

09-02-1999



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U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office
Attorney Docket No: AMPS19520

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To the Honorable Assistant Commissioner for Patents: Please record the attached original documents or copy thereof.

<p>1. Name of conveying party(ies): American Plating Systems</p> <p>Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>2. Name and address of receiving party(ies): Name: <u>Stewart Technologies Inc.</u> Address: <u>3342 East Wier Ave.</u> City: <u>Phoenix</u> State: <u>AZ</u> ZIP: <u>85040</u></p> <p>Additional name(s) & address(es) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>3. Nature of conveyance: <u>8.27.99</u></p> <p><input checked="" type="checkbox"/> Assignment <input type="checkbox"/> Merger <input type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Other _____ Execution date: <u>August 11, 1999</u></p>	

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

A. Patent Application No(s) _____ | B. Patent No(s) 5,670,034

Additional numbers attached? Yes No

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

<p>5. Name and address of party to whom correspondence concerning document should be mailed:</p> <p>Marcia S. Kelbon, Esq. CHRISTENSEN O'CONNOR JOHNSON & KINDNESS^{PLLC} 1420 Fifth Avenue Suite 2800 Seattle, WA 98101-2347 (206) 682-8100</p>	<p>6. Total number of applications and patents involved: <u>1</u></p> <p>7. Total fee (37 C.F.R. 3.41):.....\$ <u>40.00</u> Check No. <u>108451</u> in the amount of \$40.00 is enclosed.</p> <p>8. The Commissioner is hereby authorized to charge any fees under 37 C.F.R. §§ 1.16, 1.17 and 1.18 which may be required during the entire pendency of the application, or credit any overpayment, to Deposit Account No. 03-1740. This authorization also hereby includes a request for any extensions of time of the appropriate length required upon the filing of any reply during the entire prosecution of this application.</p>
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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.

Marcia S. Kelbon _____ [Signature] _____ 8/24/99 _____
Name of Attorney or Agent Signature Date
Registration No. 34,358
Direct Dial (206) 695-1720

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

OMB No. 0651-0011 (exp. 4/94)

I hereby certify that this correspondence is being deposited with the U.S. Postal Service in a sealed envelope as first class mail with postage thereon fully prepaid addressed to: U.S. Patent and Trademark Office, Office of Public Records, Crystal Gateway 4, Room 335, Washington, D.C. 20231, on 8/24/99

Date: 8/24/99 _____ [Signature] _____

acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: Aug 11, 1999

(Seal or stamp)

Christilla Jane Hudson
Signature
Notary Public
My appointment expires 9-16-00

MSK:dgw



PURCHASE AND SALE AGREEMENT

THIS AGREEMENT by and between STEWART TECHNOLOGIES, INC., an Arizona corporation, hereinafter "STI" and "Buyer" and AMERICAN PLATING SYSTEMS, INC., a California corporation, hereinafter "APS" and "Seller."

1. Buyer agrees to purchase and Seller agrees to sell the following assets belonging to Seller:

a. The name "American Plating Systems" and all other trade names and trade or service marks used by APS or associated with products or product lines manufactured, sold or serviced by APS;

b. All of APS's interest in control software, documentation, and source codes used or developed by APS;

c. All of APS's engineering drawings and documentation;

d. All of APS's customer lists, invoices, quotations, etc. as Buyer may request;

e. All furniture, equipment, tools, parts, inventories, materials, and supplies, including all desk top and lap top computers; filing cabinets, office supplies, printers, fax machines, and supplies; purchasing office; plumbing and electrical supplies; miscellaneous electrical equipment, electrical supplies, tools and equipment; Research and Development department, including all equipment and records associated with that department; all advertising and display models, booth, and materials; welding tables, steel racks, and steel; poly por saw, poly pro sheet and rod; T.V. and VCR; other miscellaneous items of tangible personal property; storage racks; and all other items as outlined in various inventory lists supplied to Doug Stewart by Jerry Johnson; and

f. All patents, know how, and other intellectual property used in APS's business.

