

03-25-1999

Docket No.: **TEKNIP**

ET

U.S. DEPARTMENT OF COMMERCE  
Patent and Trademark Office



100994304

Tab settings → → → ▼ ▼ ▼

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

1. Name of conveying party(ies):

Misti Maid, Inc.

MRP  
3-12-99

Additional names(s) of conveying party(ies) ☐ Yes ☒ No

3. Nature of conveyance:

- ☐ Assignment ☐ Merger  
☐ Security Agreement ☐ Change of Name  
☒ Other Asset Purchase Agreement

Execution Date: October 13, 1993

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

Name: Plastic Specialties and Technologies, Inc.

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

Street Address: 101 Railroad Avenue

City: Ridgefield State: NJ ZIP: 07657

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

4. Application number(s) or registration numbers(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)

5,275,447

Additional numbers attached? ☐ Yes ☒ No

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

Name: Ludomir A. Budzyn

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

Street Address: 274 Madison Avenue - Suite 1703

03/18/1999 DNGUYEN 00000291 5275447

01 FC:581

40.00 DP

City: New York State: NY ZIP: 10016

6. Total number of applications and patents involved: **1**

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

- ☒ Enclosed - Any excess or insufficiency should be credited or debited to deposit account  
☐ Authorized to be charged to deposit account

8. Deposit account number:

03-1030

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.

Ludomir A. Budzyn

Name of Person Signing

Signature

March 12, 1999

Date

Total number of pages including cover sheet, attachments, and document: **30**

PATENT

REEL: 9827 FRAME: 0833

## ASSET PURCHASE AGREEMENT

THIS AGREEMENT dated this 13 day of October 1993, by and between MISTI MAID, INC., a California corporation ("Seller"), and PLASTIC SPECIALTIES AND TECHNOLOGIES, INC., (Colorite Division) a Delaware corporation ("Purchaser").

### WITNESSETH:

WHEREAS, the parties hereto desire that Seller sell, and Purchaser acquire, certain assets of Seller relating to the manufacture and distribution of Drip Irrigation Systems (the "Business") in exchange for the consideration herein described and on the terms herein set forth;

NOW, THEREFORE, the parties hereto agree as follows:

#### Section 1. Terms of Transaction.

1.1 Transfer of Assets. In reliance on the representations and warranties contained herein, and on the terms and subject to the conditions of this Agreement, Seller, at the Closing (as defined in Section 2 hereof), shall sell, transfer, convey and deliver to Purchaser, and Purchaser shall buy from Seller, all of the following Acquired Assets, as hereinafter defined. (collectively, the "Acquired Assets" or the "Asset"). For purposes hereof the term "Acquired Assets" means all of the following assets, properties and rights which are used in connection with the operations of the Business, more particularly described as follows:

- (i) All machinery, molds, equipment, computers, furniture and fixtures listed on Schedule 1.1(i) hereto;
- (ii) All operating information, customer lists, catalogues, advertising material, sales information and computer software owned by Seller and used in connection with the

**Business;**

(iii) All domestic and international trademarks (including the trademarks "Blo Proof" and Twist to Lock") trade names, brand names, product registrations, patents, (including the patent on the Twist to Lock Coupling and Blo Proof Coupling), patent applications, copyrights, inventions, processes, know-how and formulae together with all right, title and interest in the corporate name Misti Maid.

(iv) All operating procedure manuals relating to the buildings and improvements, machinery, equipment, furniture and fixtures to be transferred to Purchaser pursuant hereto;

(v) All historical sales, purchasing and pricing records relating to the Business;

(vi) All contracts referenced in Schedule 1.4; and

(vii) All inventory, packaging material and promotional materials.

Excluded from the assets being acquired hereunder are:

(i) all notes, accounts receivable and trade acceptances;

(ii) all prepaid expenses (other than trade show deposits), cash and cash equivalent items including without limitation certificates of deposit, time deposit, marketable securities and proceeds of receivable paid on or prior to the Closing Date.

Seller will furnish to Purchaser at Closing a list of outstanding accounts receivable as of the Closing Date. Purchaser agrees to remit promptly to Seller any payments it receives on any such accounts receivable after the closing date. Purchaser shall have no obligation to pursue collection of such receivable and accepts no responsibility for the payment or nonpayment of any

such receivable but rather agrees to act in an administrative capacity and remit to Seller any payments which it receives on said receivables.

1.2 Instruments of Conveyance and Transfer. At the Closing, Seller shall deliver to Purchaser a bill of sale and assignment (the "Bill of Sale and Assignment") in standard form, and such endorsements and other instruments of transfer, conveyance and assignment in form effective to transfer the Assets to Purchaser, free and clear of all liens, claims, charges, pledges, security interests and encumbrances. Seller shall also execute and deliver in proper forms for filing with the Secretary of State of California such documents as may be necessary to change its corporate name and thereby permit Purchaser to use the corporate name Misti Maid. Sellers shall change its corporate name to one other than Misti Maid or any name that would be confusingly similar to Misti Maid.

