related to the Rotational Molding Technologies previously provided Allied by Logic.
- 4.4 **Effect of Termination.** The provisions of section 2.6, 2.7, 3, 5, 6, and 8 shall survive termination of this Agreement for any reason. Termination shall not prejudice the rights of either party to recover any payments due at the time of termination or accruing as a result thereof, nor shall it prejudice any cause of action or claim of either party accrued or to accrue by reason of any breach or default by the other party accruing before termination.
- 4.5 **Sublicenses Survive.** Bone fide third party sublicenses granted by Logic with respect to the Allied Rotational Molding Technologies, and any royalty obligations of Logic with respect to sublicense of the Allied Rotational Molding Technologies, shall survive termination of this License Agreement for any reasons. In the event this License Agreement is terminated by Allied as a result of Logic's failure to make payments, Logic shall assign to Allied right and authority to collect from sublicensees that portion of any sublicense fee payable to Allied.
5. **CONFIDENTIALITY:** The parties shall treat as confidential and privileged all the information supplied to them by the other parties or acquired with respect to the other parties or their business operations, whether before or after execution of this Agreement, and each party shall use such information only in connection with the arrangements evidenced by this Agreement. Such obligation will not apply to information known to recipient at the time of disclosure, or which, before being divulged by the recipient (a) has become known through public release of information, (b) has been rightfully received from a third party without restriction of disclosure and/or without breach of this Agreement, (c) has been independently developed by the recipient, or (d) has been disclosed pursuant to a requirement of a governmental agency or of law.
6. **NON-COMPETITION.** Logic shall not use the Rotational Molding Technologies, skills or knowledge gained as a result of this Agreement or the operations of Logic under this Agreement to manufacture, market or sell any product (or assist in any way, including supply, any other party in the manufacture, marketing or sales of any product) in competition with Allied in the Allied Territory.

7. **OWNERSHIP AND AUTHORITY.** Allied represents and warrants, with respect to all Allied Rotational Molding Technology provided to Logic, that Allied has sufficient right to grant the rights and/or licenses granted to Logic in this License Agreement and no Allied Rotational Molding Technologies infringe any patent, copyright, trademark or other intellectual property rights (including trade secrets), privacy or similar rights of any third party, nor has any claim (whether or not embodied in an action, past or present) of such infringement been threatened or asserted, and no such claim is pending against Allied or, insofar as Allied is aware against any entity from which Allied has obtained such rights.
8. **LIMITATION OF LIABILITY.** IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR (i) ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES, OR ANY DAMAGES RELATED TO LOSS OF USE, REVENUE OR PROFITS, IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, DAMAGES RESULTING FROM DELAY OF DELIVERY OR FROM LOSS OF PROFITS, BUSINESS OR GOODWILL, WHETHER OR NOT SUCH PARTY HAS BEEN ADVISED OF OR IS (OR SHOULD BE) AWARE OF THE POSSIBILITY OF SUCH DAMAGES.
9. **MISCELLANEOUS PROVISIONS**
- 9.1 **Relationship of Parties.** Nothing in this agreement shall constitute any party the agent, partner, or legal representative of the other.
- 9.2 **Governing Law.** The laws and courts of the State of Minnesota, USA will be used to understand and decide any part of this Agreement which must be clarified or enforced. Each party agrees that it is subject to the personal and subject matter jurisdiction of the court defined in this Section, and that it will accept service of process under the rules and procedures of the court selected. Counterclaims may be brought in the Court in which an action is originally commenced.
- 9.3 **Partial Invalidity:** The illegality, invalidity or unenforceability of a provision of this agreement under any law shall not affect the legality, validity, or enforceability of that provision under another law or the legality, validity or enforceability of any other provision of this agreement.
- 9.4 **Counterpart Execution:** This agreement may be executed in any number of counterparts and a party may enter into this agreement by executing any such counterpart. A facsimile copy of this agreement as executed as a party shall be sufficient evidence that party has entered into this agreement.
- 9.5 **Entire Agreement.** This Agreement contains all the agreements, understanding, representations, conditions, warranties and covenants, and constitutes the sole and entire agreement between the parties hereto pertaining to the subject matter hereof and supersedes all prior communications or agreements, written or oral. No modification, amendment or waiver of any of the provisions of this Agreement will be effective unless made in writing, signed by both the parties hereto.
- 9.6 **No Waiver.** The failure of either party to insist, in any one or more instances, upon the performance of any of the terms, covenants, or conditions of this Agreement or to exercise any right hereunder, shall not be construed as a waiver or relinquishment of the future performance of any rights, and the obligation of the other party with respect to such future performance shall continue in full force and effect.

- 9.7 **Force Majeure.** Neither party hereto shall be liable for delay or failure to perform of any of its obligations under this Agreement, except for payments required hereunder, if such failure is caused by the failure of raw material suppliers, limitations for any reason on availability of parts, components or supplies, fire, flood, strikes and other industrial disturbances, failure of transport, accidents, wars, riots, insurrections, acts of God or orders of governmental agencies.
- 9.8 **Headings and Drafting; English Language.** The headings appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or extent of such section or in any way affect such paragraph. In any issue of interpretation or meaning, this Agreement shall be treated as if it were drafted jointly by the parties hereto. The official version of this Agreement and all notices, communications and correspondence relating hereto shall be in the English language.
- 9.9 **Notices.** Any notice or other written communication to be given by either party hereto to the other party must be in writing and delivered to the address of the person appearing on the first page (as that address may be changed by written notice) in person, mailed by certified or registered mail with return receipt requested, delivered by air courier or delivered by facsimile, with confirmation of receipt. It is the intention of the parties that facsimile signatures be binding in such communications.

In witness of which this agreement has been executed.

Allied Plastics International, Ltd.,

By its: Commercial Director

James K. Harlan

Name Printed: James K. Harlan

Allied Logic Corporation

By its: President

W. Scott Parr

Name Printed: W. SCOTT PARR

**Exhibit 1.4  
Logic Territory**

**The Logic Territory shall include North and South America and Europe.**

**10 November 1994**

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**RECORDED: 09/24/1998**

**PATENT  
REEL: 9472 FRAME: 0962**