

03-15-1999

1 SHEET

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark OfficeTab settings ☐ ☐ ☐ ☐ ▼

100982813

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

1. Name of conveying party(ies):
Alkem Research & Technology, Inc.

Name and address of receiving party(ies):

Name: Bulbtronics, Inc.

Internal Address:

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

3. Nature of conveyance:

3-3-99

☒ Assignment☐ Merger☐ Security Agreement☐ Change of Name☒ Other copy of agreement assigning
patent applicationExecution Date: Sept. 30, 1990Street Address: 45 Banfi PlaceCity: Farmingdale State: NY ZIP: 11735Additional name(s) & address(es) attached? ☐ Yes ☐ No

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)
60/051,048 6/27/97
08/328,574 10/24/94
08/129,575 09/29/93
07/944,796 9/14/92
07/638,637 1/8/91

B. Patent No.(s)

5,500,561 issued 3/19/96

Additional numbers attached? ☒ Yes ☐ No5. Name and address of party to whom correspondence
concerning document should be mailed:Name: Alfred M. Walker

Internal Address: _____

Street Address: 225 Old Country Rd.City: Melville State: NY ZIP: 11747

03/15/1999 DNGUYEN 00000002 60051048

6. Total number of applications and patents involved: 97. Total fee (37 CFR 3.41).....\$ 320.00☒ Enclosed☐ Authorized to be charged to deposit account

8. Deposit account number:

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

01 FC:581

320.00 0P

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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.

Alfred M. Walker

Name of Person Signing

Alfred M. Walker

Signature

3/1/99

Date

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

AGREEMENT

AGREEMENT made this 30 day of September, 1990 by and between **ALKEM RESEARCH & TECHNOLOGY, INC.**, a corporation organized under the laws of the State of New York with offices at 86D Horseblock Road, Yaphank, NY 11980 ("ALKEM"), and **BULBTRONICS, INC.**, a corporation organized under the laws of the State of New York with an office at 45 Banfi Plaza, Farmingdale, N.Y., 11735 ("BULBTRONICS" as referred to herein shall refer to BULBTRONICS Inc, or its agents, assigns or sublicensees).

WITNESSETH

WHEREAS, William G. Wilhelm, an employee and a principal officer of ALKEM ("WILHELM"), has invented an Advanced Management Power System, a DC lighting and battery system ("AMPS"), as more fully described in Schedule A annexed hereto, for which a patent file has been opened at the law offices of Hoffman & Baron under their docket #368-2; and

WHEREAS, ALKEM desires to continue to study and develop AMPS and related technologies, concepts, designs, accessories and products (referred to herein as the "Field"); and

WHEREAS, BULBTRONICS is a worldwide lighting distributor, engaged in the marketing of specialty lighting products; and

WHEREAS, ALKEM desires and has requested BULBTRONICS' assistance to Commercialize any potential products or services which may originate or be derived from ALKEM's research in the Field; and

WHEREAS, BULBTRONICS, or a technical subsidiary to be formed by it, wishes to obtain exclusive, worldwide licenses for any discoveries ALKEM has made or will make in the Field, whether or not patentable, to make, have made, use and sell any products resulting from such discoveries under the terms and conditions set forth herein; and

WHEREAS, ALKEM is willing to conduct research and development in the Field and grant such licenses to BULBTRONICS upon the following terms and conditions;

NOW THEREFORE, ALKEM and BULBTRONICS ("the parties") agree that:

ARTICLE I AMPS

A. ALKEM shall, under the direct supervision of WILHELM, furnish facilities and technical assistance necessary to fully develop Licensed Products and Technical Information in order to facilitate BULBTRONICS in Commercializing AMPS. ALKEM shall provide BULBTRONICS with such technical support giving due consideration to BULBTRONICS' desires as to the specific focus of any technical research and development.

B. In the event of death or incapacity of WILHELM, or if WILHELM for any reason terminates his research, development or participation in the Field; BULBTRONICS and ALKEM shall attempt to continue AMPS hereunder. If for any reason AMPS can not be continued at ALKEM, all preliminary studies, information, research material and Technical Information, shall be provided to BULBTRONICS.

C. ALKEM agrees that during the term of this AGREEMENT any discoveries in the Field whether patentable or not, which have been made to date or may be made by ALKEM employees, agents or others under ALKEM's control shall be promptly disclosed by ALKEM to BULBTRONICS.