1.3 Purchase Price. At Closing, Purchaser shall pay to Seller the sum of \$250,000.00 in immediately available funds; and an amount for the inventory included in the Acquired Assets calculated and provided for in Section 11 hereof (less an amount, if any, equal to the then unpaid amount due to creditors referenced in Section 3.4 as of the payment date for the inventory) to be paid within ten (10) days of receipt of the agreed upon valuation; and will reimburse Seller for the items listed on Schedule 1.3. In addition Purchaser agrees to pay to Seller an amount equal to fifty (50%) of the cash flow of the operation of the Business for each of the fiscal years ending July 31, 1995, 1996 and 1997. For purposes of this Agreement, Cash Flow shall be determined by the independent accountants regularly employed by the Purchaser in accordance with the formula set forth in Exhibit A annexed hereto and made a part hereof. Within forty-five (45) days of the close of each fiscal year Purchaser shall deliver to Seller a

schedule of Cash Flow together with a payment for 50% representing the portion due to Sellers. For purposes of computing cash flow, no allocation shall be made to Misti Maid for any general corporate expenses of Purchaser unless such expenses are attributable directly to the Misti Maid operation such as travel and entertainment, accounting expenses and the like. Furthermore, for purposes of the cash flow determination, for the fiscal year ending July 31, 1997 capital expenditures in excess of sixty thousand dollars (\$60,000.00) in such fiscal year shall not be taken into account in determining cash flow. Any payment due for fiscal year ending July 31, 1997 shall be reduced by the sales tax required to be paid to the State of California imposed on the sale of the assets to Purchaser. Purchaser has agreed to advance on behalf of Sellers such tax subject to recoupment as above set forth. To the extent that the payment due Sellers on such date is less than the amount of such sales tax, Sellers shall have no obligation to reimburse Purchaser for the balance. The accountants determination of cash flow shall be conclusive and binding upon the parties.

1.4 Obligations of Seller. Except for those obligations set forth in Schedule 1.4, Purchaser shall assume no liabilities or obligations of Seller whether accrued, absolute, or contingent, including but not limited to, accounts payable, obligations to employees for salary, bonus, vacation pay, severance or other fringe benefits, obligations under any contracts or commitments whether to customers, suppliers, distributors or others or under any royalty agreements (including any claim by Harvy O'Berg). Such liabilities are and shall remain the sole responsibility of Seller. Seller agrees to indemnify and hold Purchaser harmless from any claim that may be asserted against Purchaser for any liabilities described in this section.

## Section 2. The Closing.

The closing (the "Closing") of the transactions provided for in Section 1 hereof shall take place at the offices of Connell, Foley & Geiser, 85 Livingston Avenue, Roseland, New Jersey 07068 at 10:00 a.m., local time, on October 13, 1993 or at such other place, time and date as the parties may agree in writing. The date of the Closing is referred to herein as the "Closing Date". Failure to consummate the transactions contemplated hereby within such time shall not

result in a termination of this Agreement or relieve either party hereto of any obligation hereunder.

Section 3. Representations and Warranties of Seller. Seller represents and warrants to Purchaser as follows:

3.1 Organization and Existence. Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of California.

3.2 Authority Relative To This Agreement. The execution and delivery of this Agreement and the performance and consummation of the transactions contemplated herein by Seller have been duly authorized by all necessary corporate action on the part of Seller and do not contravene any provision of the Articles of Incorporation or by-laws of Seller or result in a breach of any of the terms or provisions of, or constitute a default under, or result in a violation of any agreement, order, judgment or decree to which Seller is a party or by which Seller or the Assets are bound; provided that no consents have been received for the assignment of the contract referenced in Schedule 1.4.

3.3 Ownership of Assets. Seller has good and marketable title to all of the Assets free and clear of all liens, claims, charges, pledges, security interests and encumbrances.

3.4 Absence of Liabilities. At the Closing, the Assets will not be subject to any liabilities or obligations of Seller. Seller shall at Closing deliver to Purchaser a list of Sellers creditors identifying each creditor and the amount due. Seller shall deliver to Purchaser proof of payment as soon as possible following closing.

3.5 Tax Matters. All real and personal taxes relating to the Business due and payable by Seller on or before the date of this Agreement have been paid or are subject to extension and

all tax returns and reports required to be filed by Seller with respect to such taxes have been filed with the appropriate taxing authorities, where such failure to pay or file would have a materially adverse effect on the Assets and/or the Business.

3.6 Intellectual Property. All of the patents, inventions, trademarks, trade names, brand names or copyrights owned or used by or licensed to or by Seller and being transferred are all that are currently used in the operation of the Business. Seller has no knowledge that the operation of the Business infringes upon the patent, trademark or other proprietary rights of any other person or entity. For the purposes of Sections 3.6, 3.7, and 3.8 hereof, the "knowledge" of Seller means only the actual knowledge of any officer of Seller after due inquiry.

3.7 Licenses, Permits, etc. Except as set forth in Schedule 3.7 hereto, to the knowledge of Seller, Seller holds all licenses and permits necessary to own and operate the Business which the failure to hold would materially adversely affect the Business and Seller has not received written notice of any material violation of any such license or permit, which violation would materially adversely affect the value of the Business, and no proceeding is pending or, to the knowledge of Seller, threatened seeking the revocation or limitation of any such license or permit.

