

08-19-2000

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101465658

AUCTION DOCKET NUMBER 10164-016, 10164-017, 10164-018

TO THE HONORABLE COMMISSIONER OF PATENTS AND TRADEMARKS

Box Assignments

Washington, DC 20231

7-17-00

Please record the attached original documents or copy thereof.

1. Name of conveying party:

NOVON INTERNATIONAL INC

Additional names attached? ☐ Yes ☒ No

2. Name and address of receiving party:

ECOSSAIS LLC
1576 Sweet Home Road
Amherst, NY 14228-2710

3. Nature of conveyance:

☒ Assignment☒ Merger☐ Security Agreement ☐ Change of NameBill of Sale and Court Order Authorizing Sale of
Assets, Assumption and Assignment of Executory
Contracts, and Relief from Automatic Stay
Execution Date: April 1, 1998

4. Application numbers or patent numbers:

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

A. Patent Application No.

B. Patent Nos. 4,931,488; 5,352,716;
5,798,152Additional numbers attached? ☐ Yes ☒ No

5. Mail correspondence to:

PENNIE & EDMONDS LLP
1667 K Street, N.W.
Washington, D.C. 200066. Number of applications
and patents involved: 37. Total fee (37 CFR 3.41): \$ 120.00
Please charge deposit account listed in Section
8.

8. Deposit account number: 16-1150

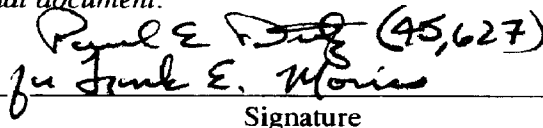
DO NOT USE THIS SPACE

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.*

Frank E. Morris, Reg. No. 24,615

Name of Person Signing


for Frank E. Morris

Signature

July 17, 2000

Date

Total number of pages including cover sheet:

66

Mail documents to be recorded with required cover sheet information to:

Commissioner of Patents & Trademarks, Box Assignments

Washington, D.C. 20231

PATENT

DCI - 260722 1

REEL: 010996 FRAME: 0443

BILL OF SALE

This **BILL OF SALE** is executed and delivered by **NOVON INTERNATIONAL, INC.** ("Seller"), through its Court appointed trustee, Joseph Evans ("Seller"), to **ECOSSAIS, LLC** ("Buyer"), pursuant to the Order of the United States Bankruptcy Court for the Western District of New York, dated March 9, 1998 ("Order"), a copy of which is attached hereto.

FOR VALUE RECEIVED by Seller from Buyer, receipt of which is hereby acknowledged:

Seller hereby sells, transfers, and conveys to Buyer, its successors and assigns, the Purchased Assets as defined in the Asset Purchase Agreement ("Agreement") dated as of January 5, 1998, as modified by the Order, subject to the terms and provisions of the Agreement.

The representations, warranties and covenants of Seller set forth in the Agreement are incorporated herein by reference, subject to any limitations thereon contained in the Agreement, as modified by the Order. Subject to the foregoing, Seller covenants to Purchaser to warrant and defend the sale of the Purchased Assets against all persons, firms and corporations.

IN WITNESS WHEREOF, Seller has executed this Bill of Sale this 1st day of April, 1998.

NOVON INTERNATIONAL, INC.

By: Joseph Evans

Joseph Evans, Chapter 11 Trustee

STATE OF NEW YORK)
 : SS.
COUNTY OF ERIE)

On this 1st day of April, 1998, before me personally came Joseph Evans, to me personally known, who, being by me duly sworn, did depose and say that he resides at 190 Sprucewood Ter in the Town of Williamsville, State of New York; that he is the Court appointed Chapter 11 Trustee of Novon International, Inc., the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the United States Bankruptcy Court for the Western District of New York, dated March 9, 1998, and that he signed his name thereto by like order.

Rosanne Lettieri
Notary Public

L:70135 (1147_1)

ROSANNE LETTIERI
NOTARY PUBLIC, STATE OF NEW YORK
QUALIFIED IN ERIE COUNTY
MY COMMISSION EXPIRES JAN 27, 2000

PATENT
REEL: 010996 FRAME: 0444

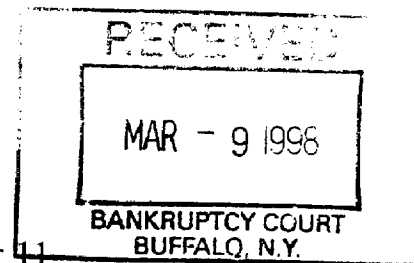
UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NEW YORK

In Re:

NOVON INTERNATIONAL, INC.,

Debtor.

Chapter 11
Case No. 96-15463B



**ORDER AUTHORIZING SALE OF ASSETS,
ASSUMPTION AND ASSIGNMENT OF EXECUTORY
CONTRACTS, AND RELIEF FROM AUTOMATIC STAY**

Upon the motion of Joseph Evans, the Court appointed trustee ("Trustee") for Novon International, Inc. (the "Debtor"), through his attorneys, Aaron, Dautch, Sternberg & Lawson, LLP, dated January 26, 1998 ("Motion"), seeking an order (1) authorizing the sale to ECOssais, LLC of certain of the Debtor's assets, free and clear of liens, claims and encumbrances, with all such liens, claims and encumbrances to attach to the cash proceeds of sale, pursuant to the provisions of 11 U.S.C. §363(b)(1) and (f) and Rule 6004 of the Federal Rules of Bankruptcy Procedure, (2) authorizing the assumption by the estate and assignment to ECOssais, LLC of certain of the Debtor's executory contracts, pursuant to the provisions of 11 U.S.C. §365 and Rule 6006 of the Federal Rules of Bankruptcy Procedure, and (3) authorizing relief from the automatic stay in connection with the proposed sale; and appropriate notice of the Motion having been given; and an Objection, dated February 5, 1998, having been filed by the Committee of Unsecured Creditors of the Debtor ("Committee"); and a Limited Opposition to Motion for Approval of Sale of Certain Personal Property and Intellectual Property and Miscellaneous Executory Contracts, dated

February 23, 1998, having been filed by Novamont, S.p.A. ("Novamont"); and the Motion having duly come on to be heard before this Court on February 23, 1998 at 10:00 a.m.; and the Court having heard Aaron, Dautch, Sternberg & Lawson (William E. Lawson, of Counsel) on behalf of the Trustee; Jenner & Block (Ronald R. Peterson, of Counsel) on behalf of Novamont; Hodgson, Russ, Andrews, Woods & Goodyear, LLP (Cheryl R. Storie, of Counsel) on behalf of ECOssais, LLC and Robert H. Downie; Hiscock & Barclay (Drew V. Tidwell, of Counsel) on behalf of the Committee; Walter Duft, Esq., on behalf of the Trustee and Committee; Cole, Sorrentino, Hurley & Hewner, P.C. (Thomas F. Hewner, of Counsel) on behalf of Sekundant; and general appearances having been made by Hurwitz & Fine, P.C. (Ann E. Evanko, of Counsel) on behalf of Buffalo and Erie County Regional Development Corporation ("RDC"); Nixon, Hargrave, Devans & Doyle, LLP (John J. Jablonski, of Counsel) on behalf of the New York Job Development Authority ("JDA") and Jaeckle, Fleischmann & Mugel, LLP (Joseph W. Allen, of Counsel) on behalf of Dr. Asraf Marwan; and the Motion having been continued to March 2, 1998 at 10:00 a.m. and the Court having heard Aaron, Dautch, Sternberg & Lawson (William E. Lawson, of Counsel) on behalf of the Trustee; Hodgson, Russ, Andrews, Woods & Goodyear, LLP (Cheryl R. Storie, of Counsel) on behalf of ECOssais, LLC and Robert H. Downie; Hiscock & Barclay (Drew V. Tidwell, of Counsel) on behalf of the Committee; Hurwitz & Fine, P.C. (Ann E. Evanko, of Counsel) on behalf of RDC; and general appearances having been made by Nixon, Hargrave, Devans & Doyle, LLP (John J. Jablonski, of Counsel) on behalf of JDA; Jaeckle, Fleischmann & Mugel, LLP (Joseph W. Allen, of Counsel) on behalf of Dr. Asraf

Marwan; Harter, Secrest & Emery (Raymond L. Fink, of Counsel) on behalf of Novamont;
and Cole, Sorrentino, Hurley & Hewner, P.C. (Richard Cole, of Counsel) on behalf of
Sekundant; and due deliberation having been had thereon; it is hereby

ORDERED, that the Motion is granted ~~in its entirety except~~ as specifically *set forth*
~~modified~~ herein; and it is further

ORDERED, that the Asset Purchase Agreement, dated as of January 5, 1998
("Asset Agreement") attached as an exhibit to the Motion and to this Order, is hereby
modified by the deletion of Schedule B thereto and the revision of the definition of Intangible
Rights as follows:

"Intangible Rights" shall mean all of Seller's right, title and interest in
the Intangible Patent Rights, and all of Seller's residual right, title and interest,
if any, in the trademarks DEGRA NOVON and AQUA NOVON, the trade
name NOVON INTERNATIONAL, any logo or other design associated
therewith, and any other intellectual property rights relating to such trademarks
or trade name (including, without limitation, copyrights, trademarks, trade
names, service marks, and all registrations and applications in connection
therewith), and the goodwill associated therewith, of Seller; and it is further

ORDERED, that the Asset Agreement, as modified by the preceding ordering
paragraph, is hereby approved and is incorporated herein by reference; and it is further

ORDERED, that the automatic stay is lifted under 11 U.S.C. §362 as it
pertains to the right to enforce the liens of JDA and RDC against the Production Equipment

(as such term is defined in the Asset Agreement), which vacation of stay shall not be enforced by JDA and RDC except as provided under the terms of the Asset Agreement; and it is further

ORDERED, that ECOssais, LLC is given the protections and rights of a purchaser under 11 U.S.C. §363(m); and it is further

ORDERED, that pursuant to 11 U.S.C. §363(f), all assets to be sold to ECOssais, LLC by the Trustee in accordance with this Order, except the Production Equipment, shall be deemed sold free and clear of any liens, claims and encumbrances, with all such liens, claims and encumbrances to attach only to the cash proceeds of sale; and it is further

ORDERED, that the Executory Contracts (as such term is defined in the Asset Agreement) are hereby assumed by the estate and assigned to ECOssais, LLC, pursuant to 11 U.S.C. § 365, in accordance with the terms and provisions of the Asset Agreement; and it is further

ORDERED, that ECOssais, LLC shall promptly pay to the third parties to such Executory Contracts any sums, in such amounts identified by the Trustee, as required to

cure any pre-petition payment defaults in accordance with 11 U.S.C. §365(b)(1); and it is further

ORDERED, that any post-petition sums owed by the Debtor under the Executory Contracts shall be treated as administrative expense claims under 11 U.S.C. §503; and it is further

ORDERED, that the Trustee, ECOssais, LLC and Robert H. Downie, and their respective officers, employees and agents, are hereby authorized and directed to execute such documents and to do such acts as are necessary or desirable to carry out the terms of the Asset Agreement and this Order; and it is further

ORDERED, that this Court shall retain jurisdiction to interpret, enforce and implement the terms and provisions of the Asset Agreement and all documents and instruments executed in connection therewith.

Dated: Buffalo, New York
March 9, 1998

/s/ Carl L. Bucki

Carl L. Bucki, U.S.B.J.

L:69726 (1HSU_1)

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT ("Agreement"), dated as of January 5, 1998, is by and between NOVON INTERNATIONAL, INC., a Delaware corporation ("Seller"); ECOssais, LLC, a New York limited liability company ("Buyer"), the New York Job Development Authority ("JDA"), the Buffalo and Erie County Regional Development Corporation ("RDC") (the JDA and RDC together referred to as the "Secured Creditors"), and Robert H. Downie, an individual residing at 201 Rollingwood Drive, Williamsville, New York 14221 ("Downie").

WHEREAS, Seller is a debtor under Chapter 11 of the United States Bankruptcy Code in proceedings pending in the United States Bankruptcy Court for the Western District of New York; and

WHEREAS, Seller is a developer, designer, manufacturer, and licensor of degradable materials and specialty additives that safely render conventional plastics degradable; and

WHEREAS, Seller owns various assets which are used in the conduct of its business; and

WHEREAS, Buyer desires to purchase from Seller, and Seller desires to sell to Buyer, certain of such assets, subject to the terms and conditions of this Agreement; and

WHEREAS, the Secured Creditors hold liens against the assets that Buyer desires to purchase from Seller; and

WHEREAS, Downie is the owner and holder of certain unsecured claims against Seller;

NOW, THEREFORE, in consideration of the mutual covenants and promises contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Seller, Buyer, JDA, RDC and Downie agree as follows:

ARTICLE I DEFINITIONS

1.1 Defined Terms. As used in this Agreement, the terms below shall have the following meanings:

(a) "Bankruptcy Case" shall mean the proceedings pending against Seller in the Bankruptcy Court under Case No. 96-15463B.

(b) "Bankruptcy Court" shall mean the United States Bankruptcy Court for the Western District of New York.

(c) "Bankruptcy Schedules" shall mean the petition, schedules, and statement of financial affairs filed by Seller in the Bankruptcy Case.

(d) "Books and Records" shall mean all originals and copies of all books, records, files, customer lists, supplier information, personnel records, promotional materials, surveys, abstracts of title, and all other tangible items, on whatever media (including computer media) pertaining to the Purchased Assets or customers or suppliers of, or any other parties having contracts or other business relationships with, Seller.

(e) "Closing Date" shall mean a date mutually agreed upon by the parties no later than February 20, 1998, or on such other date as the parties may agree.

(f) "Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

(g) "Downie Claim" shall mean the Proof of Claim dated October 7, 1997, filed by Downie in the Bankruptcy Case on October 8, 1997 which asserts an unsecured claim against Seller in the approximate amount of \$700,000.

(h) "Encumbrances" shall mean any claim, lien, pledge, option, charge, easement, security interest, right-of-way, encumbrance or other right of any Person, including JDA and RDC.