ALKEM represents and warrants that it has not and for so long as this AGREEMENT is in force and effect, ALKEM shall not, without the prior written agreement of BULBTRONICS, disclose any technical information or accept funding from any source which, in BULBTRONICS' sole estimation, would impair ALKEM's ability to grant BULBTRONICS the License granted herein or would in any way limit BULBTRONICS' right to practice that License.

BULBTRONICS shall have the sole responsibility and authority to seek, accept and utilize any acceptable industry or government grants, subsidies or other similar programs in connection with AMPS.

D. BULBTRONICS' shall have no title to or interest in AMPS, except as expressly provided in this Agreement. ALKEM has and shall retain sole and exclusive title to and ownership of AMPS, including all trade secrets, patents, rights to patent, and other intellectual property or proprietary rights embodied in AMPS. Any trademarks, service marks, copyrights, or other nontechnical intellectual property created by or for BULBTRONICS shall be the property of BULBTRONICS.

E. BULBTRONICS shall apply for, prosecute and maintain United States patent(s) in ALKEM's name for all inventions in the Field that BULBTRONICS wishes to have within the scope of the license granted herein. BULBTRONICS may apply for foreign patent(s) in ALKEM's name for all inventions in the Field that BULBTRONICS wishes to have within the scope of the license granted herein. BULBTRONICS shall select patent counsel and shall pay all reasonable out-of-pocket costs and fees in filing, prosecuting and maintaining such patents and patent applications, and all such patents and patent applications will be assigned to ALKEM.

ALKEM will sign and deliver promptly to BULBTRONICS such written documents, certificates or other instruments, testify in any legal proceedings, and do such other acts, things, actions or deeds as may be necessary in the opinion of BULBTRONICS or its agents or counsel to secure, obtain and maintain for ALKEM rights in, and United States and foreign letters patent and/or copyrights for, any and all such Inventions or other matters relating to AMPS.

F. If, after notice by ALKEM of a discovery, BULBTRONICS declines to file a patent application ALKEM may do so at its expense; no Licensed Patent Rights shall be granted to

BULBTRONICS for any patent so applied for or obtained by ALKEM. BULBTRONICS shall give notice to ALKEM of its decision to apply for a patent, or to decline to apply within six (6) months after receipt by BULBTRONICS of such notice from ALKEM. BULBTRONICS' failure to give such notice will constitute a decision to decline.

G. BULBTRONICS shall use its best efforts to make reasonable progress in the promotion and Commercialization of AMPS.

ARTICLE II GRANT OF LICENSE

A. ALKEM hereby grants to BULBTRONICS, and BULBTRONICS hereby accepts from ALKEM, a worldwide, sale and exclusive License for the Licensed Patent Rights and Technical Information. Said License includes the right to make, have made, use and sell, Licensed Products and Improvements, and to grant sublicenses under terms consistent with this AGREEMENT.

B. BULBTRONICS hereby undertakes to Commercialize the Licensed Products in such markets as, in its business judgment, shall be economically and commercially viable.

Upon completion by ALKEM of acceptable commercial design for a Licensed Product, BULBTRONICS shall make or cause to be made diligent application, at its expense, to any necessary governmental or industry regulatory authorities (such as Underwriter's Laboratories) and shall use its best efforts to make reasonable progress in the promotion and sale of each Licensed Product within a two (2) year period from the later of either; (a) receipt of notice from ALKEM to BULBTRONICS of a discovery, (b) issuance of any patent covering the product or (c) granting of any government or industry approval required for the sale or use of said Product.

C. If after two (2) years from the date established under Article II(B), BULBTRONICS has not marketed a Licensed Product, ALKEM shall have the right to demand the return of the license for such Product. Such demand shall be made by written notice to BULBTRONICS demanding that marketing commence or that the license be returned. If, after one year from the date of the receipt of said notice BULBTRONICS has not begun to market the Product, BULBTRONICS' license on said Product shall cease and all rights thereunder shall return to ALKEM.

ARTICLE III TECHNICAL INFORMATION

Promptly after the effective date of this AGREEMENT, ALKEM shall disclose and make available to BULBTRONICS all Technical Information which is then known or possessed by ALKEM, WILHELM and those working under his direction and control. ALKEM shall promptly disclose to BULBTRONICS all further Technical Information which it may thereafter acquire or develop during the term of this AGREEMENT.