3.8 Litigation. There are no actions, suits, claims, proceedings or investigations pending, or, to the knowledge of Seller, threatened against Seller before any court, arbitrator or administrative or governmental body, the successful prosecution of which would adversely affect the value of the Business. Seller is not subject to any court or administrative order, injunction or similar decree, the enforcement of which would adversely affect the value of the Business.

3.9 Compliance With Laws. Seller has no knowledge that the ownership or operation of the Assets, as now owned and operated, violate, in any material respect, any federal, state or local law, ordinance, rule or regulation, the violation of which would materially adversely affect the value of the Business.

3.10 Brokers. Other than Seller's obligation to The Bentley Companies, Seller is not a party to or in any way obligated under any contract or other agreement, and there are no outstanding claims against it, for the payment of any broker's or finder's fee in connection with the origin, negotiation, execution or performance of this Agreement.

3.11 Representations. This Agreement and the information set forth in the Schedules attached hereto do not contain any untrue statement of a material fact. The information set forth in the Schedules attached hereto constitutes part of the respective representations or warranties to which it relates. Any disclosure made by Seller in any Schedule required by this Agreement shall be deemed disclosed with respect to all Schedules where such disclosure may be required.

Section 4. Representations and Warranties of Purchaser. Purchaser represents and warrants to Seller as follows:

4.1 Organization and Existence. Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware.

4.2 Authority Relative to This Agreement. The execution and delivery of this Agreement and the performance and consummation of the transactions contemplated herein by Purchaser have been duly authorized by all necessary corporate action on the part of Purchaser and do not contravene any provision of the Certificate of Incorporation or by-laws of Purchaser or result in a breach of any of the terms or provisions of, any agreement, order, judgment or



decree to which Purchaser is a party or by which Purchaser is bound.

4.3 Brokers. Purchaser is not a party to or in any way obligated under any contract or other agreement, and there are no outstanding claims against it, for the payment of any broker's or finder's fee in connection with the origin, negotiation, execution or performance of this Agreement.

4.4 Consents. The consummation of the transaction contemplated herein by Purchaser does not require the consent, approval or authorization of any third party which have not been obtained.

Section 5. Covenants of Seller. Seller covenants with Purchaser as follows:

5.1 Access. Prior to the Closing Date, Seller will provide to Purchaser and its counsel reasonable access (at Purchaser's sole cost, expense, risk and liability for any injuries or damage to persons or property, except any such injuries or damage which result from, or arise out of, Seller's negligence or wilful misconduct) to the Assets and records of Seller relating to the Assets and the Business.

5.2 Conduct of Business Pending Closing. From the date hereof until the Closing Date, except as consented to by Purchaser in writing:

- (a) Seller will maintain itself at all times as a corporation duly organized, validly existing and in good standing under the laws of the State of California;
- (b) Seller will not, and will not obligate itself to, sell or otherwise dispose of, except in the ordinary course of business, or pledge or otherwise encumber any of, the assets of the Business;

(c) Seller will continue to carry all of its existing insurance relating to the Assets and the Business.

5.3 Broker's Fees. Seller agrees that it shall be solely responsible to pay any broker's or finder's fee in connection with the origin, negotiation, execution or performance of this Agreement and will hold Purchaser harmless from any claim that may be asserted by any broker or finder as a result of any alleged Agreement or conduct by Seller.

Section 6. Covenants of Purchaser. Purchaser covenants with Seller as follows:

6.1 Confidentiality of Information Furnished by Seller.

Purchaser and its subsidiaries and their representatives will treat all tangible and intangible information and data furnished to Purchaser or any of its subsidiaries relating to Seller, the Assets or the Business (the "Confidential Material") with care and discretion and will keep such information confidential.

Section 7. Conditions to Obligations of Purchaser. The obligations of Purchaser under this Agreement shall, at the option of Purchaser, be subject to the satisfaction of the following conditions:

7.1 Seller's Certificate. Purchaser shall have received a certificate of Seller dated the Closing Date reasonably satisfactory in form and substance to Purchaser and its counsel, certifying to the effect that:

(a) The representations and warranties made by Seller herein (including information set forth in the Schedules hereto) are true and correct in all material respects on and as of the Closing Date with the same force and effect as though made on and as of the

Closing Date except for changes contemplated by this Agreement or occurring since the date hereof in the ordinary course of business or which do not materially adversely affect the value of the Assets;

(b) Attached to such certificate are true and correct copies of all resolutions of Seller's Board of Directors with respect to the authorization of the transactions contemplated by this Agreement, all minutes of actions of the Board of Directors and Shareholders, Bylaws and Articles of Incorporation currently in effect;

(c) Seller has performed in all material respects its obligations and agreements and complied in all material respects with all covenants and conditions contained in this Agreement to be complied with by it on or prior to the Closing Date;

(d) Between the date hereof and the Closing Date there has been no material damage, loss or destruction of any of the Assets material to the continued operations of the Business (whether or not covered by insurance) and

(e) All conditions set forth in Section 8 have been satisfied or specifically waived by Seller.

7.2 Closing Documents. The Bill of Sale and Assignment, and such other assignments, instruments and documents as shall be reasonably necessary to transfer Seller's title to the Assets to Purchaser on behalf of Seller and to carry out the sale of assets contemplated

by this Agreement.