(i) "Executory Contracts" shall mean the agreements identified on Schedule A attached to this Agreement.

(j) "Facility" shall mean the premises located at Interstate Commerce Centre, Building H, Suites 112 and 114, 181 Cooper Avenue, Tonawanda, New York 14150, which are leased by Seller from ICC South, Inc. under a month to month tenancy.

(k) "Insurance Policy" shall mean the insurance policy identified in Schedule B, item no. 9 of the Bankruptcy Schedules.

(l) "Intangible Rights" shall mean all of Seller's right, title and interest in the Intangible Patent Rights, the name Novon and any variation thereon, any logo or other design associated therewith, and any other intellectual property rights (including, without limitation, copyrights, trademarks, trade names, service marks, and all registrations and applications in connection therewith), and the goodwill associated therewith, of Seller, including, without limitation, the rights described on Schedule B attached to this Agreement.

(m) "Intangible Patent Rights" shall mean all of Seller's right, title and interest in the Vertex Patents, Omnibus Patents and Ecoteck Patents as more particularly described in Schedule C attached to this Agreement.

(n) "Inventory" shall mean all of Seller's right, title and interest in all inventory, including, without limitation, all raw materials, work in process and finished goods located in the Facility, including the items described in Schedule D attached to this Agreement.

(o) "Operating Agreement" shall mean that agreement executed by Seller, Buyer, JDA and RDC which authorizes Buyer, under certain terms and conditions, to use and operate the Purchased Assets, and the Production Equipment, pending approval of this Agreement by the Bankruptcy Court, and which further authorizes Buyer, following such approval (if granted), to continue to use and operate the Production Equipment for the balance of the option period contained in the Option on Production Equipment.

(p) "Option on Production Equipment" shall mean an option granted to Buyer pursuant to this Agreement commencing on the effective date of the Operating Agreement and terminating on March 31, 1998 to purchase from Seller the Production Equipment for the sum equal to the amount of the Secured Claim of JDA and the Secured Claim of RDC.

(q) "Person" shall mean any corporation, governmental authority, individual, partnership, trust or other entity.

(r) "Production Equipment" shall mean that certain equipment owned by Seller as identified on Schedule E attached to this Agreement, and all supplies, spare parts and rights under warranties or otherwise associated therewith.

(s) "Purchase Price" shall mean the sum of \$250,000 to be paid by Buyer for the Purchased Assets pursuant to Article II of this Agreement.

(t) "Purchased Assets" shall mean all right, title and interest of Seller in and to the following:

- (1) Intangible Patent Rights;
- (2) Intangible Rights;
- (3) Tangible Personal Property (other than Production Equipment);

- (4) Inventory;
- (5) Executory Contracts;
- (6) Insurance Policy;
- (7) Seller's Option;
- (8) Option on Production Equipment; and
- (9) Books and Records.

(u) "Representative" shall mean any officer, director, principal, attorney, agent, employee or other representative of any Person.

(v) "Secured Claim of JDA" shall mean the claims of JDA as the owner and holder by assignment, dated August 4, 1993, of a promissory note made by Ecostar International, L.P., a predecessor to Seller, dated May 15, 1992, to Norstar Bank, N.A., predecessor to Fleet Bank, in the original principal amount of \$1,222,800, which was secured by security interests on substantially all assets of Seller, as evidenced by a security agreement and financing statements executed by Ecostar International, L.P., dated May 15, 1992, to Norstar Bank, N.A., which were also assigned to JDA on August 4, 1993. On or about January 20, 1995, Ecostar International, L.P. was merged into Seller and thereafter, on or about January 1, 1996, Seller and JDA entered into a Note Modification Agreement, modifying certain terms of those prior agreements. JDA acknowledges that as of the date of this Agreement, Seller is indebted to JDA in the principal amount of \$863,278.78, plus deferred interest of \$30,573.57, plus accrued interest in the amount of \$40,458.72, for a total sum of \$934,311.07, plus costs and expenses, including reasonable attorneys fees, as provided for in the promissory notes, security agreement and/or Note Modification Agreement.

(w) "Secured Claim of RDC" shall mean the claims of RDC, as holder of a promissory note made by Ecostar International, L.P., dated July 10, 1991, in the original principal amount of \$500,000, which was secured by security interests on substantially all assets of Seller, as evidenced by a security agreement and financing statements in favor of RDC executed by Ecostar International, L.P. and dated July 10, 1991. Thereafter, following the merger of Ecostar International, L.P. into Seller, Seller and RDC entered into a Replacement Note, dated as of February 1, 1996 in the principal amount of \$489,484. RDC acknowledges that as of the date of this Agreement, the Secured Claim of RDC is in the principal amount of \$473,168.00, plus accrued interest in the amount of \$22,081.15, for

a total sum of \$495,249.15, plus costs and expenses, including reasonable attorneys fees, as provided for in the Replacement Note and security agreement.

(x) "Seller's Option" shall mean the Option Agreement dated December 24, 1994, and replaced by the Option Agreement, dated July 2, 1997, granted to Seller by Warner-Lambert Company to purchase certain pilot plant equipment from Warner-Lambert Company, which equipment is presently located in the Terminal of Commerce Warehouse located in Tonawanda, New York.

(y) "Tangible Personal Property" shall mean all of Seller's furniture, furnishings, fixtures, office equipment (including, without limitation, the computer system), laboratory equipment, tools, supplies and other tangible personal property of Seller (other than the Production Equipment) which is located at the Facility or used by Seller in connection with its business, all as more particularly described on Schedule F attached to this Agreement.

(z) "Trustee" shall mean Joseph Evans of 190 Sprucewood Terrace, Williamsville, New York 14221, who was appointed to act as Chapter 11 trustee pursuant to the order of the Bankruptcy Court in the Bankruptcy Case.

1.2 General. Except where the context otherwise requires, words importing the singular number shall include the plural number and vice versa.

ARTICLE II PURCHASE AND SALE OF ASSETS

2.1 Transfer of Assets. Subject to the terms and conditions contained in this Agreement, on the Closing Date Seller shall sell, convey, transfer, assign, and deliver to Buyer, and Buyer shall acquire from Seller, the Purchased Assets, free and clear of Encumbrances, effective as of the opening of business on the Closing Date.

2.2 Release of Liens. Subject to the terms and conditions contained in this Agreement, JDA and RDC hereby consent to the sale of the Purchased Assets to Buyer, free and clear of the Secured Claims, pursuant to Section 363(f) of the Bankruptcy Code, with the Secured Claims to attach to the proceeds of sale of the Purchased Assets.

2.3 Consideration. As consideration for the sale, transfer, assignment, conveyance and delivery of the Purchased Assets, Buyer shall pay to Seller an amount equal to the Purchase Price and Downie agrees to release and withdraw the Downie Claim from the Bankruptcy Case.

2.4 Allocation of Consideration. The Consideration shall be allocated pursuant to Section 1060 of the Code, in accordance with the allocation as agreed to prior to the Closing by Buyer and Seller and attached hereto as Schedule G. Unless otherwise agreed in writing by Buyer and Seller, Buyer and Seller shall (a) reflect the Purchased Assets in their books and for tax reporting purposes in accordance with such allocation, (b) file all forms required under Section 1060 of the Code and all other tax returns and reports in accordance with and based upon such allocation and (c) unless required to do so in accordance with a "determination" as defined in Section 1313(a)(1) of the Code, take no position in any tax return, tax proceeding, tax audit or otherwise which is inconsistent with such allocation.

2.5 Payment of Purchase Price. Buyer shall pay the Purchase Price to Seller as follows:

(a) Buyer has deposited \$250,000 in an interest bearing escrow account (the "Escrow Account") opened by the Trustee (the "Escrow Agent"). The Bankruptcy Court shall be the forum for the resolution of any dispute over the Escrow Account. The Escrow Account shall not be subject to setoff by any Person. The Escrow Agent shall release the funds in the Escrow Account as follows:

i) In the event that the transaction contemplated hereby is consummated, the Escrow Agent shall distribute the entire balance of the Escrow Account at the Closing to Seller subject to all liens; and

ii) In the event that the transaction contemplated hereby is not consummated and this Agreement is terminated, the Escrow Agent shall distribute the entire balance of the Escrow Account to Buyer.

2.6 Sales/Use Taxes. Notwithstanding anything to the contrary contained in this Agreement, Buyer shall be responsible for any sales or use taxes imposed by reason of the sale of the Purchased Assets.

ARTICLE III CLOSING

3.1 Closing. The closing of the transaction contemplated in this Agreement (the "Closing") shall be held at 10:00 a.m. local time on the Closing Date at the offices of Aaron, Dautch, Sternberg & Lawson, 50 Convention Tower, Buffalo, New York 14202, or such other place as the parties shall mutually agree.

3.2 Conveyances at Closing.

(a) Instruments and Possession. To effect the transfer of the Purchased Assets referred to in Section 2.1 of this Agreement, Seller shall, on the Closing Date, deliver to Buyer:

- i) one or more bills of sale conveying in the aggregate all of the personal property of Seller included in the Purchased Assets;
- ii) assignments of the Intangible Rights and Intangible Patent Rights in recordable form to the extent necessary to assign to Buyer all of Seller's right, title and interest in any registrations or applications with respect thereto;
- iii) such other instruments as shall be reasonably requested by Buyer to vest in Buyer title in and to the Purchased Assets in accordance with the provisions of this Agreement; and
- iv) possession of all of the Purchased Assets.

(b) Form of Instruments. All of the foregoing instruments shall be in form and substance, and shall be executed and delivered in a manner, reasonably satisfactory to Buyer.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Buyer as follows:

4.1 Enforceable. This Agreement has been duly executed and delivered by Seller and, when approved by the Bankruptcy Court, shall constitute a legal, valid and binding obligation of Seller enforceable against Seller in accordance with its terms.

4.2 Title to Assets. To the best of Seller's knowledge, the schedules describing the Purchased Assets attached to this Agreement are true and accurate and properly describe those assets of Seller used in its business. On the Closing Date, Seller shall have and shall transfer to Buyer good and marketable title to the Purchased Assets free and clear of all Encumbrances.

4.3 No Brokers. Seller has not entered into and will not enter into any agreement, arrangement or understanding with any Person which will result in the obligation of Buyer to

pay any finder's fee, brokerage commission or similar payment in connection with the transactions contemplated hereby.

4.4 No Other Agreements to Sell the Purchased Assets. Subject to the competitive bidding ordered by the Bankruptcy Court, neither Seller nor any other Person has, as of the date of this Agreement, nor will have, as of the date of Closing, any legal obligation, absolute or contingent, to any other Person to sell any of the Purchased Assets or to effect any merger, consolidation or other reorganization of Seller or to enter into any agreement with respect thereto, affecting any of the Purchased Assets.

ARTICLE V REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Seller as follows:

5.1 Organization of Buyer. Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of New York.

5.2 Authorization. Buyer has all necessary corporate power and authority and has taken all corporate action necessary to enter into this Agreement, to consummate the transaction contemplated hereby and to perform its obligations under this Agreement.

5.3 Enforceable. This Agreement has been duly executed and delivered by Buyer and is a legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms.

5.4 No Conflict or Violation. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will result in (a) a violation of or a conflict with any provision of the Certificate of Formation or Operating Agreement of Buyer or (b) a breach of, or a default under, any term or provision of any contract, agreement or commitment to which Buyer is a party.

5.5 Consents and Approvals. Except for the approval of the Bankruptcy Court, no consent, approval or authorization of, or declaration, filing or registration with, any governmental or regulatory authority, or any other Person, is required to be made or obtained by Buyer in connection with the execution, delivery and performance of this Agreement and the consummation of the transaction contemplated hereby.

5.6 Litigation. There is no action, claim, suit or other legal proceeding pending or, to the knowledge of Buyer, threatened against Buyer relating to or affecting the transactions contemplated hereby.

5.7 No Brokers. Buyer has not entered into and will not enter into any agreement, arrangement or understanding with any Person which will result in the obligation of Seller to pay any finder's fee, brokerage commission or similar payment in connection with the transaction contemplated hereby.

ARTICLE VI COVENANTS

Seller on the one hand, and Buyer on the other hand, each covenant with the other as follows:

6.1 Consents and Best Efforts. As soon as practicable, Buyer and Seller, as applicable, will commence all reasonable actions required hereunder to obtain all consents, approvals and agreements of, and to give all notices and make all filings with, any Person as may be necessary to authorize, approve or permit the full and complete sale, conveyance, assignment or transfer of the Purchased Assets, free of Encumbrances, by a date early enough to allow the sale hereunder to be consummated by the Closing Date.

6.2 Matters Relating to Employees.

(a) Offers of Employment to Seller's Employees. Prior to or after the Closing, Buyer may offer employment to any individual previously employed by Seller; provided, however, that there shall be no obligation on the part of Buyer to make any such offers of employment.

(b) Change of Benefits. Nothing contained in this Agreement shall prohibit Buyer from changing or eliminating the benefits for former employees of Seller hired by Buyer pursuant to Section 6.3(a) or from eliminating or modifying benefits currently being made available pursuant to Employee Plans of Seller consistent with applicable law and as part of Buyer's general operation of its business.

(c) No Rights to Employment. After the Closing, nothing herein expressed or implied shall confer upon any former employee of Seller, or any union, collective bargaining agent or other Person any rights or remedies (including, but not limited to, any right to employment, or continued employment, for any specified period) or any right to any particular benefits in connection with any employment of any nature or kind whatsoever under or by reason of this Agreement.

6.3 Certain Prohibited Transactions. During the period beginning on the date of this Agreement and ending on the Closing Date, Seller shall not, without Buyer's prior

written consent, subject to the competitive bidding procedures ordered by the Bankruptcy Court:

(a) mortgage, pledge or otherwise encumber or sell, transfer or otherwise dispose of any of the Purchased Assets other than as contemplated by this Agreement; or

(b) do any other act which would cause any representation or warranty of Seller in this Agreement to be or become untrue in any material respect.