ARTICLE IV REPORTS AND RECORDS

A. Beginning with the first market introduction of a Licensed Product by BULBTRONICS and continuing during the term of this AGREEMENT, within ninety (90) days after the close of each calendar quarter of each year (including the last day of any such calendar quarter following the expiration date of this AGREEMENT), BULBTRONICS shall report to ALKEM all distributions actually accruing under ARTICLE V during such calendar quarter. Such reports shall indicate the aggregate Net Sales of Licensed Products received by BULBTRONICS with respect to which a distribution is due, and the amount of such distribution. In case no royalty is due for any such period, BULBTRONICS shall so report.

B. BULBTRONICS shall keep accurate records in sufficient detail to enable the aforesaid distributions due under ARTICLE V to be determined. Upon reasonable notice by ALKEM, BULBTRONICS shall permit an independent certified public accountant selected by ALKEM, except one to whom there shall be some reasonable objection by BULBTRONICS, to have access during regular business hours to such of the records of BULBTRONICS as may be necessary for the sole purpose of verifying the accuracy of the reports made during the previous calendar year. Such request shall not be made more than once in each calendar year, and said accountant shall not disclose to ALKEM any information except that which should properly have been contained in such reports.

ARTICLE V DIVISION OF NET SALES

For and in consideration of the rights and licenses granted to BULBTRONICS by ALKEM hereunder, unless otherwise agreed by both parties and expressed in writing, beginning with the first Commercial Sale of a Licensed Product by BULBTRONICS and continuing during the term of this AGREEMENT, within ninety (90) days after the close of each calendar quarter of each year (including the last day of any such calendar quarter following the expiration date of this AGREEMENT), BULBTRONICS shall distribute the Net Sales as follows:

First, BULBTRONICS shall recover its direct product costs, if any, including freight-in;

Second, ALKEM will recover its capital investment in AMPS. A certificate of capital investment setting forth ALKEM's calculation of such capital investment is annexed hereto as Schedule B;

Third, BULBTRONICS shall recover its accrued and ongoing expenses relating to the prosecution of any domestic and foreign patents relating to any Licensed Patent Rights;

Fourth, BULBTRONICS shall recover its accrued and ongoing promotional and marketing expenses relating to any Licensed Products. Marketing expenses shall be deemed to include all expenses relating to advertising, promotion, direct mail, telemarketing, catalog, brochure, public relations and travel and entertainment. Recovery for such expenses shall not exceed seventy percent (70%) of Net Sales for any specific quarter, any unpaid expenses shall continue to be accrued until paid;

Fifth, ALKEM shall recover its accrued and ongoing development and support expenses relating to any Licensed Products other than AMPS.

Sixth, The balance of Net Sales shall be paid one-half to ALKEM and BULBTRONICS shall retain the remainder.

ARTICLE VI PATENT INFRINGEMENT

In the event that a patent is asserted against BULBTRONICS or any of its agents, assigns or sublicensees in relation to their manufacture, use or sale of any Licensed Product, and BULBTRONICS or such agent, assigns or sublicensee, determines that it is necessary to pay a royalty to the third party asserting such patent in order to continue marketing the Licensed Product, the distributive shares set forth in ARTICLE V shall be proportionally reduced by the amount actually paid to the third party.

ARTICLE VII COMPULSORY LICENSES

In the event that BULBTRONICS or any of its agents, assigns or sublicensees is required by any governmental authority to grant a compulsory license to any third party in any country, then with respect to sales in that country the distributive shares set forth in Article V of this AGREEMENT shall be proportionally reduced by the amount of the royalty rate contained in such compulsory license. Such

reduction shall take effect upon the date of the first Commercial Sale by said third party.

ARTICLE VIII PATENT ENFORCEMENT

A. Each party shall as soon as they learn of it, promptly notify the other party of any material infringement of, or attack upon, any patent within Licensed Patent Rights by any third party and shall provide the other party with any available evidence of the infringement or attack.

B. Upon notice of such infringement or attack, ALKEM shall, at its sole option, take reasonable steps to enforce the patent against such infringement or attack, and shall keep BULBTRONICS fully informed of the progress of the proceedings. Any such action shall be at ALKEM's expense. Any damages recovered by ALKEM from such action shall belong to ALKEM. If requested by ALKEM, and at ALKEM's expense, BULBTRONICS shall actively assist in the prosecution of the action.