**7.3 Ancillary Agreements.**

(a) At Closing, an employment agreement shall be executed between Purchaser and John McNab for a period of not less than four (4) years and shall provide for such other duties and responsibilities, and such other terms and conditions as shall be mutually agreeable to the parties.

(b) At or prior to Closing, Purchaser shall have negotiated a Supply Agreement between itself and Bud Wil, Inc. located at 1170 N. Red Gum Street, Anaheim, California in form and substance satisfactory to Purchaser.

(c) At or prior to Closing, satisfactory arrangements shall have been completed with the Landlord for the space presently occupied by Seller to enable Purchaser to continue to occupy such space for the balance of Seller's lease term on terms and at a rate of rent satisfactory to Purchaser.

(d) At Closing, a Non-Competition Agreement shall have been executed by Art McNab, a non disclosure agreement with Bud Williams, Jeff Williams and Gordon Knutson, and an agreement with Harold Wake.

(e) Purchaser shall have had the opportunity to discuss with certain designated employees of Seller continued employment

following Closing.

Section 8. Conditions to Obligations of Seller. The obligations of Seller under this Agreement shall, at the option of Seller, be subject to the satisfaction of the following conditions:

8.1 Purchaser's Certificate. Seller shall have received a certificate of Purchaser dated the Closing Date satisfactory in form and substance to Seller and its counsel, certifying to the effect that:

- (a) The representations and warranties made by Purchaser herein are true and correct in all material respects on and as of the Closing Date with the same force and effect as though made on and as of the Closing Date, except for changes contemplated by this Agreement or occurring since the date hereof in the ordinary course of business;
- (b) Attached to such certificate are true and correct copies of all resolutions of Purchaser's Board of Directors with respect to the authorization of the transactions contemplated by this Agreement;
- (c) Purchaser has performed in all material respects its obligations and agreements and complied in all material respects with all covenants and conditions contained in this Agreement to be complied with by it on or prior to the Closing Date;

8.2 Closing Documents and Actions. Purchaser shall pay to Seller the Purchase Price and shall execute and deliver such other documents as shall be reasonably necessary to carry out

the sale by Seller and the purchase by Purchaser of the Assets contemplated by this Agreement.

**Section 9.      Survival of Representation and Warranties; Indemnification.**

**9.1      Survival of Representations and Warranties.** All representations and warranties made hereunder or pursuant hereto or in connection with the transactions contemplated herein shall survive the Closing and remain effective for a period of 18 months from the Closing Date.

**9.2      Indemnification by Seller.** After the Closing Date, Seller shall indemnify and hold harmless Purchaser and its successors and assigns, against and in respect of any loss, liability or expense (including, without limitation, reasonable attorneys' fees and expenses) resulting from (a) any breach of any representation, warranty, covenant or agreement of Seller hereunder, and (b) except as provided in Section 1.4 hereof, any third party claim with respect to liabilities or obligations of Seller relating to the conduct prior to the Closing Date.

Seller shall be liable to Purchaser under this Agreement only to the extent that such losses, liabilities or expenses are asserted within 18 months following the Closing Date. Purchaser shall give written notice to Seller within 30 days from discovery by Purchaser of any matter which may give rise to a claim for indemnification under this Agreement. Failure to give such notice shall relieve Seller from any liability under this Agreement with respect to such matter. Seller may, at its own expense, participate in, direct or take over any legal proceeding and the negotiation and settlement of any claim or demand for which it may have an obligation to indemnify Purchaser pursuant to this Section 9.2. Purchaser shall have the absolute right, in its sole discretion and without the consent of Seller, to settle any and all such legal proceedings, claims or demand, provided, however, if Purchaser makes any settlement with respect to such legal proceedings, claims or demands without the prior written consent of Seller, Seller shall be

discharged from any liability with respect to such legal proceedings, claims or demands.

9.3 Indemnification by Purchaser. After the Closing Date, Purchaser shall indemnify and hold harmless Seller against and in respect of any loss, liability or expense (including, without limitation, reasonable attorneys' fees and expenses) resulting from: (a) any breach of any representation, warranty, covenant or agreement of Purchaser hereunder; and (b) any liabilities or obligations relating to the conduct of the Business after the Closing Date.

Purchaser shall be liable to Seller under Section 9.3(a) only to the extent losses, liabilities or expenses relating to Section 9.3(a) hereof and are asserted within 18 months following the Closing Date. Seller shall give written notice to Purchaser within 30 days from discovery by Seller of any matter which may give rise to a claim for indemnification under this Agreement. Failure to give such notice shall relieve Purchaser of any liability under this Agreement with respect to such matter. Purchaser may, at its own expense, participate in, direct or take over any legal proceeding and the negotiation and settlement of any claim or demand for which it may have an obligation to indemnify Seller pursuant to this Section 9.3. Seller shall have the absolute right, in its sole discretion and without the consent of Purchaser, to settle any and all such legal proceedings, claims, or demands; provided, however, if Seller makes any settlement with respect to such legal proceedings, claims or demands without the prior written consent of Purchaser, Purchaser shall be discharged from any liability with respect to such legal proceedings, claims or demands.