6.4 Notification of Certain Matters. Seller shall give prompt notice to Buyer, and Buyer shall give prompt notice to Seller, of (a) the occurrence, or failure to occur, of any event which occurrence or failure would be likely to cause any representation or warranty contained in this Agreement to be untrue or inaccurate in any material respect any time from the date hereof to the Closing Date and (b) any material failure of Seller or Buyer, as the case may be, to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it hereunder. Each party shall use all reasonable efforts to remedy any material failure on its part to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it hereunder.

6.5 Notice of Inquiries. Seller will promptly inform Buyer of any inquiry (including the terms thereof and the Person making such inquiry) which it may receive or learn of in respect of any proposal for the purchase and sale of the Purchased Assets to any Person other than Buyer or its affiliates.

6.6 Orders. Seller shall use best efforts (including, but not limited to, filing all necessary motions) to have the 363 Orders and 365 Orders (as defined in Section 7.2 hereof) issued by the Bankruptcy Court as soon as possible.

6.7 Lender's Requirements. Seller and Secured Creditors shall cooperate and comply with all reasonable requests of Buyer's lenders in connection with the transactions contemplated hereby and by the Option or Production Equipment, including, without limitation, executing necessary documents, instruments and agreements, providing necessary information and granting such lenders reasonable access to the Production Equipment.

ARTICLE VII CONDITIONS TO SELLER'S OBLIGATIONS

The obligations of Seller to consummate the transaction contemplated by this Agreement are subject, in the discretion of Seller, to the satisfaction, on or prior to the Closing Date, of each of the following conditions (any of which may, in Seller's absolute and sole discretion, be waived in whole or in part):

7.1 Representations, Warranties and Covenants. All representations and warranties of Buyer contained in this Agreement shall be true and correct in all material respects at and as of the Closing Date, except as and to the extent that the facts and conditions upon which such representations and warranties are based are expressly required or permitted to be changed by the terms hereof, and Buyer shall have taken all actions and performed all agreements and covenants required hereby to be performed by it prior to or at the Closing Date.

7.2 Bankruptcy Court Orders.

(a) The sale of the Purchased Assets from Seller to Buyer pursuant to this Agreement shall have been approved by the Bankruptcy Court pursuant to sections 363 of the Bankruptcy Code and orders approving such sale and containing provisions substantially similar to those set forth below (the "363 Orders") shall have been entered and become Final Orders (as defined in paragraph (d) below). The 363 Orders shall provide that: the transfer of the Purchased Assets by Seller to Buyer (A) is or will be legal; (B) vests or will vest Buyer with good title to the Purchased Assets free and clear of all liens, charges, claims, encumbrances and interests; (C) constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code or under the laws of the United States, any state, territory, possession or the District of Columbia; (D) does not and will not subject Buyer to any liability by reason of such transfer under the laws of the United States, any state, territory or possession thereof or the District of Columbia based, in whole or in part, directly or indirectly, on any theory of law (including, but not limited to, any theory of successor or transferee liability); (E) the Bankruptcy Court retains jurisdiction to enforce the provisions of this Agreement in all respects; (F) the provisions of the 363 Orders are nonseverable and mutually dependent and (G) the transaction contemplated by this Agreement is undertaken by Buyer in good faith, as that term is used in section 363(m) of the Bankruptcy Code.

(b) The Bankruptcy Court shall have approved the assumption and assignment of the Executory Contracts that are a part of the Purchased Assets pursuant to section 365 of the Bankruptcy Code (the "365 Orders"), and such orders shall have been entered and shall have become Final Orders. The Buyer shall pay any sums required to cure pre-petition defaults in accordance with Section 365(b)(1) of the Bankruptcy Code. Any post-petition sums owed by the Debtor under the Executory Contracts shall be treated as administrative expense claims under Section 503 of the Bankruptcy Code and paid by the estate in the Bankruptcy Case. The 365 Orders shall provide that the Executory Contracts will be transferred to, and remain in full force and effect for the benefit of, Buyer notwithstanding any provision in the Executory Contracts that prohibits such assignment or transfer.

(c) Nothing in this Section or any other section of this Agreement shall preclude Seller or Buyer from consummating the transaction contemplated herein if Buyer, in its sole discretion, waives the requirement that the 363 Orders or 365 Orders or any other orders be Final Orders. No notice of such waiver of this or any other condition to Closing need be given except to Seller or Buyer, as explicitly required in this Agreement, it being the intention of the parties hereto that Buyer shall be entitled to, and is not waiving, the protection of Section 363(m) of the Bankruptcy Code, the mootness doctrine and any similar statute or body of law if the Closing occurs in the absence of Final Orders.

(d) For purposes of this Article VII, "Final Order" means an order or judgment which has been entered by the Bankruptcy Court and docketed by the Clerk of the Bankruptcy Court, the operation or effect of which has not been stayed.

ARTICLE VIII CONDITIONS TO BUYER'S OBLIGATIONS

The obligations of Buyer to consummate the transaction provided for hereby are subject, in the discretion of Buyer, to the satisfaction, on or prior to the Closing Date, of each of the following conditions (any of which may, in Buyer's absolute and sole discretion, be waived in whole or in part):

8.1 Representations, Warranties and Covenants. All representations and warranties of Seller contained in this Agreement shall be true and correct in all material respects at and as of the Closing Date, except as and to the extent that the facts and conditions upon which such representations and warranties are based are expressly required or permitted to be changed by the terms hereof, and Seller shall have taken all actions and performed all agreements and covenants required hereby to be performed by it prior to or at the Closing Date.

8.2 Consents. All consents, approvals and waivers necessary to permit Seller to transfer the Purchased Assets to Buyer as contemplated hereby (including, but not limited to, any approval, consent or license from the Bankruptcy Court) shall have been obtained.

8.3 Bankruptcy Court Orders. The 363 Orders and the 365 Orders, in form and substance satisfactory to Buyer, shall have been entered and shall have become Final Orders.

8.4 Casualty. There shall have occurred no material loss, destruction or other casualty with respect to the Purchased Assets.

ARTICLE IX
AUTOMATIC STAY

9.1 Automatic Stay. In consideration of the Secured Creditors being parties to this Agreement, Seller and Downie hereby consent to the lifting of the automatic stay under Section 362 of the Bankruptcy Code as it pertains to the liens of the Secured Creditors against the Purchased Assets and the Production Equipment. The Secured Creditors hereby agree that they shall not enforce their liens against the Purchased Assets and the Production Equipment until the earlier of (i) the expiration or earlier termination of the Option on Production Equipment or (ii) the failure of the Bankruptcy Court to enter an order approving this Agreement by February 1998.

ARTICLE X
ACTIONS BY SELLER AND BUYER AFTER THE CLOSING

10.1 Books and Records. Each of Seller and Buyer agree to cooperate with and make available to the other, upon reasonable prior notice and during normal business hours, all Books and Records retained and remaining in existence after the Closing Date which are necessary or useful in connection with any tax inquiry, audit, investigation or dispute, any litigation or investigation or any other reasonable business purpose. The party requesting any such Books and Records shall bear all of the out-of-pocket costs and expenses (including, but not limited to, copying costs and attorneys' fees and expenses) reasonably incurred in connection with providing such Books and Records.

10.2 Further Assurances. Both before and after the Closing Date, each party will cooperate in good faith with the other and will take all appropriate action and execute any documents, instruments or conveyances of any kind which may be reasonably necessary or advisable to carry out any of the transactions contemplated hereunder (including, but not limited to, obtaining consents or approvals from any Person for the transfer of Purchased Assets that are transferred subject to consents or approvals being obtained).

ARTICLE XI
MISCELLANEOUS

11.1 Option on Production Equipment. Seller hereby grants to Buyer an option commencing on the date of the Operating Agreement and continuing through March 31, 1998 to purchase from Seller the Production Equipment. The purchase price on exercise of such option shall be a sum equal to the Secured Claim of JDA and the Secured Claim of RDC. Such option shall be exercised by Buyer on written notice to Seller and to the Secured Creditors, which notice shall set forth a proposed closing date and location.

11.2 Termination. If the Closing has not occurred on or prior to February 20, 1998, Buyer or Seller may terminate this Agreement at its option by notice to the other party. In the event of the termination of this Agreement by Seller as above provided, neither party shall have any liability hereunder of any nature whatsoever other than for indemnification pursuant to Article X hereof.

11.3 Assignment. Neither this Agreement nor any of the rights or obligations hereunder may be assigned by Seller on the one hand, or Buyer on the other hand, without the prior written consent of the other; except that Buyer may, without such consent, assign in whole or in part all such rights and such obligations to an entity which is affiliated with Buyer. In the event of any such assignment, Buyer acknowledges and agrees that such assignment shall in no way impair, diminish, discharge or in any way adversely effect the duties, obligations, warranties and representations of Buyer under this Agreement. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of Seller and Buyer and their respective permitted successors and assigns, and no other Person shall have any right or obligation under this Agreement.

11.4 Notices. Unless otherwise provided in this Agreement, any notice, request, instruction or other document to be given hereunder by either party to the other shall be in writing and delivered personally or mailed by certified mail, postage prepaid, return receipt requested (such mailed notice to be effective on the date such receipt is acknowledged or refused), or by telecopy, with a confirmation sent via one of the above methods, as follows:

If to Seller, addressed to:

Joseph Evans, Trustee
190 Sprucewood Terrace
Williamsville, New York 14221
Telephone: (716) 634-1348
Fax: (716) _____

With a copy to:

William E. Lawson, Esq.
Aaron, Dautch, Sternberg & Lawson
500 Convention Tower
Buffalo, New York 14202
Telephone: (716) 854-3015
Fax: (716) 854-1716

If to Buyer, addressed to:

ECOssais, LLC
Attn: Mr. Robert H. Downie
181 Cooper Avenue
Tonawanda, New York 14150
Telephone: (716) 874-8696
Fax: (716) 874-8699

With a copy to:

Hodgson, Russ, Andrews, Woods & Goodyear, LLP
Attn: Cheryl R. Storie, Esq.
1800 One M & T Plaza
Buffalo, New York 14203
Telephone: (716) 856-4000
Fax: (716) 849-0349

If to RDC, addressed to:

David Kerchoff
Suite 300, 424 Main Street
Buffalo, New York 14202-3595
Telephone: (716) 856-6526
Fax: (716) _____

With a copy to:

Hurwitz & Fine, P.C.
Attn: Ann E. Evanko, Esq.
1300 Liberty Building
Buffalo, New York 14202
Telephone: (716) 849-8900
Fax: (716) 855-0874

If to JDA, addressed to:

Wendell Harris, Vice President
633 Third Avenue
New York, New York 10017-6754

Telephone: (212) 803-7519

Fax: (212) 803-3515

With a copy to:

Nixon, Hargrave, Devans, Doyle, LLP

Attn: D. Bruce Kratz, Esq.

1600 Main Place Tower

Buffalo, New York 14202

Telephone: (716) 853-8100

Fax: (716) 853-8109

or to such other place and with such other copies as either party may designate as to itself by written notice to the other party.

11.5 Choice of Law. This Agreement shall be construed, interpreted and the rights of the parties determined in accordance with the laws of the State of New York (without reference to the choice of law provisions of New York law).

11.6 Entire Agreement; Amendments and Waivers. This Agreement, together with all exhibits and schedules hereto, constitutes the entire agreement between Seller and Buyer pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of Seller and Buyer. No supplement, modification or waiver of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any provision of this Agreement shall be deemed or shall constitute a waiver of any other provision of this Agreement (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided in such writing.

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

11.8 Expenses. Except as otherwise specified in this Agreement, each of Seller and Buyer shall pay its own legal, accounting and other expenses incident to this Agreement and to any action taken by such party in preparation for carrying this Agreement into effect.

11.9 Invalidity. In the event that any one or more of the provisions contained in this Agreement or in any other instrument referred to herein, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, then to the maximum extent permitted

by law, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other such instrument.

11.10 Titles. The titles, captions or headings of the articles and sections of this Agreement are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

IN WITNESS WHEREOF, Seller, Buyer, JDA, RDC and Downie have caused this Agreement to be duly executed as of the day and year indicated at the beginning of this Agreement.

Novon International, Inc.,
Debtor in Bankruptcy

By Joseph Evans
Joseph Evans, Chapter 11 Trustee

ECossais, LLC

By _____
Robert H. Downie, Manager

New York Job Development Authority

By _____
_____, _____

Buffalo and Erie County Regional
Development Authority

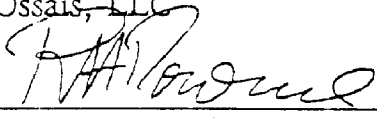
By _____
_____, _____

Robert H. Downie

IN WITNESS WHEREOF, Seller, Buyer, JDA, RDC and Downie have caused this Agreement to be duly executed as of the day and year indicated at the beginning of this Agreement.

Novon International, Inc.,
Debtor in Bankruptcy

By _____
Joseph Evans, Chapter 11 Trustee

ECOsais, LLC
By  _____
Robert H. Downie, Manager

New York Job Development Authority

By _____
_____, _____

Buffalo and Erie County Regional
Development Corporation

By _____



Robert H. Downie

- 18 -

IN WITNESS WHEREOF, Seller, Buyer, JDA, RDC and Downie have caused this Agreement to be duly executed as of the day and year indicated at the beginning of this Agreement.

Novan International, Inc.,
Debtor in Bankruptcy

By _____
Joseph Evans, Chapter 11 Trustee

ECCOasis, LLC

By _____
Robert H. Downie, Manager

New York Job Development Authority

By Garry P. Ryan
CONTROLLER

Buffalo and Erie County Regional
Development Authority

By _____

Robert H. Downie

200 172-2001

IN WITNESS WHEREOF, Seller, Buyer, JDA, RDC and Downie have caused this Agreement to be duly executed as of the day and year indicated at the beginning of this Agreement.