C. In the event that ALKEM refuses or fails to institute and aggressively prosecute legal proceedings against such infringement or attack, or to otherwise defend the patent, BULBTRONICS shall have the right to enforce and defend such patent at its sole expense. In such event, any damages recovered shall belong to BULBTRONICS. If requested by BULBTRONICS, and at BULBTRONICS' expense, ALKEM shall actively assist in the prosecution of such an action. ALKEM may be joined as a party plaintiff if BULBTRONICS finds it necessary or desirable, and shall execute all papers necessary and perform all other acts as may be reasonably required in order to assist BULBTRONICS.

ARTICLE IX ASSIGNMENT

This AGREEMENT shall not be assignable by ALKEM without the prior written consent of BULBTRONICS. BULBTRONICS may assign

substantially all of its business related to Licensed Products, and the rights under this AGREEMENT relating thereto, including any sole or exclusive sublicenses, unless there shall be some reasonable objection by ALKEM to such assignment. No assignment shall operate to release the assignor, assignee, sublicensor or sublicensee, from its obligations under this AGREEMENT.

ARTICLE X TERM

- A. This AGREEMENT will remain in effect until all of the patents included in the Licensed Patent Rights have expired, or until terminated earlier by mutual consent of ALKEM and BULBTRONICS or by reason of a material breach by either party of the obligations or conditions contained in this AGREEMENT.

In the event that either party commits a material breach of this AGREEMENT the other party may give notice requiring the breaching party to correct such breach. If reasonable steps are not taken to correct the breach within ninety (90) days after receipt of such notice, the notifying party shall be entitled to terminate this AGREEMENT without prejudice to any of its other rights under this AGREEMENT. Termination shall occur by notice to the breaching party.

- B. BULBTRONICS shall have the right to terminate this AGREEMENT at any time three (3) months after giving written notice to ALKEM of BULBTRONICS' decision to terminate.

- C. Termination of this AGREEMENT for any reason, other than a material breach by a party, shall be without prejudice to:

1. ALKEM's rights to receive all distributions due and accrued hereunder and unpaid on the effective date of such termination.

2. Either party's existing rights and obligations pursuant to ARTICLE IV and ARTICLE V, here f.

3. Any other remedies which either party may have against the other.

D. In the event this Agreement is terminated by ALKEM, BULBTRONICS shall have the right to recover all of its costs and expenditures relating to the subject matter of his Agreement. In the event of such termination, BULBTRONICS shall furnish to ALKEM a written statement setting forth the nature and extent of such costs and expenditures. BULBTRONICS right to recovery pursuant to his section shall derive from Net Sales only.

ARTICLE XI FORCE MAJEURE AND INDEMNITY

The parties shall not be liable in any manner for failure or delay in fulfillment of all or part of this AGREEMENT directly or indirectly caused by acts of God, governmental orders or restrictions, wars, war-like conditions, revolutions, riots, looting, strikes, lockouts, fires, floods or other causes beyond their control; provided that the non-performing party shall promptly notify the other of the cause or circumstance in question, and shall resume performance of its obligations as soon as practicable after the cause or circumstance ceases.

ARTICLE XII ADMINISTRATIVE PROVISIONS

I. BINDING EFFECT

This Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their agents, sublicensees, and permitted assigns.

II. SEPARABILITY

If any of the provisions of this AGREEMENT are declared unenforceable and void, the rest and remainder of this AGREEMENT shall remain in full effect and shall be enforced as if the unenforceable provisions did not exist.

III. ARBITRATION

If any controversy or claim arising out of or relating to this AGREEMENT or the breach thereof is not resolved within ninety days after it arises, then the matter in controversy shall be settled by arbitration, in accordance with the rules then obtaining of the American Arbitration Association. Said arbitration shall take place in the exclusive jurisdiction provided for by this AGREEMENT, and judgment upon the award may be entered therein as well.

IV. NON-WAIVER

Waiver of, or acquiescence in, any breach by a party shall not constitute a waiver of any subsequent or other breach by such party.

V. ENTIRE AGREEMENT AND AMENDMENT

This AGREEMENT contains the entire understanding of the parties; it may be amended, modified or altered only by an instrument in writing duly executed by the parties.