Section 10. Third Party Contact.

Seller nor any of its affiliates, nor any of their officers, directors, employees, representatives or agents will, directly or indirectly (i) initiate, solicit, encourage, consider,

agree to or take any other action to facilitate any inquiries, proposals or offers by, (ii) enter into or continue any discussions or negotiations with, or (iii) disclose any information (Seller represents that no proprietary, non-public information has been disclosed to date except pursuant to confidentiality agreements), or afford any access to its properties, books and records to, any third party (other than properties, books and records to, any third party (other than Purchaser and its representatives) with respect to any transaction inconsistent with the intent of this agreement.

Section 11. Inventory. On the Closing Date, a physical inventory shall be taken by a representative of Seller. Purchaser shall have the right to have a personal representative present during the taking of the inventory. The value of the inventory shall be the lower of cost or market and shall reflect a reserve for obsolescence which the parties hereto agree shall be Fifteen Thousand Dollars (\$15,000.00). If Purchaser has an objection to the inventory valuation it shall submit such objection to Seller in writing within seven (7) days of receipt of such valuation. The parties shall attempt in good faith to resolve any dispute. In the event the parties are unable to resolve such dispute it shall be submitted to an independent accounting firm selected by the parties and the decision of such accounting firm shall be conclusive and binding.

Section 12. Termination.

12.1 Termination. This Agreement may be terminated by:

- (i) the mutual consent of Seller and Purchaser;
- (ii) Purchaser, if all the conditions set forth in Section 7 hereof have not been satisfied or waived at or before the Closing;
- (iii) Seller, if all the conditions set forth in Section 8 hereof have not been satisfied



or waived at or before the Closing.

If this Agreement is terminated pursuant to this Section, all obligations of the parties under or pursuant to this Agreement shall terminate without liability of any party to the other.

**Section 13. Miscellaneous.**

**13.1 Transfer Taxes.** All applicable sales, use, transfer and other similar taxes relating to the transactions contemplated hereby shall be paid to the appropriate payee by the party liable for the payment of each such tax under applicable law.

**13.2 Bulk Sales Act.** Seller shall indemnify and save and hold Purchaser harmless from any liabilities arising from the failure of Seller to comply with any bulk sales law applicable to the transactions contemplated by this Agreement.

**13.3 Expenses.** Whether or not the transactions contemplated hereby shall be consummated, each of the parties will pay all costs and expenses of its performance of, and compliance with, this Agreement.

**13.4 Notices.** All notices, requests and other communications hereunder shall be in writing and (i) personally delivered, (ii) mailed, registered or certified mail, postage prepaid, (iii) sent by telegram or telex (and confirmed by registered or certified mail), or (iv) sent by express mail or delivery, postage or charges prepaid, to the following addresses:

(i) if to Seller, to:

Misti Maid, Inc.  
374444 Sycamore Street #2  
Newark, CA 94560-3943  
Attn: John McNab  
President

(ii) if to Purchaser, to:

Plastic Specialties and Technologies, Inc.  
119 Cherry Hill Road  
Parsippany, NJ 07054  
Attn: Fred W. Broling

with a copy to:

Connell, Foley & Geiser  
85 Livingston Avenue  
Roseland, NJ 07068  
Attn: Kenneth F. Kunzman, Esq.

or at such other address as shall be given in accordance with the terms hereof by any part identified above to each of the other parties. Notice shall be deemed given when delivered in person or received by telegram or telex, or if mailed, on the second business day next following the date on which it was deposited in the mails, or it sent by express mail or delivery, on the next business day following the date on which it was sent.

13.5 Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement may not be assigned by either party hereto without the written consent of the other party.

13.6 Captions. The captions in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

13.7 Amendment. This Agreement may be amended only by an instrument in writing executed on behalf of each party hereto.

13.8 Entire Agreement. This Agreement, the exhibits and schedules hereto and the documents specifically provided herein to be delivered hereunder constitute the entire agreement, understanding, representations and warranties of the parties hereto. This Agreement supersedes

any and all prior agreements between the parties with respect to the subject matter hereof.

13.11 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

13.12 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of new Jersey.

IN WITNESS WHEREOF, this Agreement has been duly executed by the undersigned as of the date first above written.

MISTI MAID INC.

BY: 

Name: JOHN MCNAB

Title: PRESIDENT

PLASTIC SPECIALTIES AND  
TECHNOLOGIES, INC.

BY: 

TITLE: \_\_\_\_\_

any and all prior agreements between the parties with respect to the subject matter hereof.

13.9 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

13.10 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of New Jersey.

IN WITNESS WHEREOF, this Agreement has been duly executed by the undersigned as of the date first above written.

MISTI MAID INC.

BY: 

Name: JOHN MCNAB

Title: PRESIDENT

PLASTIC SPECIALTIES AND  
TECHNOLOGIES, INC.