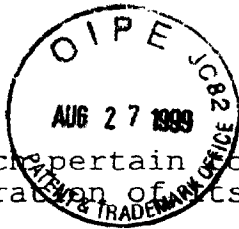
2. Excluded from the purchase and sale are the following assets of APS:

a. All cash, bank deposits, promissory notes, certificates of deposit, securities, lease deposits, and prepaid expenses of APS;

b. Accounts receivable and payments received for services provided and equipment sold or manufactured prior to the date hereof.

c. Corporate minute book, stock ledgers, and other

(1)



books and records which pertain to APS's corporate matters separate from the operation of its business;

d. Other fixtures, equipment and supplies not listed above, such as building fixtures not uniquely associated with APS's business operations, work in progress for Johnson Matthey, and any other items expressly excluded on a schedule attached hereto and incorporated by this reference.

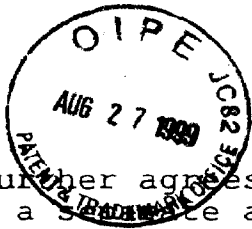
3. STI shall pay to APS as the Base Purchase Price the sum of Thirty Thousand Dollars (\$30,000.00) payable, Fifteen Thousand Dollars (\$15,000.00) upon mutual execution of this Agreement, and Fifteen Thousand Dollars (\$15,000.00) upon loading the tangible personal property described in paragraph 1 onto trucks provided by STI.

4. In addition the Base Purchase Price, STI shall pay to APS a Contingent Purchase Price equal to five percent (5%) of the Contingent Base Revenue received by STI during the period May 1, 1999 and ending April 30, 2004. "Contingent Base Revenue" shall mean the gross proceeds received by STI from sales of products or equipment, or from services provided, of the kind sold or provided by APS's to its customers prior to the date of this Agreement. In addition "Contingent Base Revenue" shall also include the gross revenue received by STI from sale, licensing, or use of the patents, know how, control software, documentation, source codes, and engineering drawings and documentation purchased by STI under this Agreement. The contingent payments shall be determined annually, based on the Contingent Base Revenue received by STI during the twelve month periods ending April 30, 2000, and annually thereafter through April 30, 2004. Payments of the Contingent Purchase Price shall be paid within ninety (90) days following the end of the period to which it relates. Each payment shall be accompanied by a sales report prepared by STI showing the basis for the payment of Contingent Purchase Price. STI agrees to provide APS with reasonable access to its books, documents, and records during regular business hours, to permit verification of the accuracy of the computation of STI's Contingent Base Revenue used to determine the Contingent Purchase Price paid for any annual period, at APS's cost and expense. If such review or audit determines that the amount of Contingent Purchase Price paid for any annual period is more than ten percent (10%) of the amount paid by STI for such period, STI shall reimburse APS for all of APS's costs incurred in such audit or review.

5. STI agrees to reimburse APS for APS employment costs in assisting STI in packaging and moving the property purchased from APS's facilities. STI also agrees to assist APS in installing the machinery and equipment purchased by Johnson Matthey, and ~~carry out APS's obligation under its agreements with Johnson Matthey~~ (STI also agrees to assume responsibility for performing warranty work of APS under existing agreements with customers, on a case by case basis, and as documented.)

Handwritten initials: DM, AB

STI IS NOT PURCHASING OR AGREEING TO PICK UP ANY LIABILITIES OF APS UNLESS SPECIFIC IN A PATENT



6. STI further agrees to pay for the phone system, copier, and truck under a ~~separate~~ agreement.

7. All property sold by APS to STI is sold "AS IS WHERE IS" and without warranties of any kind, express or implied. All implied warranties of merchantability or of fitness or suitability for a particular purpose are expressly disclaimed. APS shall not be responsible for and STI shall hold harmless, defend, and indemnify APS for and against any loss, damage, or claim arising out of the use or possession of any of the property purchased by STI after the title to or possession of the property has passed to STI, including any claim for loss of use and/or consequential damages.

8. In the event any action or legal proceedings are commenced to enforce or interpret any of the terms and conditions of this Agreement, the prevailing party in such action or proceeding (or on appeal) shall receive from the other party the prevailing party's attorneys' fees together with the prevailing party's actual costs and disbursements incurred in such action or proceeding, or on appeal.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates shown next to their respective signatures.

SELLER:

AMERICAN PLATING SYSTEMS, INC.

By

David G. Kelly
David G. Kelly,
President

4/12/99
date

BUYER:

STEWART TECHNOLOGIES, INC.

By

Douglas Stewart
Douglas Stewart
President

4-12-99
date

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