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☐ **Assignment** ☐ **Security Agreement**

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Name (line 1)	Execution Date Month Day Year
Bernard P. Besal	07 27 98
Name (line 2)	

Second Party

Name (line 1)	Execution Date Month Day Year
Name (line 2)	

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Mail documents to be recorded with required cover sheet(s) information to:
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PATENT
REEL: 010832 FRAME: 0177

Correspondent Name and Address

Area Code and Telephone Number **404 885 2761**

Name **Todd Deveau**

Address (line 1) **TROUTMAN SANDERS, LLP**

Address (line 2) **600 Peachtree Street, N.E.**

Address (line 3) **Suite 5200**

Address (line 4) **Atlanta, Georgia 3030802216**

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

8

Application Number(s) or Patent Number(s)

☐ Mark if additional numbers attached

Enter either the Patent Application Number or the Patent Number (DO NOT ENTER BOTH numbers for the same property).

Patent Application Number(s)

Patent Number(s)

5,165,189		

If this document is being filed together with a new Patent Application, enter the date the patent application was signed by the first named executing inventor.

Month Day Year

Patent Cooperation Treaty (PCT)

Enter PCT application number
only if a U.S. Application Number
has not been assigned.

PCT PCT PCT
PCT PCT PCT

Number of Properties

Enter the total number of properties involved.

1

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41): \$ **40.00**

Method of Payment:

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Enclosed ☒

Deposit Account ☐

Deposit Account Number:

20-1507

Authorization to charge additional fees:

Yes

☒

No

☐

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. Charges to deposit account are authorized, as indicated herein.

Todd Deveau

Name of Person Signing

Signature

Date

To <u>Lori</u>	From <u>Anna</u>
Co./Dept.	Co. <u>Flame Gard</u>
Phone #	Phone # <u>323-888-8707</u>
Fax # <u>404-962-6932</u>	Fax #

AGREEMENT

THIS AGREEMENT enters into force and is effective this 16 day of Sept., 1998, by and between Flame Gard, Inc., a California corporation with a place of business at 6827 East Washington Boulevard, Los Angeles, California 90040 (hereafter "Flame Gard"), Bernard P. Besal, a United States citizen with a place of business located at 3283 La Ventura Drive, Atlanta, Georgia 30341 (hereafter "Besal"), Besal Services, Inc., a Georgia corporation with a place of business located at 3283 La Ventura Drive, Atlanta, Georgia 30341 (hereafter "BSI"), Phillip Ackland, a United States citizen with a place of business located at 11704 Prairie Valley Road, Summerland, British Columbia, Canada V0H 1Z0 (hereafter "Ackland"), and Phillip Ackland Holdings Ltd., a Canadian corporation with a place of business located at 11704 Prairie Valley Road, Summerland, British Columbia, Canada V0H 1Z0 (hereafter "PAH").

RECITALS

WHEREAS Flame Gard manufactures, markets and sells access doors and panels for ductwork;

WHEREAS Besal is the inventor and owner of United States patent number 5,165,189 entitled ACCESS DOOR FOR DUCTWORK issued November 24, 1992 to Besal (hereafter the "189 Patent");

NOW THEREFORE in consideration of the mutual promises contained herein, and of the mutual benefits to be derived hereunder, Flame Gard, Besal, BSI, Ackland and PAH agree as follows:

1. Assignment

Besal, BSI, Ackland, and PAH agree to irrevocably assign in perpetuity all rights they may possess in the '189 Patent to Flame Gard.

2. Royalty

(a) Flame Gard agrees to pay BSI a royalty equal to 5% of the net sales of all embodiments of the '189 Patent sold by Flame Gard. The royalty, if any, shall be paid monthly on the tenth day of each month for embodiments of the '189 Patent sold during the previous month. An embodiment shall be considered sold for purposes of this Agreement upon the date of payment for an embodiment by a customer of Flame Gard. Flame Gard shall provide BSI with written quarterly reports showing the number of embodiments sold for each prior quarter year. Flame Gard agrees, at the expense and request of BSI to permit an independent accountant authorized by BSI to examine during ordinary business hours such records of Flame Gard as are necessary to verify or determine royalties paid or payable under this Agreement.

(b) Flame Gard agrees to pay PAH a royalty equal to 5% of the net sales of all embodiments of the '189 Patent sold by Flame Gard. The royalty, if any, shall be paid monthly on the tenth day of each month for embodiments of the '189 Patent sold during the previous month. An embodiment shall be considered sold for purposes of this Agreement upon the date of payment for an embodiment by a customer of Flame Gard. Flame Gard shall provide PAH with written quarterly reports showing the number of embodiments sold for each prior quarter year. Flame Gard agrees, at the expense and request of PAH to permit an independent accountant authorized by PAH to examine during ordinary business hours such records of Flame Gard as are necessary to verify or determine royalties paid or payable under this Agreement.