BY: 

TITLE: 

SCHEDULE 1.3

PREPAID EXPENSES TO BE REIMBURSED

1. \*Computer \$2148
2. \*International Patent \$2000
3. \*Mold Modification 1293
4. Trade Shows  
ACE \$1847 \*\*  
National Hardware \$452.50 \*\*  
Landscape Industry \$342.50  
Northern California Spring Trade \$350

TOTAL: \$8433.09

\* receipts previously provided

\*\* subject to verification

SCHEDULE 1.4

1. Contract Number HQ-MR-82-68-83-001 between Seller and Army Air Force Exchange Service signed by Seller on 12/27/91 and by the other party on 1/24/92.

2. Possible claim of a verbal arrangement with Harvy O'Berg with respect to royalties or commissions on a machine.

Purchaser shall be responsible for any liability for amounts accruing after the Closing Date. Any liability for actions prior to the Closing Date shall remain the responsibility of Seller.

**EXHIBIT A**  
**CASH FLOW**

	MONTH OF	MONTHS ENDED
Income Before Taxes	\$	\$
Provision (Benefit) For Taxes	_____	_____
Net Income From Continuing Operations		
Net Income	_____	_____
Add: Depreciation		
Amortization		
Cash Available		
Use of Cash:		
Less: Increase (Decrease) in Working Capital		
Increase (Decrease) in Other Assets & Liabilities		
Capital Expenditures		
(Borrowing) /Payments Debt		
Revolving Inventory Loan	_____	_____
Cash Flow	\$ _____	\$ _____

**SCHEDULE 1.1(i) Nisti Maid Schedule of Fixed Assets**

The molds listed below are more fully described in Schedule 1-A Attached hereto and made a part herof.

Emitter Mold/Mold (Dripper)- 2 bases/One(1) set of cavities  
 Mold (Mister)  
 Mold (1/4" Cavity Mold)  
 Packaging Machine- Autobag P100/H100 w/o counter; Automated Packaging Systems Inc.  
 Packaging Machine- Autobag P100/H100 w/counter; Automated Packaging Systems Inc.  
 Pallet Jack  
 2hp Compressor - Backup compressor, reciprocating  
 Various Equipment & Tools  
 Molds (Twist Lock )  
 Coiling Machine (Misco) (2, each with feed reels)  
     -Take-up reels   1 @ 1/4" tubing 50 to 100 ft  
                       2 @ 1/2" tubing 50 ft  
                       1 @ 1/2" longer tubing- 100', 200', 300'  
 Leaker Machine (Piercing machine for leaker tube)  
 Tooling (Olson Irrigation)  
 Square Lock Adapter tooling for molds #220, 221, (Olson)  
 Blister Molds, Leading Industry-San Fernando, Clam shell(MH7)  
 Heat Shrink Tunnel (Belco Machine mfg)  
 Kraft impulse Sealer  
 Computer Equip:  
     Compaq DeskPro Computer  
     Epson FX 286 printer  
     Nitsuko Fax Machine  
     Syquist (removable hard disk drive, 86MB)  
     Le Cei Hard Disk 105MB  
     Mac Centris 610 Computer  
 Software Equipment:  
     Freehand 3.1  
     PageMaker 4.2  
     Infini-D 1.0  
     UPC Code Software  
 Assorted desks and files  
 Stair Ladders (3 each)  
 6" PVC Tubes, approximately 100 each, includes some 12" tubes  
 125 Gallon Surge Tank (compressed air)  
 Push Carts (2 each)  
 Floor scale (1 each)  
 Assorted Work Tables (3-4 each)  
 Pallet racks, H/D duty, 4 bays, approx 12 sets step stringer)  
 Pallet racks, std. duty, 4 bays, approx 12 sets step stringer)  
 Bar Sealer  
 Time Clock  
 Phone system (Executone)  
 Shelving  
 Compressor (Summit Ind.) - Kaiser Rotary Compressor  
 Video Film (Am Hardware)



Paper Press (Stewart Co.)  
Tooling  
Mold - Orange (Pt# 153 Cavity)  
Mold Base  
Mold (Pt# 105 Cavity)  
Cavity Pt# 165 repair)  
Tooling (Bubble)- Blister  
Cavity Nut Mold  
Cutting Dies (Paxe)  
EDM Carbes #153 (Bud Will)  
Eng. Single Mist Mold  
Rubber Plates (Rikart)  
FAB 2 Slides INST 8" Cavity  
FAB Insert Set for 8" Cavity  
Reduce Inserts 105, 107, 108, 159  
Box Gun (Carlson)  
Micro Sprinkler (Olson)  
Coupling Mold 1/4"  
Staple Gun (Carlson)  
Micro Sprinkler (Bud Will)  
Coupling Mold (1/4" cavity Mold)  
  
Show Display (Professional Display)  
Software (Erys Electronics)  
Twin mister Mold  
New Coupling Molds, Blo Proof(3), sleeve, nut, body,  
per attached drawing

\*Any other molds, mold components or any other parts used in  
connection with the business

# Precision Watering

## Misti Maid, Inc.

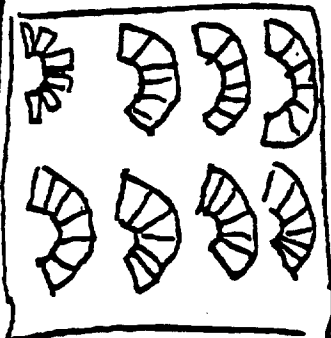
10/5/93

(415) 791-9213 • FAX: (415) 791-9285  
US: (800) 634-2104 • CA: (800) 346-4784

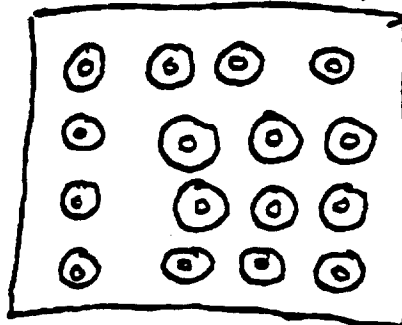
To: Matthew Dozdoff - Colbrite Plastics Co.