Novon International, Inc.
Debtor in Bankruptcy

By _____
Joseph Evans, Chapter 11 Trustee

ECossais, LLC

By _____
Robert H. Downie, Manager

New York Job Development Authority

By _____
_____, _____

Buffalo and Erie County Regional
Development Authority *Corporation*

By *[Signature]*
David W. Herckhoff, Assistant Treasurer

Robert H. Downie

EXECUTORY CONTRACTS

Blue Green Industries Company (Distribution Agreement dated November 21, 1995)

Doane Products Company (Distribution Agreement dated September 5, 1996)

The Exeter Group (Consulting and Commission Sales Agreement dated November 13, 1996)

AT&T Capital Corp. (equipment lease dated September 11, 1992)

AT&T Capital Corp. (equipment lease dated May 23, 1993)

NOVON INTERNATIONAL

PATENT SCHEDULE

Vertex Patents

Description: Water Soluble

<u>Countries</u>	<u>Patent Number</u>	<u>Patent Application</u>
Europe	91913355.3	
Canada		2091365
Australia	656731	
South Africa	915792	
Brazil	PI 9106667	
USA		08/332634

NOVON INTERNATIONAL

PATENT SCHEDULE

Omnibus Patents

Description: Degradable Synthetic Polymeric Compounds

<u>Countries</u>	<u>Patent Number</u>	<u>Patent Application</u>
USA	5352716	
Mexico		938108
Turkey		18230
Canada		2151033
Japan		5-514498
Europe		949053819.6
Korea		95-702467

NOVON INTERNATIONAL

PATENT SCHEDULE

Ecoteck Patents

Description: Degradable Thermoplastic Composition

Code: 8000

<u>Countries</u>	<u>Patent Number</u>	<u>Patent Application</u>
Canada		559.838
Australia	594.364	
Denmark		885949
Ireland	61.406	
Norway		884660
Finland	91.772	
Greece	10.00216	
Spain	8802633	
Israel	87.513	
USA	4931483	
Great Britain	305413	
France	305413	
Netherlands	305413	
Belgium	305413	
Switzerland	305413	
Austria		88901405.6
Italy	305413	
Luxembourg	305413	
Germany	3880931.1	
Sweden	889014056	

Tonawanda warehouse

Product #	Batch #	Bags	Wt	Weight LBS	Unit Cost	Value	Total Value
M4900	TEST #1 8103AO	1 gaylord	1,100	1,100	0	0.00	
M4900	TEST 9/27	1 gaylord	1,320	1,320	0	0.00	
M4900	TEST 9/27	2 drums	220	220	0	0.00	
Total M4900				2,640			0.00
060025	RD7035	5	44	220	1.385	300.30	
Total 060025				220			300.30
114318	8318-off color	5	44	220	0.9022	198.48	
114316	7073AO	4	44	176	0.9022	158.79	
Total 114316				396			357.27
114318	7281A	2	44	88	0.9022	79.39	
Total 114318				88			79.39
114325	7158ao	4	44	176	0.9022	158.79	
Total 114325				176			158.79
184048	8212AO	2	44	88	0.991	87.21	
184048	7028AO	1	44	44	0.991	43.60	
Total 184048				132			130.81
1AC1025	7207A	12	44	528	1.1451	604.81	
1AC1025				528			604.81
1AD1025	7120A	13	44	572	1.1451	655.00	
Total 1AD1025				672			655.00
1AD2014	7308AO	1	44	44	1.1451	50.38	
Total 1AD2014				44			50.38
1AD4014	7308A1	1	44	44	1.1451	50.38	
Total 1AD4014				44			50.38
1AF2049	7321AO	10	44	440	1.1451	503.84	
Total 1AF2049	R&D 7081			440			503.84
1X1025	7205A	7	44	308	1.161	357.59	
Total 1X1025				308			357.59
Total				5,588			3,248.27

Inventory @ Hamburg, Germany

Product #	Order # / Rec. Date	Batch #	Saga	Wt	Weight LBS	Unit Cost	Value
05024	96-87 Rec 9/25/96	8184	1	44	44	Test	0.00
total 05024					44		0.00
total					44		0
total Finished Goods					5,832		3,248.37

ovon International, Inc.

aw Materials

November 30, 1997

Product	Vendor	Weight (lbs)	Unit Cost	Value	Total Value
DEGRA - NOVON					
Corn Starch	Skidmore	2,850	0.1950	555.75	
Total Corn Starch		2,850			555.75
Rice Starch	Remy	8,938	0.5700	5,094.86	
Total Rice Starch		8,938			5,094.66
NA 202	Quantum	1,500	0.7550	1,132.50	
Total NA202		1,500			1,132.50
GA584	Polymerland	1,500	0.5800	870.00	
Total GA584		1,500			870.00
GA574	Quantum	1,880	0.5800	1,090.40	
Total GA574		1,880			1,090.40
NA 218	Quantum	2,350	0.4500	1,081.00	
Total NA 218		2,350			1,081.00
LS9210/NA218	Quantum	2,370	0.4720	1,118.64	
Total LS9210/NA218		2,370			1,118.64
LT 8180	Quantum	3,943	0.4500	1,774.35	
Total Lt 8180		3,943			1,774.35
8403	Quantum	1,770	0.7300	1,292.10	
Total 8403		1,770			1,292.10
8420	Quantum	N/C SAMPLE	0.0000	0.00	
Total 8420		1,363			0.00
LDPE NA 4200	Quantum	N/C SAMPLE	0.0000	0.00	
Total LDPE NA 4200		1,084			0.00
NA 219	Polymerland	420	0.7800	327.60	
Total NA 219		420			327.60
DOW 1107 Sallne		35	5.5700	194.95	
Total DOW 1107 Sallne		35			194.95
PE DOW 2045 NT	Dow Chemical	884	0.9100	786.24	
PE DOW 2045 NT	General Polymer	579	1.0050	581.90	
Total PE DOW 2045		1,443			1,368.14
PP 8080 GW	Millenium	100	0.0000	0.00	
Total PP 8080 GW		100			0.00
NA209	Quantum	N/C SAMPLE	0.0000	0.00	
Total NA209		180			0.00
Mang. Stearate	Meyers	33.5	2.8400	95.14	
Total Mang. Stearate		33.5			95.14
Zinc Stearate		18	1.7000	30.60	
Total Zinc Stearate		18			30.60
Caloxol CP-2	Rhone Polenc	4,082.50	0.5250	2,143.31	
Total Caloxol CP-2		4,082.50			2,143.31

PATENT

REEL: 010996 FRAME: 0477

ionon International, Inc.

Raw Materials

November 30, 1997

Product	Vendor		Weight (lbs)	Unit Cost	Value	Total Value
FE-12 Stearate	Backhaus		0.0	3.0300	0.00	
Total FE-12 Stearate			0.0			0.00
Aluminum Sulfate	Meyers		20	0.3600	7.20	
Total Aluminum Sulfate			20			7.20
Luperco 500-40C	Meyers		31	3.6400	112.84	
Total Luperco 500-40C			31			112.84
Benzophone	Meyers		0	3.9000	0.00	
Total Benzophone			0			0.00
220-300	Novacor		312	0.5450	170.04	
Total 220-300			312			170.04
77-300	Novacor		204	0.5150	105.06	
Total 77-300			204			105.06
55-300	Novacor		2,830	0.5450	1,542.35	
Total 55-300			2,830			1,542.35
205 PS	Novacor	N/C SAMPLE	750	0.0000	0.00	
Total 205 PS			750			0.00
Copper Stearate	Meyers		8.50	12.0500	102.43	
Total Copper Stearate			8.50			102.43
Mirathen	Leun Werke		1310	0.3095	405.45	
Total Mirathen			1,310			405.45
ACC-855	Allied Signal		25.50	1.8000	47.70	
Total ACC-855			25.50			47.70
Vector 4113	Dexco		118	1.6800	198.24	
Total Vector 4113			118			198.24
Oleic Acid	Meyers		400	0.9800	392.00	
Total Oleic Acid			400			392.00
Beef Tallow	Meyers		350	0.9500	332.50	
Beef Tallow	Meyers		214	0.9800	209.72	
Total Beef Tallow			564			542.22
Soybean oil tote	Meyers		1,000	0.4700	470.00	
Total Soybean Oil tote			1,000			470.00
TP 4380HR			2,293	0.9150	2,098.10	
Total TP 4380HR			2,293			2,098.10
TP 1300HC			3,800	0.9150	3,477.00	
Total TP 1300HC			3,800			3,477.00
TP4380/TP1300 Blend	Premix	50/50	3,858	0.9150	3,345.24	
Total TP4380/TP1300 Blend			3,858			3,345.24
Chervon 9650	Chervon		7,858	0.5700	4,383.92	
Total Chervon 9650			7,858			4,383.92

PATENT

REEL: 010996 FRAME: 0478

Novon International, Inc.

Raw Materials

November 30, 1997

Product	Vendor	Weight (lbs)	Unit Cost	Value	Total Value
Novon 9832	Chervon	5,500	0.5700	3,135.00	
Total Chervon 9832		5,500			3,135.00
Total Degra-Novon		36,318.00			38,683.91

NOVON

Malogel corn starch	Nat'l Starch	1,400	0.1600	224.00	
Total Malogel Corn Starch		1,400			224.00
E105A - Eval	Evalca	11,055	2.6500	29,295.75	
Total E105A - Eval		11,055			29,295.75
PVOH Airvol 205	Air Products	2,318	1.5900	3,682.44	
Total PVOH Airvol 205		2,318			3,682.44
Starch 1215	Nat'l Starch	4,548	0.7800	3,547.44	
Starch 1215	Nat'l Starch	2,250	0.8800	1,980.00	
Total Starch 1215		6,798			5,527.44
Lecithin	L. Meyer	110	2.2500	247.50	
Total Lecithin		110			247.50
Glycerine 99.5%	Meyers	1,100	1.2500	1,375.00	
Total Glycerine 99.5%		1,100			1,375.00
Urea	Ashland	1,075	1.0000	1,075.00	
Total Urea		1,075			1,075.00
Tone P787	Union Carbide	0		0.00	
Total Tone P787		0			0.00
Glycerine 98%	Kramer	2,781	1.2000	3,337.20	
Total Glycerine 98%		2,781			3,337.20
Profax PP PF 814	Montell	1,054	0.5000	527.00	
Total Profax PP PF 814		1,054			527.00

Total Novon 27,689.00 45,291.33

TOTAL RAW MATERIAL 94,008.00 83,975.24

Work In Process
November 30, 1997

Product				Weight (lbs)	Unit Cost	Value	Total Value
Starfill	10108			0	0.2555	0.00	
Total starfill				0			0.00
Masterbatch							
AA1025	W/ STARCH			15		0.00	
AA1025	W/ STARCH			99		0.00	
AD1025	W/ STARCH FOR CHINA			88		0.00	
R1025	W/ STARCH			0		0.00	
X1025	W/ STARCH			228.50		0.00	
AD2013	W/ STARCH			189		0.00	
Total Masterbatch with starch				595.50			0.00
AA1025	NO STARCH			357.50		0.00	
AC1025	NO STARCH			40.00		0.00	
AD1025	NO STARCH			89.04		0.00	
R1025	NO STARCH			0.00		0.00	
R2013	NO STARCH			36		0.00	
I14325	NO STARCH			158.00		0.00	
Total Masterbatch no starch				678.54			0.00

TOTAL WORK IN PROCESS

1,274.04

0.00

No Value

Inventory Received From Warner Lambert
November 30, 1997

Product Number	Lot Number	Packaging	Weight (lbs)	Unit Cost	Total Value
M4900-9001	30302	gaylords	1,100	0	0.00
R0500-9001	21302	gaylord	427	0	0.00
M0058-9001	21101	bags	836	0	0.00
M0058-9001	21101	gaylords	1,400	0	0.00
M0058-9001	21101	gaylords	1,500	0	0.00
M0121-1001	19701	bags	50	0	0.00
M0121-2001	19002	bags	800	0	0.00
M0121-3001	18902	bags	1,050	0	0.00
M0121-4001	18802	bags	850	0	0.00
M0121-5002	19102	bags	350	0	0.00
M0121-6002	18702	bags	800	0	0.00
M0121-8001	19202	bags	350	0	0.00
M0282-1004	10902	bags	250	0	0.00
M0282-9001	11502	bags	300	0	0.00
M0282-9001	11502	bags	800	0	0.00
M0282-9001	11502	gaylord	1,476	0	0.00
M0282-9001	11502	bags	1,750	0	0.00
M0289-9001	9001	bags	2,150	0	0.00
M0289-9001	9001	bags	2,200	0	0.00
M1801-9001	2001	bags	50	0	0.00
N2002-8008	19801	bags	150	0	0.00