VI. NOTICES

Any notice or report required or permitted to be given under this AGREEMENT shall be in writing and shall be deemed effective upon receipt by the other party. All such notices or reports shall be delivered personally to the other party, or sent by registered mail, return receipt requested, addressed as follows:

If to ALKEM:
Alkem Research & Technology, Inc.
86D Horseblock Road
Yaphank, NY 11980

If to BULBTRONICS:
Bulbtronics, Inc.
45 Banfi Plaza
Farmingdale, N.Y., 11735

VII. JURISDICTION AND CHOICE OF LAW

This AGREEMENT is to be governed by and construed in accordance with the laws of the State of New York. It is hereby agreed that any arbitration or cause of action arising under or relating to this AGREEMENT may be arbitrated or litigated only in Courts within the State of New York.

ARTICLE XIII DEFINITIONS

The following definitions will control the construction of each of the defined terms wherever they appear in this AGREEMENT:

A. **"Improvements"** shall mean all inventions or discoveries within the scope of one or more claims of any patent included in Licensed Patent Rights discovered or developed by ALKEM during the term of this AGREEMENT.

B. **"Licensed Patent Rights"** shall mean rights to:

- (1) All patent applications which are filed at the expense of BULBTRONICS based on discoveries in the Field and all patents which may issue thereon; and
- (2) All patent applications which are divisions, continuations, continuations-in-part, reissues, renewals, foreign counterparts, extensions or additions of such patent applications or patents and all patents which may issue thereon.

C. **"Technical Information"** shall mean any and all specifications, plans, schematics, diagrams, improvements, technical data, information, materials and other know-how which relates to the Improvements or Licensed Products, including, but not limited to processes and techniques for the manufacture of such Licensed Products.

D. **"Licensed Products"** shall mean any and all products or services rendered utilizing technology in the Field provided by ALKEM.

E. **"Exclusive License"** shall mean a license whereby BULBTRONICS' rights are sole and entire and operate to exclude all others.

F. **"Commercialize"** shall mean but not be limited to some or all of the following: producing (manufacture, contracting for manufacture, construction, assembly, etc.) and marketing (sublicensing, conducting market research, standardizing, selling, stocking, storing, supplying, transporting, financing, risk bearing, etc.).

G. **"Net Sales"** shall mean (a) the invoice price of all Licensed Products for which BULBTRONICS has billed its customers during a given period, less the following deductions and offsets: excise and sales taxes, quantity and cash discounts and rebates, freight and handling charges, and allowances for returns, and (b) the gross revenues received by BULBTRONICS by virtue of any sublicensing or other commercial agreement entered into with a third party(ies) concerning AMPS.

If a Licensed Product is sold or sublicensed in combination with any products, components or materials that are not Licensed Products, then the Net Sales of Licensed Products contained in such combinations shall be determined by multiplying the gross invoice price of those combinations so sold during the given period, less any deductions and offsets therefor referred to in the preceding sentence, by a fraction, the numerator of which is BULBTRONICS' aggregate manufacturing cost determined by standard cost accounting practices, and purchase price paid for such Licensed Products, and the denominator of which is BULBTRONICS' aggregate manufacturing cost determined by standard cost accounting practices, and purchase price paid for all

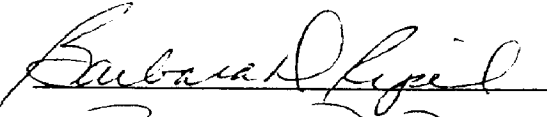
products, components and materials including Licensed Products, contained in such combinations.

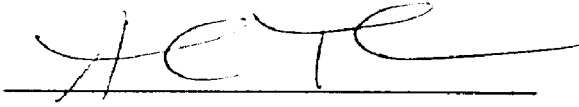
H. **"Commercial Sale"** shall mean the sale of a Licensed Product to any person or entity other than an affiliate or subsidiary.

IN WITNESS WHEREOF, the parties have caused this AGREEMENT to be executed in duplicate by their duly authorized representatives.

ALKEM RESEARCH &
TECHNOLOGY, INC.

BULBTRONICS, INC.


by: BARBARA D. ROPER
title: PRESIDENT
date: SEPT 30, 1990


by: ALAN TITACO
title: DIRECTOR
date: SEPT. 30, 1990