### Blo Proof™ molds

Sleeve mold  
8 Cavity

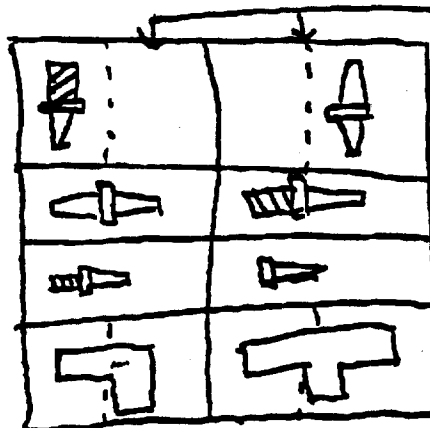


Nut mold  
16 Cavity



body mold

8-12 Cavity - currently made as 8 cavity



ends have capacity  
to make two straight  
parts in each cavity -  
making mold potentially  
12 Cavity mold.

### Cavity Insert list

- 2 - 130 faucet hookup Connector
- 1 - 133 1/2" MPTX tubing
- 2 - 134 straight Connector
- 2 - 135 ells
- 2 - 136 Tee
- 2 - 138 Tubing end

Beyond Conventional Drip...

SCHEDULE 1-A  
MISTIMAJD MOLD INVENTORY

MOLD #	MOLD TYPE	# OF CAVITIES	MOLD DIMENSIONS			EJECTION
			LENGTH	WIDTH	STACK HIEGHT	
72	COMPLETE	4=2 SETS	11"	8"	8"	SPI

DISCRIPTION: MOLD PRODUCES EMMITER PARTS , TWO EACH OF 241 OR 242 OR 244

MOLD #	MOLD TYPE	# OF CAVITIES	MOLD DIMENSIONS			EJECTION
			LENGTH	WIDTH	STACK HIEGHT	
46-C	INSERT	2	8"	5"	1 3/4"	SPI

DISCRIPTION: MOLD PRODUCES HOLE PUNCH PART#164 THIS PART REQUIRES A STAINLESS STEEL INSERTS THAT ARE SUPPLIED BY AN OUTSIDE VENDOR

MOLD #	MOLD TYPE	# OF CAVITIES	MOLD DIMENSIONS			EJECTION
			LENGTH	WIDTH	STACK HIEGHT	
150	COMPLETE	8	20"	9 7/8"	9 3/8"	SPI

DISCRIPTION: MOLD PRODUCES STAKES #269

MOLD #	MOLD TYPE	# OF CAVITIES	MOLD DIMENSIONS			EJECTION
			LENGTH	WIDTH	STACK HIEGHT	
67	COMPLETE	2	11"	8"	7 1/2"	SPI

DISCRIPTION: MOLD PRODUCES NIPPLE #165 / THIS MOLD COULD BE USED TO PRODUCE EMMITERS IF NESSESSARY WITH NEW INSERTS NOT YET MADE

MOLD #	MOLD TYPE	# OF CAVITIES	MOLD DIMENSIONS			EJECTION
			LENGTH	WIDTH	STACK HIEGHT	
96	COMPLETE	7=2	10"	8"	7 1/2"	SPI

DISCRIPTION: MOLD PRODUCES PART # 254 , 1SHOT CONSIST OF 2 COMPLETE SETS PLUS 1 EXTRA NOZZLE , 1 SET CONSIST OF 1 BODY, 1NOZZLE, 1CAP

MOLD #	MOLD TYPE	# OF CAVITIES	MOLD DIMENSIONS			EJECTION
			LENGTH	WIDTH	STACK HIEGHT	
299	COMPLETE	4	11 7/8"	9 7/8"	11 1/4"	SPI

DISCRIPTION: MOLD PRODUCES PART #S 111 AND OR 114 AND OR SWIVEL NUT ONLY 4 PARTS CAN BE RAN AT ANY GIVEN TIME 4 SETS OF CAVITIES FOR EACH PART IS AVAILABLE

EXAMPLE: 2 OF #111 & 1 OF #114 & 1 OF SWIVEL NUT OR  
4 OF THE SWIVEL NUTS OR  
3 OF #114 & 1 OF #111

PAGE ONE

MOLD #	MOLD TYPE	# OF CAVITIES	MOLD DIMENSIONS			EJECTION
			LENGTH	WIDTH	STACK HEIGHT	
152	COMPLETE	8	15"	9 7/8"	10 1/4"	SPI

DISCRIPTION: MOLD PRODUCES OLD STYLE FITTING NUTS, THERE ARE 5-3/8" INSERTS, 5-1/2" INSERTS, & 1-2 INSERTS, PICK 8 OUT OF 11 INSERTS IN A SINGLE RUN.