Total 18,039 0.00

DEPR MACH & EQUIP EXP
ACCUM DEPR - MACH & EQUIP

#51850-100 52000-100
#12300-200 12025

NOVON INTERNATIONAL
MACHINERY & EQUIPMENT
MONTHLY DEPRECIATION SCHEDULE 10/96-9/97

DATE COMPANY PURCHASD FROM
OLD ACCT # 12020

TOTAL COST YEARS TO
DE DEPR

DATE	COMPANY	PURCHASD FROM	OLD ACCT # 12020	TOTAL COST	YEARS TO DE DEPR	Oct 97	Nov 97	Dec 97	Jan 98	Feb 98	Mar 98	Apr 98	May 98	Jun 98	Jul 98	Aug 98
9/30/97	BEGIN BALANCE			3,273,444.68		1,313,441.92	27,614.97	27,614.97	27,614.97	27,614.97	27,614.97	27,614.97	27,614.97	27,614.97	27,614.97	27,614.97
10/97	MONTHLY DEPR					27,614.97	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35
10/97	FLUID METERING			1,045.00	10	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96
10/97	MASTER CARR			948.85	10	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96	3.96
10/97	WARD TRUCKING			50.95	10	0.29	0.29	0.29	0.29	0.29	0.29	0.29	0.29	0.29	0.29	0.29
TOTAL DEPR EXP OCT 1997				3,275,508.48		1,341,065.49	0.00	55,247.14	82,870.71	1,396,312.63	0.00	110,494.20	0.00	138,147.85	1,451,559.77	1,479,103.34
TOTAL ACCUM DEPR OCT 1997				0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11/97	TOTAL DEPR EXP NOV 1997			3,275,508.48		1,368,689.06	0.00	82,870.71	1,396,312.63	0.00	110,494.20	0.00	138,147.85	1,451,559.77	1,479,103.34	1,479,103.34
TOTAL ACCUM DEPR NOV 1997				0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12/97	TOTAL DEPR EXP DEC 1997			3,275,508.48		1,396,312.63	0.00	110,494.20	0.00	138,147.85	1,451,559.77	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34
TOTAL ACCUM DEPR DEC 1997				0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1/98	TOTAL DEPR EXP JAN 1998			3,275,508.48		1,423,936.20	0.00	138,147.85	1,451,559.77	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34
TOTAL ACCUM DEPR JAN 1998				0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2/98	TOTAL DEPR EXP FEB 1998			3,275,508.48		1,451,559.77	0.00	138,147.85	1,451,559.77	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34
TOTAL ACCUM DEPR FEB 1998				0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3/98	TOTAL DEPR EXP MAR 1998			3,275,508.48		1,479,103.34	0.00	138,147.85	1,451,559.77	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34
TOTAL ACCUM DEPR MAR 1998				0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4/98	TOTAL DEPR EXP APRIL 1998			3,275,508.48		1,506,806.92	0.00	138,147.85	1,451,559.77	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34
TOTAL ACCUM DEPR APRIL 1998				0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5/98	TOTAL DEPR EXP MAY 1998			3,275,508.48		1,534,430.49	0.00	138,147.85	1,451,559.77	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34
TOTAL ACCUM DEPR MAY 1998				0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6/98	TOTAL DEPR EXP JUNE 1998			3,275,508.48		1,562,054.06	0.00	138,147.85	1,451,559.77	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34
TOTAL ACCUM DEPR JUNE 1998				0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7/98	TOTAL DEPR EXP JULY 1998			3,275,508.48		1,589,677.63	0.00	138,147.85	1,451,559.77	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34
TOTAL ACCUM DEPR JULY 1998				0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8/98	TOTAL DEPR EXP AUG 1998			3,275,508.48		1,617,301.20	0.00	138,147.85	1,451,559.77	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34	1,479,103.34
TOTAL ACCUM DEPR AUG 1998				0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9/98	TOTAL DEPR EXP SEPT 1998			3,275,508.48												
TOTAL ACCUM DEPR SEPT 1998				0.00												
Journal Entry				27,623.57		27,623.57										

PATENT



ALTOONA PA 16603 TELEPHONE 800-970-9273

(WARD)
1003

CONSIGNEE'S MEMO OR FREIGHT
BILL WHEN RECEIVED FOR CASH.

DATE	BILLER	OF	TRAILER NUMBER	SHIPPER NUMBER	P.O. NUMBER	PRO NUMBER
02/97	LAR	00	45226	338752401	97290	008-04+2678

PER: 0262553

MASTER CARR SUPPLY
AURORA INDUSTRIAL PARKWAY

ORA 44202

SIGNEE 9999020 ***C00**C00**C00**

ONE INTERNATIONAL
COOPER AVE

WANDA NY 14150

BILL TO: 9999020

NOVON INTERNATIONAL
181 COOPER AVE

WANDA NY 14150

See reverse side for additional
Help - Lines

QUANTITY	DESCRIPTION OF ARTICLES	WEIGHT	RATE	CHARGE	COLLECT
1	PIECE HARDWARE NOI 1/S 095190 0012 CLASS 77.5 FUEL SURCHARGE +C00==C00==C00==C00==C00==C00==C00==C00+ C00 FEE IS COLLECT C00 FEE COMPANY CHECK ACCEPTABLE Discount...	122	MIN	3633 3639 10-6-97	75.00 25.00 31.00
1	TOTALS	122			

IK WRAP: GREEN CLEAR NONE
S RECEIVED

SHIPMENT RECEIVED IN GOOD ORDER EXCEPT AS NOTED

CONSIGNEE NOVON
PRINT NAME JAMES SAWICKI
SIGNATURE James Sawicki

TOTAL COLLECT CHARGES
COLLECT C.O.D. FEE
TOTAL COLLECT DUE WARD
C.O.D. AMOUNT
(IN ADDITION TO TOTAL SHOWN ABOVE)

43.00
25.00
68.00
94.00

REC'D 10/5/97
EXT. 13L
A/C # 12100-100 68.95
BATCH # 110

ECOSTAR

INTERNATIONAL

1576 SWEET HOME RD.
AMHERST, NY 14223
PHONE: (716) 636-3872
FAX: (716) 636-3630

PURCHASE ORDER

**THIS NUMBER MUST
APPEAR ON ALL INVOICES,
PACKING SLIPS AND
BILLS OF LADING.**

PURCHASE ORDER NO.

97290

M. MASIEL CASH

P.O. Box 440

NEW BRUNSWICK N.J.

SHIP TO

DATE

10-6-97

NAME
ADDRESS
CITY/ZIP
PHONE
ST

INVOICES MUST BE
SUBMITTED IN DUPLICATE

PURCHASE ORDER NO.
MUST APPEAR ON
INVOICE AND ALL
SHIPPING DOCUMENTS.

VIA: F.O.B.: TERMS: SHIP TO ARRIVE:

PRODUCT NO.	QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	PRICE
-------------	----------	------	-------------	------------	-------

101.019	101.019			96.95	
---------	---------	--	--	-------	--

SHIPPING COST
ESTIMATED

REC'D 101.019

EXT 36

A/C # 12100-60 \$ 949.85

BATCH # 110

FOR ECOSTAR INTERNATIONAL

SIGNATURE

INVOICE NO.
01 0322-14



FLUID METERING INC.

Fluid Metering, Inc.
5 Aerial Way, Suite 500
Syosset, NY 11791

SOLD TO: NEVON INTERNATIONAL
181 COOPER AVE.
TONAWANDA NY 14130

SHIP TO: NEVON INTERNATIONAL
181 COOPER AVE.
TONAWANDA NY 14130

98007

F.O.B. OYSTER BAY N.Y.

LT NO.	PURCHASE ORDER NO.	SHIP VIA	COLL. PPO.	DATE SHIPPED	TERMS	INVOICE DATE	PAGE
09	98007	UPS NEXT DAY	0	10/13/97	C.O.D.	10/13/97	1

QUANTITY		B/O	ITEM NO.	DESCRIPTION	UNIT PRICE	AMOUNT
ORDERED	SHIPPED					
1	1			C.O.D. PAYMENT MUST BE CERTIFIED ***** Q2V Q2V RATIO/MATIC QUFLUX DRIVE LESS V200	470.00	470.00
		SERIAL #	Q2VPM#			
			QA45839			
2	2		Q288Y	Q288Y FMI 101 PUMPHEAD MOD	270.00	540.00
		SERIAL #	Q2PHM#			
			Q898900-3	Q898901-3		
4	4		R412-2	R412-2 ADAPTER BS 1/4NPT-3/8" ABOVE TO BE ASSEMBLED COMPLETE		
				END OF INVOICE		

REC'D 10/21/97
EXT. BC
A/C # 2100-10041, 2450
BATCH # 111

PLEASE REMIT PAYMENTS TO
FLUID METERING, INC.

SALE AMOUNT	1010.00
MISC CHARGES	

Novon International Inc.
Depreciation Schedule-Machinery & Equipment
GL Account # 12100-100

Description	DATE SVCE	Method	Life	Amount	Dep. Exp. 9/30/97	Accum. Dep. 9/30/97	Dep. Exp. 9/30/98	Accum. Dep. 9/30/98
1 prepost filters & lite	2/96	S-L	10	1,061.00	106.10	159.15	106.10	265.25
2 main electrical panel board - 70 mm	2/96	S-L	10	84,700.00	8,470.00	12,705.00	8,470.00	21,175.00
1 frt & labor partial assem. of dryer - 70 mm	2/96	S-L	10	8,387.80	838.78	1,258.17	838.78	2,096.95
2 control system - 70 mm	2/96	S-L	10	135,274.10	13,527.41	20,291.12	13,527.41	33,818.53
3 75 kva transformer	2/96	S-L	10	1,200.00	120.00	180.00	120.00	300.00
4 frt from M.A. Hanna	2/96	S-L	10	271.65	27.17	40.75	27.17	67.92
5 corrosive pump	2/96	S-L	10	648.06	64.81	97.21	64.81	162.02
6 parts for new product line (Vort)	2/96	S-L	10	2,656.50	265.65	398.48	265.65	664.13
7 dc motor - 70mm	2/96	S-L	10	26,466.88	2,646.69	3,970.03	2,646.69	6,616.72
8 line diverter, air control assmy, switch	2/96	S-L	10	3,263.42	326.34	489.51	326.34	815.86
9 platforms with access walks - 70 mm	2/96	S-L	10	15,000.00	1,500.00	2,250.00	1,500.00	3,750.00
0 brunner - 660 gal	2/96	S-L	10	2,780.29	278.03	417.04	278.03	695.07
1 fab & install duct work	2/96	S-L	10	4,867.00	486.70	730.05	486.70	1,216.75
2 manufacturing equipment - WarnerLambert-70mm	2/96	S-L	10	467,200.00	46,720.00	70,080.00	46,720.00	116,800.00
3 extruder, drawings, thermocouple adapter-70 mm	2/96	S-L	10	23,631.22	2,363.12	3,544.68	2,363.12	5,907.81
4 transportation on extruder - 70mm	2/96	S-L	10	1,511.65	151.17	226.75	151.17	377.91
5 elements for zse96 96-mm (Coke)	4/26/96	S-L	10	8,823.07	882.31	1,323.46	882.31	2,205.77
6 downspout, blanking rod, bushings-70 mm	3/96	S-L	10	1,809.24	180.92	271.39	180.92	452.31
7 labor on power panel-Ferguson- 70 mm	7/28/96	S-L	10	852.08	85.21	127.81	85.21	213.02
8 enductor 2-1/2", cs300-sce	2/20/96	S-L	10	1,245.28	124.53	186.79	124.53	311.32
9 frt electrical control panel	7/1/96	S-L	10	266.77	26.68	40.02	26.68	66.69
0 pipes for new press & check chiller	2/27/96	S-L	10	32,095.67	3,209.57	4,814.35	3,209.57	8,023.92
1 ductwork modifications	3/11/96	S-L	10	2,950.00	295.00	442.50	295.00	737.50
2 model bav2g -6-pa-m	3/25/96	S-L	10	1,543.48	154.35	231.52	154.35	385.87
3 electrical installation of killion-expansion (Coke)	7/18/96	S-L	10	6,223.82	622.38	933.57	622.38	1,555.96
4 buy out for boiler lease	8/27/96	S-L	10	2,552.00	255.20	388.80	255.20	643.00
5 ferguson electric adjustment	8/96	S-L	10	748.00	74.80	112.20	74.80	187.00
6 ferguson Electric interest	9/1/96	S-L	10	448.40	44.84	67.26	44.84	112.10
7 transition hopper - 70mm	9/16/96	S-L	10	442.00	44.20	66.30	44.20	110.50
8 In-Control labor -70 mm	9/1/96	S-L	10	2,505.42	250.54	375.81	250.54	626.36
TOTAL 9/30/96				3,251,220.94	321,919.54	4,812,330.73	329,157.27	1,641,488.01
9 Ferguson Electric interest	10/31/96	S-L	10	401.51	20.08	20.08	40.15	60.23
0 Eurotherm temp control & solid state contactor	11/11/96	S-L	10	2,175.00	108.75	108.75	217.50	326.25
1 Ferguson Electric interest	11/1/96	S-L	11	380.96	19.05	19.05	38.10	57.14
2 pump & motor FU-2-30-001180	2/12/97	S-L	10	1,048.00	52.40	52.40	104.80	157.20
3 fulton boiler feed tank & valve assembly 1/2 short	2/1/97	S-L	10	986.00	49.30	49.30	98.60	147.90
4 elements for ZSE96	3/28/97	S-L	10	7,537.50	376.88	376.88	753.75	1,130.63
5 bed knife-s.s.	4/4/97	S-L	10	658.10	32.91	32.91	65.81	98.72
6 motor for q2v pump, q2ssy pump head, piston (Coke)	6/19/97	S-L	10	721.35	36.07	36.07	72.14	108.20
7 omega ceramic heater	6/30/97	S-L	10	671.65	33.58	33.58	67.17	100.75
8 Parts & labor to repair compressor #2	9/25/97	S-L	10	813.00	40.65	40.65	81.30	121.95
9 rotor -48 tooth 208 stellite - 96 mm pelletizer	9/25/97	S-L	10	6,495.00	324.75	324.75	649.50	974.25
0 frt on rotor - 48	9/25/97	S-L	10	335.67	16.78	16.78	33.57	50.35
TOTAL 9/30/97				1,273,444.68	123,030.72	1,313,441.92	331,379.65	1,644,821.57

Handwritten notes:
Approved by [unclear]
in [unclear]
no [unclear]
[unclear]
[unclear]

Novon International Inc.
Depreciation Schedule-Machinery & Equipment
GL Account # 12100-100

