

RECORDATION FORM COVER SHEET
PATENTS ONLY

12-21-1998



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To the Honorable Commissioner of Patents and Trademarks: Please record the attached original document(s) of only interest.

1. Name of conveying party(ies): Md 12-14-98

Barry F. Shesol
George Glumac

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

2. Name and address of receiving party(ies):

Name: Tapeless Technologies, Inc.

Internal Address: _____

Street Address: 18158 E. Long Ave.

City: Aurora State: CO ZIP: 80017

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

3. Nature of conveyance:

☒ Assignment

☐ Merger

☐ Security Agreement

☐ Change of Name

☐ Other _____

Execution Date: January 2, 1998

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)

08/660,548
Filed 6/7/96

B. Patent No.(s)

Additional numbers attached? ☐ Yes ☒ No

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

Name: Edwin H. Crabtree Patent Atty

Internal Address: _____

Street Address: 3773 Cherry Creek Drive N.
Suite 575

City: Denver State: CO ZIP: 80209

6. Total number of applications and patents involved: ☐

7. Total fee (37 CFR 3.41).....\$ 40.00

☒ 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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40.00 DP

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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 and correct copy of the original document.

Edwin H. Crabtree

Name of Person Signing

[Signature]

Signature

12/8/98

Date

Total number of pages including cover sheet, attachments, and document 6

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, U.S. Department of Commerce

PATENT
REEL: 9642 FRAME: 0545

PATENT ASSIGNMENT AND ROYALTY AGREEMENT

THIS PATENT ASSIGNMENT AGREEMENT (the "Agreement") is made the 2nd day of January, 1998, by and between George Glumac ("Glumac") and Tapeless Technologies, Inc., a Colorado corporation (the "Company").

RECITALS:

WHEREAS, Glumac and Barry F. Shesol ("Shesol") are the sole inventors of an invention described in the following U.S. Patent Application:

U.S. Patent Application Serial No. 08/660,548
Filed: June 7, 1996
For: Topical Emollient Delivery System

WHEREAS, Glumac and Shesol have executed an Assignment of Intellectual Material, pursuant to which they each agreed to assign all "Intellectual Material" to the Company and the Company agreed to pay a reasonable royalty for such "Intellectual Material";

WHEREAS, Glumac desires to assign his entire right, title and interest in said Invention, in said United States Patent Application and to any United States patent and foreign patents to be obtained for either said invention or said Patent Application to the Company;

WHEREAS, the Company desires to acquire Glumac's entire right, title and interest in said Invention, in said United States Patent Application and to any United States patent and foreign patents to be obtained for either said invention or said Patent Application and to pay Glumac a royalty in connection with the Company's sales of said invention;

NOW, THEREFORE, the parties agree as follows:

1. **Definitions.** As used herein, the term:

(a) "Invention" shall mean the above identified United States Patent Application, the invention therein disclosed in the United States and foreign countries, any patents issued and any and all improvements, enhancements, and additions thereto and modifications and derivations thereof conceived or reduced to practice by either Glumac, Shesol or the Company, and all proprietary rights in or based on the foregoing.

(b) "Selling Price" shall mean the Company's selling price to its distributors.

2. **Assignment.** Glumac hereby sells, assigns, and transfers to the Company, its successors and assigns, their entire right, title and interest in the Invention. It is requested that

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the Commissioner of Patents and Trademarks transfer Glumac's title to above identified United States Patent Application to the Company, its successors, and assigns and Glumac agrees to assist in obtaining the execution of all papers necessary in connection with maintaining the above identified United States Patent Application and any foreign application when called upon to do so by the Company or, for litigation regarding, or for the purpose of protecting title to the Invention for the benefit of the Company, its successors and assigns. Glumac shall not be required to assist in paying any costs, including attorney's fees, incurred in connection with the Company's pursuit of patents on the Invention.

3. Representations of Glumac. Glumac represents and warrants to the Company that he:

(a) Together with Shesol, he is the sole and exclusive owner of all right, title, and interest in the Invention and all proprietary rights therein or based thereon.

(b) Has not granted any licenses or rights to third parties in the Invention or any proprietary rights therein or based thereon.

(c) Has not disclosed the Invention or any portion thereof to any third party other than Franklin Medical Products, Inc. ("Franklin").

(d) Knows of no statutory bars or prior art which would prevent the Invention from being the subject of one or more United States or Foreign Letters Patents.

4. Royalty. The Company agrees to pay Glumac a royalty of one and one-half percent (1.5%) of the Selling Price for each product incorporating the Invention sold anywhere in the world by or for the Company. A product incorporating the Invention is deemed sold at the time payment is received by the Company. The accounting period shall be on a calendar quarterly basis, ending on March 31, June 30, September 30, and December 31 of each year, beginning with the end of the period first following the effective date of this Agreement. Within 30 days after the end of each period, the Company shall furnish Glumac with a certified written statement of the products sold incorporating the Invention in the preceding accounting period, setting forth the essential information regarding sales by the Company subject to royalty and upon which royalty is calculated. Such information shall include the Selling Price, the quantity, and all other facts reasonably necessary to facilitate verification of the royalty calculation. Payment shall accompany each statement. The Company agrees that it will, at all times, keep complete, true, and correct books of account containing a current record of sales and other data in sufficient detail to enable the royalties payable under this Agreement to be computed and verified.