MOLD #	MOLD TYPE	# OF CAVITIES	MOLD DIMENSIONS			EJECTION
			LENGTH	WIDTH	STACK HEIGHT	
325	COMPLETE	16	15"	13 3/8"	8 5/8"	SPI

DISCRIPTION: MOLD PRODUCES NUTS FOR THE NEW STYLE FITTINGS

MOLD #	MOLD TYPE	# OF CAVITIES	MOLD DIMENSIONS			EJECTION
			LENGTH	WIDTH	STACK HEIGHT	
158	COMPLETE	8	17 7/8"	14 7/8"	10 3/8"	SPI

DISCRIPTION: MOLD PRODUCES SLEVES FOR NEW STYLE FITTINGS

MOLD #	MOLD TYPE	# OF CAVITIES	MOLD DIMENSIONS			EJECTION
			LENGTH	WIDTH	STACK HEIGHT	
106-A	COMPLETE	14	13"	11 1/4"	8"	SPI

DISCRIPTION: MOLD PRODUCES 1/4" FITTINGS #160, #163, #161, #162, #301, #302, #303

#160	4 CAV. = MUST RUN ALL 4 CAV.
#163	4 CAV. = MUST RUN ALL 4 CAV.
#161	3 CAV. = CAN RUN 3 CAV. WITH 1 CAV. # 162 OR CAN RUN 2 CAV. WITH 2 CAV. #161
#162	2 CAV. = CAN RUN 2 CAV. WITH 2 CAV. #161 OR CAN RUN 1 CAV. WITH 3 CAV. #161
#301	1 CAV. = CAN RUN WITH 1 CAV. EITHER #301 OR #302
#302	2 CAV. = CAN RUN WITH 1 CAV. EITHER #301 OR #303 OR 2 CAV. # 30
#303	1 CAV. = CAN RUN WITH EITHER #301 OR # 302

\* SEE DIAGRAM BELOW

PAGE TWO

MOLD #	MOLD TYPE	# OF CAVITIES	MOLD DIMENSIONS			EJECTION
			LENGTH	WIDTH	STACK HEIGHT	
294	COMPLETE	10 = 1SET + 2 NOZZLES	20"	14 7/8"	12 3/8"	SPI

## DISCRIPTION:

MOLD PRODUCES TWIN MIST PART # 200  
SET CONTAINS 1 BODY, 1STAKE, 1COUPLING, 1DRIP CAP, 4 NOZZLES  
AND 2 CAPS

\*\*\*OPTIONAL NOZZLES, ONLY 4 CAN RUN AT A TIME\*\*\*

NOZZLE #	# OF CORES
204	2
205	2
206	4
207	2
208	2
210	2
00	2

MOLD #	MOLD TYPE	# OF CAVITIES	MOLD DIMENSIONS			EJECTION
			LENGTH	WIDTH	STACK HEIGHT	
332	COMPLETE	8=2SETS	12"	9 13/16"	11 5/16"	SPI

## DISCRIPTION:

MOLD PRODUCES MICRO SPRINKLER 1 SET CONSIST OF 1 BODY, 1 NUT  
1 VALVE STEM, & 1 DEFUSSER

\*\*\*\* THIS MOLD NEEDS SOME MINOR MODIFACATIONS BEFOR PRODUCTION CAN START \*\*\*\*

MOLD #	MOLD TYPE	# OF CAVITIES	MOLD DIMENSIONS			EJECTION
			LENGTH	WIDTH	STACK HEIGHT	
138	COMPLETE	8	20"	15 7/8"	11 3/8"	SPI

## DISCRIPTION:

MOLD PRODUCES OLD STYLE FITTINGS SEE BELOW FOR EXPLANATION

PART #	# OF CAV.	PART #	# OF CAV.
105	1	154	1
107	1	155	1
108	2	156	2
109	1	157	1
110	2	158	2
150	1	159	1
151	1	148	1
152	1	147	1
153	2	149	1

== THESE PARTS MUST BE RAN ON OUTSIDE CORNERS OF MOLD BECAUSE  
OF THE NATURE OF THE PART, THERFORE ONLY 4 PARTS CAN BE RAN AT  
ANY GIVEN RUN

THIS MOLD WILL ACCEPT ANY 8 CAVITIES

PAGE THREE

MOLD #	MOLD TYPE	# OF CAVITIES	MOLD DIMENSIONS			EJECTION SPI
			LENGTH	WIDTH	STACK HEIGHT	
328	COMPLETE	8	15"	13 3/8"	10 3/4"	

**DESCRIPTION:**

MOLD PRODUCES MOLD PRODUCES NEW STYLE FITTINGS  
PARTS AVAILABLE SEE BELOW

PART #	# OF CAV.	
135"	2	ELL
136"	2	TEE
134	2	COUPLING
138	2	HOSE ADPTOR
130"	2	SWIVEL
133"	1	MPT

\* THESE PARTS ALWAYS GO IN CONER OF MOLD

ALL MISTI MAID MOLDS HAVE CONVENTIONAL RUNNERS