Description	DATE SVCE	Method	Life	Amount	Dep. Exp. 9/30/97	Accum. Dep. 9/30/97	Dep. Exp. 9/30/98	Accum. Dep. 9/30/98
Heater band - American Leistritz	3/4/92	S-L	10	931.25	93.13	488.91	93.13	582.03
Ferguson Electric-Electrical system	92 various	S-L	10	125,463.68	12,546.37	65,868.43	12,546.37	78,414.80
Ferguson Electric-Electric System	11/12/92	S-L	10	234.35	23.49	123.30	23.49	146.78
Antech-Alarm Meter	1/15/93	S-L	10	458.14	45.81	194.71	45.81	240.52
Freight-ABF	1/15/93	S-L	10	1,211.27	121.13	514.79	121.13	635.92
American Leistritz-Heater Bands(2)	1/15/93	S-L	10	1,806.50	180.65	757.76	180.65	948.41
Noltec - Starch Drying System	1/15/93	S-L	10	8,805.80	8,805.80	37,424.65	8,805.80	46,230.45
Parsec-Control System Upgrade	1/15/93	S-L	10	4,974.00	497.40	2,113.95	497.40	2,611.35
Fr. Bagger - Berger Transfer	1/15/93	S-L	10	441.00	44.10	187.43	44.10	231.53
Triline-Air Compressor system	1/15/93	S-L	10	1,496.80	1,496.80	6,361.40	1,496.80	7,858.20
Fr-Air compressor	1/15/93	S-L	10	187.31	18.73	79.61	18.73	98.34
Triline-Freight TNT Red Star	1/15/93	S-L	10	55.42	5.54	23.55	5.54	29.10
Spray nozzle-starch line - Beta Fog Nozzle	1/15/93	S-L	10	324.12	32.41	137.75	32.41	170.16
Total 12/31/92				2,094,244.85	232,669.16	1,058,811.78	209,906.90	1,268,718.68
BJ Muirhead-Boiler(dryer) Leased	1/1/93	S-L	10	24,000.00	2,400.00	10,200.00	2,400.00	12,600.00
Bagger-Bonar Inc. Leased	1/1/93	S-L	10	29,400.00	2,940.00	12,495.00	2,940.00	15,435.00
Rotary Airdock (Nol-Tec)	3/1/93	S-L	10	1,000.00	100.00	425.00	100.00	525.00
Fr.-ABF Noltec	1/1/93	S-L	10	109.75	10.98	46.64	10.98	57.82
Late Fee (Nol-Tec)	3/19/93	S-L	10	1,337.51	133.75	568.44	133.75	702.19
Bautronix-Extruder Thyristor	2/1/93	S-L	10	1,701.20	170.12	723.01	170.12	893.13
Electrical-2nd dryer system Ferguson Elec.	2/1/93	S-L	10	21,667.18	2,166.72	9,208.55	2,166.72	11,375.27
Contacteur-Extruder (Zellers)	2/1/93	S-L	10	1,414.00	141.40	600.95	141.40	742.35
Control system extruder (Parsec)	2/1/93	S-L	10	1,160.60	1,160.60	4,932.55	1,160.60	6,093.15
2nd Dryer-Southtowns	2/1/93	S-L	10	38,593.00	3,859.30	37,652.03	3,859.30	46,511.33
Ventilation Ductwork - Valentine	3/1/93	S-L	10	1,200.00	120.00	510.00	120.00	630.00
Air Express International - Coil, AC Operated	3/1/93	S-L	10	207.90	20.79	88.36	20.79	109.15
Vacuum Industrial (Goodway)	3/1/93	S-L	10	1,056.61	105.66	449.06	105.66	554.72
Elec. Work - Ferguson Electric	4/20/93	S-L	10	1,205.83	120.58	512.48	120.58	633.06
Elec. Work Bag Sealer - Ferguson Electric	4/20/93	S-L	10	911.76	91.18	387.50	91.18	478.67
Elec. Work Extruder Heater - Ferguson Electric	4/20/93	S-L	10	749.33	74.93	318.47	74.93	393.40
Elec. Work Extruder Fault - Ferguson Electric	4/20/93	S-L	10	1,639.97	164.00	696.99	164.00	860.98
Elec. Work Starch Room - Ferguson Electric	4/20/93	S-L	10	2,116.06	211.61	899.33	211.61	1,110.93
Pelletizer Roll-Conair Group	6/9/93	S-L	10	576.34	57.63	244.94	57.63	302.58
New Batch Weighing Scale -McMahon Scale	6/21/93	S-L	10	1,308.33	130.83	556.04	130.83	686.87
Chiller - VWR Scientific	6/23/93	S-L	10	1,209.95	121.00	514.23	121.00	635.22
Steel Tank - Extruder (W.H. Jones)	6/25/93	S-L	10	845.00	84.50	359.13	84.50	443.63
Tools(Sears)	6/7/93	S-L	10	899.32	89.98	382.42	89.98	472.41
Compost Tumbler - Kemp Co.	6/2/93	S-L	10	347.95	34.80	147.88	34.80	182.67
Lab Line Extruder - Killion Lease	7/1/93	S-L	10	59,101.69	5,910.17	25,118.22	5,910.17	31,028.39
Adj. Pacific Eng. Write Off				52,070.76				
Pipe Fittings Killion /Killion Film Line	7/93	S-L	10	3,495.51	349.55	1,485.59	349.55	1,835.14
Killion Freight-Roberts Express	7/2/93	S-L	10	880.38	88.09	374.37	88.09	462.46
Dumpster Cover - Southtown's	8/24/93	S-L	10	756.00	75.60	321.30	75.60	396.90
Ferguson Electric Purge Fan	10/93	S-L	10	1,381.10	138.11	586.97	138.11	725.08
Noltec-Starch Rm. Replacement Parts	11/93	S-L	10	11,694.50	1,169.45	4,970.16	1,169.45	6,139.61
Southtown's Starch Dryer System	11/93	S-L	10	1,295.00	129.50	550.38	129.50	679.88
Parsec- Computer Upgrade Extruder (2nd Gen.)	Not in svc	S-L	10	22,200.00				
Noltec Rpl. Due to Fire	1/15/93	S-L	10	-11,694.50	-1,169.45	-4,970.16	-1,169.45	-6,139.61
Total 12/31/93				2,326,387.76	228,870.53	1,170,167.59	236,108.27	1,406,275.85
Nol-Tec Explosion & Vent Panels	5/17/94	S-L	10	3,356.89	335.69	1,090.99	335.69	1,426.68
Nol-Tec Explosion & Vent Panels	Not in svc	S-L	10	6,116.70	611.67	1,987.93	611.67	2,599.60
Noltec Rpl. Due to Fire		S-L	10	-4,450.00				
TOTAL 1994				2,331,411.35	229,817.89	1,173,246.50	237,055.63	1,410,302.10
Packing bins relocation electrical work	6/26/95	S-L	10	3,100.00	310.00	736.25	310.00	1,046.25
Yale truck 200 point inspection and repair	7/25/95	S-L	7	2,816.11	402.30	955.47	402.30	1,357.77
Material storage bin relocation	6/27/95	S-L	10	3,525.60	352.56	837.33	352.56	1,189.89
Total 9/30/95				2,340,353.06	230,382.75	1,175,775.55	238,120.49	1,413,896.04
074 micro-air mx3500 - 70 mm	2/96	S-L	10	4,102.88	410.29	615.43	410.29	1,025.72
tooling screws & barrels	2/96	S-L	10	15,700.00	1,570.00	2,355.00	1,570.00	3,925.00
screw segments & parts - 70mm	2/96	S-L	10	10,813.75	1,081.38	1,522.06	1,081.38	2,603.44
	2/96	S-L	10	4,957.42	495.74	729.61	495.74	1,225.35

Novon International Inc.
 Depreciation Schedule-Machinery & Equipment
 GL Account # 12100-100

Description	DATE SVCE	Method	Life	Amount	Dep. Exp. 9/30/97	Accum. Dep. 9/30/97	Dep. Exp. 9/30/98	Accum. Dep. 9/30/98
Convention Oven SLS - (SLS)	8/90	S-L	10	2,447.38	244.74	2,599.69	580.60	2,019.09
1 Spiral Dryer SLS	8/90	S-L	10	17,200.00	1,720.00	10,750.00	3,440.00	14,190.00
Electronic Balance	10/90	S-L	10	3,300.00	330.00	2,062.50	660.00	2,722.50
Orbital Shaker Bath-VWR Scientific	10/90	S-L	10	2,390.00	239.00	1,493.75	478.00	1,971.75
Tissue Culture-Fisher Scientific	10/90	S-L	10	1,564.00	156.40	977.50	312.80	1,290.30
Autoclave Sterilizer - Fisher Scientific	10/90	S-L	10	4,106.00	410.60	2,566.25	821.20	3,387.45
Randcastle Microtruder	1/91	S-L	10	11,500.00	1,150.00	6,037.50	1,150.00	7,187.50
Spindle Torque Winder - Randcastle	1/91	S-L	10	2,500.00	250.00	1,312.50	250.00	1,562.50
Pelletizing Line Rand - Randcastle	1/91	S-L	10	3,500.00	350.00	1,837.50	350.00	2,187.50
3 Patterson Mizer SLS - Randcastle	1/91	S-L	10	3,895.00	889.50	4,669.88	889.50	5,559.38
1 Metering Conveyor-Sls - Randcastle	3/91	S-L	10	4,448.00	444.80	2,335.20	444.80	2,780.00
2 Screw & Bin Agitator - Randcastle	3/91	S-L	10	5,782.00	578.20	3,035.55	578.20	3,613.75
3 Rotary Valve & Airlock - Randcastle	3/91	S-L	10	5,335.00	533.50	2,800.88	533.50	3,334.38
4 Scwitzer Blower c/w 15 HP - Randcastle	3/91	S-L	10	8,005.00	800.50	4,202.63	800.50	5,003.13
5 Ducon Midropal Baghse - Randcastle	3/91	S-L	10	8,895.00	889.50	4,669.88	889.50	5,559.38
6 Forklift - Yale Lease E.D. Farrell Co.	10/91	S-L	10	19,904.99	1,990.50	10,450.12	1,990.50	12,440.62
7 Freight on Forklift	12/91	S-L	10	434.14	43.41	227.92	43.41	271.34
8 Chiller & Ancillary Equip - ICS	12/91	S-L	10	49,597.20	4,959.72	26,038.53	4,959.72	30,998.25
9 Freight-Cooler	12/91	S-L	10	490.00	49.00	257.25	49.00	306.25
0 Jaw Sealer - Chaffee Co.	12/91	S-L	10	678.05	67.81	355.98	67.81	421.78
1 Dockboard-Lanich Schreiner Co.	10/91	S-L	10	1,062.39	106.24	557.75	106.24	663.99
2 Toledo Scale - Mettler Toledo Inc.	12/91	S-L	10	394.20	39.42	208.96	39.42	248.38
3 Water Softner System - Metro Group Pacific Engineering:	11/91	S-L	10	4,366.46	436.65	2,292.39	436.65	2,729.04
4 Bulk Material & Liquid Handling System		S-L	10	575,336.00	57,426.52	277,842.79	57,633.60	335,476.39
5 Filter Bags		S-L	10	680.00	68.00	357.00	68.00	425.00
6 M-204 Mixall Mixer - S. Howes Co., Inc.	6/91	S-L	10	11,229.00	1,122.90	5,895.23	1,122.90	7,016.13
7 Falcon Pack Boiler - Industrial Boiler Works	Not in svc	S-L	10	10,221.00	1,022.10	5,366.03	1,022.10	6,388.13
Platforms-Southtowns	12/91	S-L	10	28,991.00	2,899.10	15,220.28	2,899.10	18,119.38
Dryers-China-Southtown		S-L	10	16,000.00	1,600.00	8,400.00	1,600.00	10,000.00
8 Repair of 5 nMotors-Buffalo Motor Generator American Leistritz	7/91	S-L	10	1,728.00	172.80	907.20	172.80	1,080.00
1 34MM Twin Screw Extruder	8/91	S-L	10	202,684.00	20,268.40	106,409.10	20,268.40	126,677.50
2 96MM Twin Screw Extruder	8/91	S-L	10	568,651.71	56,865.17	298,342.15	56,865.17	355,407.32
3 Pelitizer -34MM	6/91	S-L	10	24,500.00	2,450.00	12,862.50	2,450.00	15,312.50
4 Pelitizer-96MM	3/91	S-L	10	49,530.00	4,953.00	26,003.25	4,953.00	30,956.25
5 Freight on 96MM Extruder - C.W.D. Inc.	12/91	S-L	10	2,886.97	288.70	1,515.66	288.70	1,804.36
6 Freight on 34MM Extruder - C.W.D. Inc.	10/91	S-L	10	1,882.00	188.20	988.06	188.20	1,176.25
7 Air Station-Baun 100AS - Safety Supply America	12/91	S-L	10	8,452.75	845.28	4,437.69	845.28	5,282.97
8 Equip-Various-SLS		S-L	10	76,823.34	7,682.33	40,332.25	7,682.33	48,014.59
9 SLS-Freight	3/91	S-L	10	2,505.00	250.50	1,367.63	260.50	1,628.13
Total 12/31/1991				1,149,995.58				
0 Motor repairs - Buffalo Motor & Generator	3/23/92	S-L	10	750.00	75.00	393.75	75.00	468.75
1 Ventilation System - Valentine	5/1/92	S-L	10	990.00	99.00	5,197.50	99.00	6,187.50
2 Rack components - Moore Research	3/12/92	S-L	10	750.00	75.00	393.75	75.00	468.75
3 SLS-Freight - Productive Transportation Svc.	3/16/92	S-L	10	750.00	75.00	393.75	75.00	468.75
4 25# iron scale weights - McMahon Scale Co.	3/25/92	S-L	10	116.00	11.60	60.90	11.60	72.50
5 Volumetric screw feeder - S. Howes Co.	3/6/92	S-L	10	218.33	21.83	114.62	21.83	136.46
6 Rotary airlock vavle - SEMCO	3/5/92	S-L	10	2,387.00	238.70	1,253.18	238.70	1,491.88
7 Bauer Installation-Fit	3/9/92	S-L	10	1,022.51	102.25	536.32	102.25	639.07
8 Pacific Engineer		S-L	10	6,803.56	680.36	3,571.37	680.36	4,252.22
9 Fit-Pacific Engineering	2/21/92	S-L	10	1,383.37	138.34	726.27	138.34	864.61
0 Southtown's - Catwalk, Chiller Sys., Starch Modif.	3/1/92	S-L	10	16,872.21	1,687.22	8,857.31	1,687.22	10,545.11
1 Temp. Controller unit-American Leistritz	4/8/92	S-L	10	6,500.00	650.00	3,412.50	650.00	4,062.50
2 Southtown's	4/22/92	S-L	10	19,455.00	1,945.50	10,213.88	1,945.50	12,159.38
3 Southtown's		S-L	10	3,300.00	330.00	1,732.50	330.00	2,062.50
4 Piping-Mollenberg Betz	6/17/92	S-L	10	1,461.99	146.20	767.54	146.20	913.79
5 Toledo scale - Service Toledo 8821	8/7/92	S-L	10	153.00	15.30	80.33	15.30	96.60
Heaterband/Temp. probe-Leistritz	5/21/92	S-L	10	1,464.22	146.42	768.72	146.42	915.10
Centerings/disks-Leistritz	9/8/92	S-L	10	8,891.33	889.13	4,667.95	889.13	5,557.08
6 S. Howes & Co. - Mixer	10/92	S-L	10	7,273.00	727.30	3,091.03	727.30	3,818.33
7 4 Mixers - Nason's Delivery	1/2/92	S-L	10	201.73	20.17	105.87		126.03