3. Representation and Warranties

Besal and BSI represent and warrant that Besal is the sole inventor of the '189 Patent; that neither Besal nor BSI have assigned or transferred to any other person, corporation, partnership or entity (other than to Besal, BSI, Ackland and/or PAH) any rights, title or interest in the '189 Patent.

Besal, BSI, Ackland and PAH represent and warrant that none of them has received notice of any violation of any applicable federal, state, or local statute, law, or regulation affecting the '189 Patent and that there is no litigation or proceeding pending, or to the best knowledge of any of Besal, BSI, Ackland or PAH threatened, against or related to the '189 Patent, nor do any of Besal, BSI, Ackland or PAH know or have reasonable grounds to know of any basis for any such action, or of any governmental investigation relative to the '189 Patent.

Besal and BSI represent and warrant that the '189 Patent is an unexpired patent on which the maintenance fee due 3 and ¼ years after issuance of the '189 Patent was timely paid to the United States Patent & Trademark Office.

Flame Gard agrees to be responsible for the payment of all future maintenance payments for the '189 patent and for any required Underwriters Laboratory fees or charges relating to embodiments of the '189 patent sold by Flame Gard.

Besal and BSI make no representation or warranty with respect to the patentability of the '189 Patent or as to whether or not the '189 Patent infringes any existing patent.

4. Assignability

This agreement is assignable by any of the parties hereto.

5. Binding Arbitration

Flame Gard, Ackland, PAH, Besal and BSI agree any dispute which may arise under or about any term, condition, covenant, obligation or duty set forth or arising under by this Agreement and which dispute they are unable to resolve to their mutual satisfaction, shall be resolved by submission to arbitration before a single, mutually acceptable arbitrator sitting in Los Angeles or Orange County, California and adjudicating under the rules of the American Arbitration Association and that any decision by the arbitrator shall be binding and non-appealable. Flame Gard, Ackland, PAH, Besal and BSI agree to share equally any costs incurred by any such arbitration proceeding.

6. Understanding

Flame Gard, Ackland, PAH, Besal and BSI acknowledge that they have not been induced or entered into this Agreement by any representation or statements, oral or written, not expressly contained herein or expressly incorporated by reference.

7. Modification

No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of Flame Gard, Ackland, PAH, Besal and BSI. At any time, the parties may by their mutual written agreement agree to modify any one or more of the terms of this Agreement.

8. Termination

This Agreement may be terminated by mutual written agreement of the parties hereto.

9. Indemnification

Flame Gard agrees to indemnify and hold harmless Besal and BSI against any and all claim, cause, litigation or damage which may directly arise from the sale of any embodiments of the '189 Patent by Flame Gard.

10. Notice

All communications regarding this agreement shall be sent to Flame Gard, Ackland, PAH, Besal or BSI at the addresses previously set forth set forth above unless notified to the contrary. Any written notice hereunder shall become effective as of the date of mailing by registered or certified mail.

11. Miscellaneous

Besal, BSI, Ackland, PAH and Flame Gard agree that this agreement is prepared at the request of Flame Gard with the specific terms and conditions they desire to incorporate herein. The parties therefore agree to hold harmless the preparer of this agreement from any liability, claim, or cause that may arise due to or resulting from any dispute regarding the allocation of duties and/or responsibilities between and among the parties, the settlement of disputes or from any other provision of this agreement. The parties understand that they have the right to seek the advice of independent counsel before entering into this agreement and that they have been so advised.

12. Entire Agreement

Flame Gard, Ackland, PAH, Besal and BSI agree that this Agreement replaces and supersedes any existing oral or written agreement entered into by and between Besal, BSI, Ackland, PAH and Flame Gard and that this Agreement forms the entire agreement between the parties with respect to the subject matter herein.

13. Understand Agreement



Flame Gard, Ackland, PAH, Besal and BSI agree that they have read and understood each and every provision of this Agreement and that they freely and voluntarily entered into this Agreement.

Flame Gard, Ackland, PAH, Besal and BSI signify their agreement to all the terms and conditions of this agreement by signing below as:

FLAME GARD, INC.

Date: 7/27, 1998By: 
Gary M. Barros
Vice PresidentDate: 7/27, 1998By: 
Bernard P. Besal

BESAL SERVICES, INC.

Date: 7/27, 1998By: 
Bernard P. Besal
Title:PHILLIP ACKLAND
HOLDINGS LTD.Date: 8/15, 1998By: 
Phillip Ackland
Title:Date: 8/15, 1998By: 
Phillip Ackland