5. Duration and Termination; Cancellation. The royalty payments hereunder shall commence upon the grant of a patent for the Invention by the Commissioner of Patents and Trademarks and shall continue until the patents on the Inventions otherwise expire or the patents are deemed invalid.

6. Warranties. Glumac makes no warranty that the Invention is merchantable or fit for any particular purpose.

7. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective personal representatives, executors, administrators, heirs, successors and permitted assigns.

8. Entire Agreement. This Agreement (and the other agreements required hereby to be executed and delivered) contain the sole and entire understanding of the parties with respect to its subject matter and supersede any prior or contemporaneous negotiations (including the Assignment of Intellectual Material executed by Glumac on July 2, 1997), commitments, agreements, or understandings, whether written or oral, between the parties relating to the subject matter hereof.

9. Modification and Amendment. This Agreement may not be modified or amended except by a writing executed by duly-authorized representatives of all the parties.

10. Further Assurances. From time to time, without further consideration, the parties hereto, their heirs, legal representatives, successors, and assigns agree to execute and deliver to the other parties such documents and to take such other actions as the other parties may reasonably request in order to carry out and effectuate the terms and conditions of this Agreement.

11. Waiver. A party's failure to exercise any of its rights hereunder or insist on compliance or enforcement of any provision of this Agreement, shall not affect the validity or enforceability or constitute a waiver of future enforcement of that provision or any other provision of this Agreement by that party or any other party.

12. Notices. Any notice, demand, or communication required or permitted to be given by any provision of this Agreement shall be deemed to have been sufficiently given or served for all purposes: (i) if delivered personally to the party or to an executive officer of the party to whom the same is directed; (ii) if sent by registered or certified mail, postage and charges prepaid, or by a recognized overnight courier service, addressed to the party's address set forth below; or (iii) upon facsimile transmissions to the party's facsimile number shown below with a copy of said notice given by one of the other methods set forth in this Section. Except as otherwise provided herein, any such notice shall be deemed to be given under clause (i) upon delivery; under clause (ii) two business days after mailing or one business day after delivery by overnight delivery service; or under clause (iii) upon completion of the facsimile transmission.

If to the Company:

Tapeless Technologies, Inc.
18158 E. Long Ave.
Aurora, CO 80016
ATTN: Barry F. Shesol, M.D.

If to Glumac:

George Glumac
1320 Airport Road
Montrose, CO 81401

With a Copy to:

C. Arch Decker, Esq.
17336 Woodgate Road
Montrose, CO 81401

Any party may designate a different address for notice by providing notice to the other parties in accordance with the foregoing procedure.

13. Attorneys' Fees. If any action or proceeding at law or in equity is brought by any party to enforce or construe any provision of this Agreement, the prevailing party shall be entitled to recover from such other party (or parties) all of its reasonable attorneys' fees, costs, and disbursements in addition to any other relief to which it may be entitled.

14. Survival of Representations, Warranties, and Covenants. All representations, warranties, covenants, and agreements made by any party in this Agreement or pursuant hereto shall survive the execution and delivery of this Agreement notwithstanding any investigation made by or on behalf of the parties hereto.

15. Severability. In the event that any part, section, paragraph, or clause of this Agreement shall be held by a court of proper jurisdiction to be indefinite, invalid, or otherwise unenforceable, the entire Agreement shall not fail on account thereof, but the balance of the Agreement shall continue in full force and effect unless such construction would clearly be contrary to the intention of the parties or would result in an unconscionable injustice.

16. Costs of Enforcement; Remedies. The rights of the parties under this Agreement are unique and, accordingly, the parties intend that in addition to all other legal or equitable remedies available, injunctive relief and the remedy of specific performance may be utilized in the event of the breach or threatened breach of this Agreement.

17. Jurisdiction and Venue. The parties acknowledge that the execution of, and substantial performance under, this Agreement has occurred or will occur in the State of Colorado. Without limiting the right of the parties to pursue their rights and remedies under this Agreement (or under any judgment obtained in respect thereof) in any appropriate jurisdiction, the parties hereby irrevocably consent to the jurisdiction and venue of the courts of the State of Colorado or any United States Court of competent jurisdiction situate therein, to adjudicate any legal action commenced by a party and waive any objections they may at any time have to such jurisdiction and venue.

DATED as of the date and year first set forth above.

COMPANY:

TAPELESS TECHNOLOGIES, INC., a
Colorado corporation

By:
Its:

Arthur S. Shesol, MD
PRESIDENT

GLUMAC:

George Glumac
GEORGE GLUMAC