Novon International Inc.
Depreciation Schedule-Machinery & Equipment
GL Account # 2-00-100

Dear: all 1990 assets should have been

Description	DATE SYCE	Method	Life	Amount	Accum. Dep.	Dep. Exp.	Accum. Dep.	Dep. Exp.	Accum. Dep.	Dep. Exp.	Accum. Dep.	Dep. Exp.	Accum. Dep.	Dep. Exp.	Accum. Dep.	Dep. Exp.	Accum. Dep.	Dep. Exp.	Accum. Dep.	Dep. Exp.
				12/31/90	12/31/91	12/31/92	12/31/93	12/31/94	12/31/95	12/31/96	12/31/97	12/31/98	12/31/99	12/31/00	12/31/01	12/31/02	12/31/03	12/31/04	12/31/05	12/31/06
1	Convention Oven SLS	S-L	10	2,447.36	244.74	244.74	244.74	244.74	244.74	244.74	244.74	244.74	244.74	244.74	244.74	244.74	244.74	244.74	244.74	244.74
2	Spiral Oven SLS	S-L	10	17,200.00	1,720.00	1,720.00	1,720.00	1,720.00	1,720.00	1,720.00	1,720.00	1,720.00	1,720.00	1,720.00	1,720.00	1,720.00	1,720.00	1,720.00	1,720.00	1,720.00
3	Electronic Balance	S-L	10	3,300.00	330.00	330.00	330.00	330.00	330.00	330.00	330.00	330.00	330.00	330.00	330.00	330.00	330.00	330.00	330.00	330.00
4	Orbital Shaker Bath-W/R Scientific	S-L	10	2,390.00	239.00	239.00	239.00	239.00	239.00	239.00	239.00	239.00	239.00	239.00	239.00	239.00	239.00	239.00	239.00	239.00
5	Tissue Culture Shaker Scientific	S-L	10	1,564.00	156.40	156.40	156.40	156.40	156.40	156.40	156.40	156.40	156.40	156.40	156.40	156.40	156.40	156.40	156.40	156.40
6	Autoclave Sterilizer, Fisher Scientific	S-L	10	4,106.00	410.60	410.60	410.60	410.60	410.60	410.60	410.60	410.60	410.60	410.60	410.60	410.60	410.60	410.60	410.60	410.60

PATENT
REEL: 010996 FRAME: 0491

[illegible]

DATE	SYCE	Description	Method	Life	Amount	Accum Dep	Dep Exp	Accum Dep	Dep Exp	Accum Dep	Dep Exp	Accum Dep	Dep Exp	Accum Dep	Dep Exp
10/9		Novlec Rpl Due to Fire	S-L	10	4,450.00										
		TOTAL 1984			2,331,411.35										
6/25/85		110 Packing bins relocation electrical work	S-L	10	3,100.00										
7/25/85		111 Yale truck 200 point inspection and repair	S-L	7	2,815.11										
6/27/85		112 Material storage bin relocation	S-L	10	3,325.50										
		Total 9/30/85			2,340,853.06										
2/96		113 074 micro-air mc2500 - 70 mm	S-L	10	4,102.88										
2/96		114 loading screws & barrels	S-L	10	15,700.00										
2/96		115 screw segments & parts - 70mm	S-L	10	10,813.75										
2/96		116 w/ pro dec dsu4x8x5 & inscale model	S-L	10	4,857.42										
2/96		117 dustbuster loader	S-L	10	2,718.52										
2/96		118 loss in weight feeders - 70 mm	S-L	10	30,310.40										
2/96		119 prepost filters & life	S-L	10	1,061.00										
2/96		120 main electrical panel board - 70 mm	S-L	10	84,700.00										
2/96		121 1/2 ft & 1/2000 panel assembly of power - 70 mm	S-L	10	8,187.40										
2/96		122 control system - 70 mm	S-L	10	135,274.10										
2/96		123 75 kva transformer	S-L	10	1,200.00										
2/96		124 1/2 ft from M.A. Haina	S-L	10	27.85										
2/96		125 corrosive pump	S-L	10	848.06										
2/96		126 parts for new product line	S-L	10	2,856.50										
2/96		127 dc motor - 70mm	S-L	10	26,466.88										
2/96		128 line diverter, air control assembly, switch	S-L	10	3,263.42										
2/96		129 outflows with access walks - 70 mm	S-L	10	15,000.00										
2/96		130 burner - 560 gal	S-L	10	2,780.29										
2/96		131 lab & install duct work	S-L	10	4,367.00										
2/96		132 manufacturing equipment - Warner Lambert-70mm	S-L	10	467,200.00										
2/96		133 extruder, drawings thermocouple heater-70 mm	S-L	10	20,631.22										
2/96		134 transportation on extruder - 70mm	S-L	10	1,511.65										
4/25/96		135 elements for 1366 96-mm	S-L	10	8,323.07										
3/96		136 downspout, blanking rod, bushings-70 mm	S-L	10	1,809.24										
7/28/96		137 labor on power panel-Ferguson-70 mm	S-L	10	352.08										
2/20/96		138 conductor 1/2" cs1000-ss	S-L	10	1,245.25										
7/1/96		139 air electrical control panel	S-L	10	286.77										
2/27/96		140 pipes for new press & check chiller	S-L	10	32,095.87										
3/11/96		141 ductwork modifications	S-L	10	2,950.00										
3/25/96		142 metal bar/96 6-pa-m	S-L	10	1,543.48										
7/18/96		143 electrical installation of kilion-expansion	S-L	10	6,223.92										
8/27/96		144 box out for boiler lease	S-L	10	2,592.00										
8/96		145 Ferguson electric adjustment	S-L	10	748.00										
9/11/96		146 Ferguson Electric interest	S-L	10	448.40										
9/16/96		147 transition hopper - 70mm	S-L	10	442.00										
9/1/96		148 in-control labor - 70 mm	S-L	10	2,905.42										
		TOTAL 9/30/96			3,251,220.94										
10/31/96		149 Ferguson Electric interest	S-L	10	401.51										
11/11/96		150 Eurotherm temp control & solid state contactor	S-L	10	2,175.00										
11/1/96		151 Ferguson Electric interest	S-L	11	380.96										
2/1/97		152 pump & motor #12 10,000-30	S-L	10	1,048.00										
2/1/97		153 Fulton boiler feed tank & valve assembly 1/2 short	S-L	10	986.00										
2/23/97		154 1/2 ft & 1/2000 panel assembly of power - 70 mm	S-L	10	8,187.40										
4/4/97		155 bed knives-13	S-L	10	558.10										
5/1/97		156 motor for 120 pump - 12000-30	S-L	10	72.55										
6/30/97		157 Omega ceramic heater	S-L	10	671.55										
9/25/97		158 Parts & labor to repair compressor #2	S-L	10	310.00										
3/25/97		159 rotor - 48 tooth 208 stalle - 96 mm pelleizer	S-L	10	6,495.00										

PATENT

FURNITURE

DEPR. FURNITURE & OFFICE EQUIP. EX #62500-100
 100 DEPR. FURNITURE & OFFICE #12500-100

71030-100
 12015
 OLD ACCT#5

NOVON INTERNATIONAL
 FURNITURE & FIXTURES
 MONTHLY DEPRECIATION SCHEDULE FY 98

DATE	COMPANY PURCHASED FROM OLD ACCT# 12010	TOTAL COST #12000-100	# YEARS TO BE DEPR.	Oct-97	Nov-97	Dec-97	Jan-98	Feb-98	Mar-98	Apr-98	May-98	Jun-98	Jul-98	Aug-98	Sep-98
9/30/97	BEGIN BALANCE	110,123.43		71,930.04											
	MONTHLY DEPR.			779.08	779.08	779.08	779.08	779.08	779.08	779.08	779.08	779.08	779.08	779.08	779.08
10/97		0.00		0.00											
	TOTAL DEPR EXP OCT 1997			779.08											
	TOTAL ACCUM DEPR OCT 1997	110,123.43		72,709.12											
11/97		0.00			0.00										
	TOTAL DEPR EXP NOV 1997				1,558.15										
	TOTAL ACCUM DEPR NOV 1997	110,123.43			73,428.18										
12/97		0.00				0.00									
	TOTAL DEPR EXP DEC 1997					2,237.23									
	TOTAL ACCUM DEPR DEC 1997	110,123.43				74,247.27									
1/98							0.00								
	TOTAL DEPR EXP JAN 1998						3,115.30								
	TOTAL ACCUM DEPR JAN 1998	110,123.43					75,346.34								
2/98		0.00						0.00							
	TOTAL DEPR EXP FEB 1998							1,395.38							
	TOTAL ACCUM DEPR FEB 1998	110,123.43						75,925.42							
3/98		0.00							0.00						
	TOTAL DEPR EXP MARCH 1998								4,474.46						
	TOTAL ACCUM DEPR MAR 1998	110,123.43							75,904.01						
4/98		0.00								0.00					
	TOTAL DEPR EXP APRIL 1998									5,453.53					
	TOTAL ACCUM DEPR APRIL 1998	110,123.43								77,343.57					
5/98		0.00									0.00				
	TOTAL DEPR EXP MAY 1998										5,212.91				
	TOTAL ACCUM DEPR MAY 1998	110,123.43									78,142.55				
5/98		0.00										0.00			
	TOTAL DEPR EXP JUNE 1998											7,011.58			
	TOTAL ACCUM DEPR JUNE 1998	110,123.43										78,941.72			
8		0.00											0.00		
	TOTAL DEPR EXP JULY 1998												7,790.75		
	TOTAL ACCUM DEPR JULY 1998	110,123.43											79,720.90		
8/98		0.00												0.00	
	TOTAL DEPR EXP AUG 1998													3,569.33	
	TOTAL ACCUM DEPR AUG 1998	110,123.43												30,499.37	
9/98		0.00													0.00
	TOTAL DEPR EXP SEPT 1998														3,248.31
	TOTAL ACCUM DEPR SEPT 1998	110,123.43													31,278.35
Journal Entry				779.08	779.08	779.08	779.08	779.08	779.08	779.08	779.08	779.08	779.08	779.08	779.08

Description	Date Placed In Service	Method	Life	Amount	Exp. 9/30/97	A/O 9/30/97	Exp. 9/30/98	A/O 9/30/98
1 Computer	8/90	S-L	5	7,691.48	-1,922.37	7,691.48		7,691.48
2 Filing Cabinet - Delaware Distrib.	9/90	S-L	5	305.00	-76.25	305.00		305.00
3 Folding Table	3/91	S-L	5	88.00	-4.40	88.00		88.00
4 Folding Table	3/91	S-L	5	88.00	-4.40	88.00		88.00
5 Secretary Chair	3/91	S-L	5	88.00	-4.40	88.00		88.00
6 Calculator	3/91	S-L	5	88.00	-4.40	88.00		88.00
7 Calculator	3/91	S-L	5	88.00	-4.40	88.00		88.00
8 Dictation Machine	4/91	S-L	5	45.32	-2.27	45.32		45.32
9 Computer Network Hardware-PC Assist.	Sep-91	S-L	5	4,374.84	-243.74	4,374.84		4,374.84
10 Office Set & Credenza-Michael Fox Auctioneers	10/15/91	S-L	5	934.75	-46.74	934.75		934.75
11 Desks (4)	10/15/91	S-L	5	934.75	-46.74	934.75		934.75
12 Office Set & Credenza	10/15/91	S-L	5	817.91	-40.90	817.91		817.91
13 Tan Chairs (4)	10/15/91	S-L	5	233.69	-11.68	233.69		233.69
14 Red Secretary Chairs(2)	10/15/91	S-L	5	69.89	-3.49	69.89		69.89
15 Desk Stations (2)	10/15/91	S-L	5	1,402.13	-70.11	1,402.13		1,402.13
16 Green Office Chairs (5)	10/15/91	S-L	5	1,226.67	-61.34	1,226.67		1,226.67
17 Yellow Stack Chairs	10/15/91	S-L	5	82.22	-4.11	82.22		82.22
18 Office Set	10/15/91	S-L	5	934.75	-46.74	934.75		934.75
19 Oak Table	10/15/91	S-L	5	467.38	-23.37	467.38		467.38
20 2 Drawer Lateral File	10/15/91	S-L	5	87.63	-4.38	87.63		87.63
21 3 Drawer Lateral File	10/15/91	S-L	5	233.69	-11.68	233.69		233.69
22 Chalkboard Wall Mount	10/15/91	S-L	5	58.42	-2.92	58.42		58.42
23 Office Waiting Chairs(10)	10/15/91	S-L	5	1,168.44	-58.42	1,168.44		1,168.44
24 Green Waiting Chairs (2)	10/15/91	S-L	5	174.83	-8.74	174.83		174.83
25 Pictures (2)	10/15/91	S-L	5	70.32	-3.52	70.32		70.32
26 Dictaphone	10/15/91	S-L	5	167.40	-8.37	167.40		167.40
Freight (moving From SLS)	10/15/91	S-L	5	1,190.00	-59.50	1,190.00		1,190.00
Freight (moving From SLS)	10/15/91	S-L	5	1,975.50	-98.78	1,975.50		1,975.50
Freight (moving From SLS)	10/15/91	S-L	5	236.44	-11.82	236.44		236.44
30 Canon Copier NP 3825-Lease	9/3/91	S-L	5	5,157.00	-257.85	5,157.00		5,157.00
31 Xerox Fax 7024-Lease	7/24/91	S-L	5	2,694.94	-134.75	2,694.94		2,694.94
32 Telephone System-Buffalo Telecom <i>gone</i>	10/18/91	S-L	5	3,510.00	-175.50	3,510.00		3,510.00
33 Computer Network Hardware	10/23/91	S-L	5	2,436.84	-121.84	2,436.84		2,436.84
34 Window Blinds	11/6/91	S-L	5	777.60	-38.88	777.60		777.60
Total 12/31/91				40,400.06				
35 Telephone System-Buffalo Telecom <i>gone</i>	4/3/92	S-L	5	1,597.97	-239.70	1,597.97		1,597.97
36 Carpet-Custom Carpets	4/3/92	S-L	5	680.00	-102.00	680.00		680.00
37 Equip.-Polymer Applications	2/14/92	S-L	5	3,150.00	-472.50	3,150.00		3,150.00
38 Frt.		S-L	5	200.00	-30.00	200.00		200.00
39 Computer-386sx-25 PC Assistance	4/20/92	S-L	5	2,229.04	-334.21	2,229.04		2,229.04
40 Time Clock - Victor Liberator	1/8/92	S-L	5	500.04	-75.01	500.04		500.04
41 Lab Printer - Computer City	8/1/92	S-L	5	264.95	-39.74	264.95		264.95
42 Apple computer KPMG	9/1/92	S-L	5	650.00	-97.50	650.00		650.00
43 Portable office structure-Lease Prod. Offices <i>gone</i>	4/1/92	S-L	10	20,963.00	-2,096.00	11,004.00	2,096.00	13,100.00
Total 12/31/92				70,631.08	-432.55	60,875.06	2,096.00	62,771.06
44 Portable Office Structure-Dry Lab <i>gone</i>	3/8/93	S-L	10	12,390.00	-1,289.00	5,478.25	1,289.00	6,767.25
45 Paradox software - PC Assistance	'93	S-L	5	671.32	-114.25	485.92	85.70	571.32
46 Carpet Lab-Carpet Factory	3/12/93	S-L	5	440.00	-88.00	374.00	66.00	440.00
47 F & F American Color	5/3/93	S-L	5	160.00	-32.00	136.00	24.00	160.00
Total 12/31/93				84,662.38	-1,390.51	67,148.93	3,560.70	70,709.63
48 File cabinet lateral 2-drawer	8/23/95	S-L	5	216.00	-43.20	102.80	43.20	146.80
49 Computer 486DX4/100 w/peripherals		S-L	5	1,765.88	-353.18	838.79	353.18	1,197.97
Total 12/31/95				86,674.26	-1,786.39	68,090.33	3,957.07	72,047.40
50 system 350913C, 951006C (20F3)	11/14/96	S-L	5	1,765.72	-353.14	529.72	353.14	883.86
51 canon NP3825 cooler Q12116	3/96	S-L	5	339.60	-167.90	251.88	167.92	419.80
52 1-adix-mphone sys.29-phones,1-display board	5/2/96	S-L	5	19,391.40	-3,378.23	5,817.42	3,378.23	9,695.70
53 disposal of old phone				-3.5 0.00		-3,276.00		-3,279.00
Computer from firma- ups charges	8/96	S-L	5	102.29	-20.46	30.69	20.46	51.15
Total 9/30/96				105,293.27	-6,206.73	71,444.03	8,376.38	79,820.30
55 T1950 lap top, Toshiba T4900desk station w/ monitor and keyboard	1/97	S-L	5	4,360.16	-486.02	486.02	972.03	1,458.05
Total 9/30/97				110,123.43	-6,692.31	71,930.05	9,348.41	81,278.35

PATENT FRAME

IPR LAB EQUIP - EXP
 MONTH DEPR - LAB EQUIPMENT

#51850-200 52000-200
 #12300-200 12075
 OLD ACCT#

NOVON INTERNATIONAL
 LAB EQUIPMENT
 MONTHLY DEPRECIATION SCHEDULE FY 1998

DATE	COMPANY PURCHASED FROM OLD ACCT#12070	TOTAL COST #12100-200	* YEARS TO BE DEPR.	Oct-96	Nov-96	Dec-96	Jan-97	Feb-97	Mar-97	Apr-97	May-97	Jun-97	Jul-97	Aug-97	Sept-97
10/97	BEGIN BALANCE	173,294.29		30,441.36											
	MONTHLY DEPR. EXP			1,518.10	1,518.10	1,518.10	1,518.10	1,518.10	1,518.10	1,518.10	1,518.10	1,518.10	1,518.10	1,518.10	1,518.10
11/97		0.00		0.00											
	TOTAL DEPR EXP OCT 1997			1,518.10											
	TOTAL ACCUM DEPR OCT 1997	173,294.29		31,359.36											
12/97		0.00			0.00										
	TOTAL DEPR EXP NOV 1997				3,036.20										
	TOTAL ACCUM DEPR NOV 1997	173,294.29			33,475.06										
		0.00				0.00									
	TOTAL DEPR EXP DEC 1997					4,554.30									
	TOTAL ACCUM DEPR DEC 1997	173,294.29				34,396.16									
1/98		0.00					0.00								
	TOTAL DEPR EXP JAN 1998						5,072.40								
	TOTAL ACCUM DEPR JAN 1998	173,294.29					35,514.29								
2/98		0.00						0.00							
	TOTAL DEPR EXP FEB 1998						7,590.50								
	TOTAL ACCUM DEPR FEB 1998	173,294.29					38,332.16								
3/98		0.00							0.00						
	TOTAL DEPR EXP MAR 1998							9,138.30							
	TOTAL ACCUM DEPR MAR 1998	173,294.29						39,550.16							
4/98		0.00								0.00					
	TOTAL DEPR EXP APRIL 1998								10,625.58						
	TOTAL ACCUM DEPR APRIL 1998	173,294.29							41,068.56						
5/98		0.00									0.00				
	TOTAL DEPR EXP MAY 1998									2,144.79					
	TOTAL ACCUM DEPR MAY 1998	173,294.29								42,586.55					
6/98		0.00										0.00			
	TOTAL DEPR EXP JUNE 1998										13,582.39				
	TOTAL ACCUM DEPR JUNE 1998	173,294.29									44,104.75				
7/98		0.00											0.00		
	TOTAL DEPR EXP JULY 1998											15,180.39			
	TOTAL ACCUM DEPR JULY 1998	173,294.29										45,372.85			
8/98		0.00												0.00	
	TOTAL DEPR EXP AUG 1998												16,599.09		
	TOTAL ACCUM DEPR AUG 1998	173,294.29											47,140.95		
9/98		0.00													0.00
	TOTAL DEPR EXP SEPT 1998													18,219.95	
	TOTAL ACCUM DEPR SEPT 1998	173,294.29												48,599.95	
Journal Entry				1,518.10	1,518.10	1,518.10	1,518.10	1,518.10	1,518.10	1,518.10	1,518.10	1,518.10	1,518.10	1,518.10	1,518.10

Novon International Inc.
Depreciation Schedule-Lab Equipment
GL Account #12100-200

Description	Date Placed In Service	Method	Life	Amount	Adjusted Basis	Dep. Exp 9/30/97	Acc. Dep. 9/30/97	Dep. Exp 9/30/98	Acc. Dep. 9/30/98
Hood Superstructure-VWR Scientific	3/1/92	S/L	10	2,921.10		292.11	1,533.58	292.11	1,325.69
Hood Top Resin	3/1/92	S/L	10	520.10		52.01	273.05	52.01	325.06
3 Acid Base Cabinet	3/1/92	S/L	10	819.00		81.90	429.98	81.90	511.88
4 Sink Base Cabinet	3/1/92	S/L	10	351.40		35.14	184.49	35.14	219.63
5 Kam Resin Cup Drain	3/1/92	S/L	10	20.00		2.00	10.66	2.00	12.69
6 Hood Trim Package	3/1/92	S/L	10	162.40		16.24	85.26	16.24	101.50
7 Motor Blower	3/1/92	S/L	10	828.80		82.88	435.12	82.88	518.00
8 Fan Outlet Adapter	3/1/92	S/L	10	81.20		8.12	42.63	8.12	50.75
9 Venticle Exhaust Duct	3/1/92	S/L	10	117.60		11.76	61.74	11.76	73.50
0 Freight	3/1/92	S/L	10	444.30		44.43	233.26	44.43	277.69
1 Cabinets (5)-Phoenix Equip.	3/1/92	S/L	10	1,046.60		104.66	549.41	104.66	654.06
2 (1) Sink Cabinet - Phoenix Equip.	3/1/92	S/L	10	299.00		29.90	156.98	29.90	186.88
3 (1) Sink - Phoenix Equip.	3/1/92	S/L	10	230.00		23.00	120.75	23.00	143.75
4 1 Water Faucet - Phoenix Equip.	3/1/92	S/L	10	115.00		11.50	60.38	11.50	71.88
5 22.5 FT of Wall Cabinets - Phoenix Equip.	3/1/92	S/L	10	1,170.00		117.00	614.25	117.00	731.25
6 Freight	3/1/92	S/L	10	102.00		10.20	53.55	10.20	63.75
Total 12/31/91				9,229.70					
7 Black Countertop Install - Allied Development	3/1/92	S/L	10	2,750.90		275.09	1,444.22	275.09	1,719.31
8 LAB Remodeling - D. Provorse	3/1/92	S/L	10	500.00		50.00	262.50	50.00	312.50
9 Plumbing Installation - Padovani	3/1/92	S/L	10	1,823.68		182.37	957.43	182.37	1,139.80
0 Cabinets Painted-Richway Refinishing Co.	3/1/92	S/L	10	400.00		40.00	210.00	40.00	250.00
1 Dionized Water System-Megohmtrics Corp.	3/1/92	S/L	10	799.00		79.90	419.48	79.90	499.38
2 Distilled Water System-Millipore Corp.	3/1/92	S/L	10	3,206.30		320.63	1,683.31	320.63	2,003.94
3 Misc Lab Equip-Cindy Culverwell	3/1/92	S/L	10	11,545.00		1,154.50	6,061.13	1,154.50	7,215.63
4 Labor For Base Cabinet-MJ Mechanical	3/1/92	S/L	10	938.00		93.80	492.45	93.80	586.25
5 Water Faucet-VWR Scientific	3/1/92	S/L	10	212.93		21.29	111.79	21.29	133.08
6 Gosseneck-M.J. Mechanical	4/1/92	S/L	10	147.00		14.70	77.18	14.70	91.88
7 Heating tube-Cosa Instruments	6/1/92	S/L	10	360.65		36.07	189.34	36.07	225.41
8 Repairs-Mettler Instruments	4/1/92	S/L	10	530.00		53.00	278.25	53.00	331.25
9 Infraanalyzer-Bran Leubbe	3/1/92	S/L	10	45,000.00		4,500.00	23,625.00	4,500.00	28,125.00
0 Grinder-VWR Scientific	3/1/92	S/L	10	1,711.43		171.14	898.50	171.14	1,069.64
1 Convection Ovens(2) - Fisher Scientific	10/1/92	S/L	10	2,062.25	1,909.50	206.23	1,025.40	206.23	1,231.63
Instron Model 4301	1/15/93	S/L	10	41,172.00		4,117.20	17,498.10	4,117.20	21,615.30
Killion Lease Down Payment (LHS)	Not in Svc.	S/L	10	19,000.00					
Total 12/31/92				141,387.65		12,238.79	60,079.14	12,238.79	72,317.92
Killion Reclass to Mach. & Equip.		S/L	10	-19,000.00					
Fisher Scientific Adj. Sales Tax deducted	10/1/92	S/L	10	-152.76					
3 Frl. on Instron - Mayflower Transit	1/15/93	S/L	10	221.50		22.15	94.14	22.15	116.29
4 Lab Tables-Fisher Scientific	3/24/93	S/L	5	2,972.50		594.50	2,526.63	445.88	2,972.50
5 Used Lab Equip.-Various	6/1/93	S/L	10	20,000.00		2,000.00	8,500.00	2,000.00	10,500.00
6 Pointer Assembly-Thwing	3/3/93	S/L	10	188.18		18.82	79.98	18.82	98.79
7 Cathode Solution-Cosa Instruments	6/7/93	S/L	10	693.05		69.31	294.55	69.31	363.85
8 Elec. Work Lab - Ferguson Electric	10/1/93	S/L	10	3,519.84		351.98	1,495.93	351.98	1,847.92
9 Addition Bran Leubbe	7/1/95	S/L	7	16,890.12		2,412.87	6,635.40	2,412.87	9,048.28
Total 12/31/95				166,720.29		17,708.42	79,705.76	17,559.79	97,265.55
no additions 1996									
Total 9/30/96						17,708.42	79,705.76	17,559.79	97,265.55
10 Arizona Moisture Analyzer	12/2/96	S/L	10	2,500.00		125.00	125.00	250.00	375.00
11 K-Tron T-20 Volumetric Feeder &ZZ Feeder	7/1/96	S/L	10	4,074.00		611.10	611.10	407.40	1,018.50
Total 9/30/97				173,294.29		18,444.52	80,441.86	18,217.19	98,553.05

10/1/97
10/1/97
10/1/97

Novon International Inc.
 Depreciation Schedule-Lao Equipment
 GL Account #12100-200

Description	Date Placed in Service	Method	Life	Amount	Adjusted Basis	Dep. Exp. 12/31/92	Accum. Dep. 12/31/92	Dep. Exp. 12/31/93	Accum. Dep. 12/31/93	Dep. Exp. 12/31/94	Accum. Dep. 12/31/94	Dep. Exp. 9/30/95	Acc. dep. 9/30/95	Dep. Exp. 9/30/96	Acc. Dep. 9/30/96	Dep. Exp. 9/30/97	Acc. Dep. 9/30/97
Arizona Moisture Analyzer	12/2/96	S/L	10	2,500.00												125.00	125.00
K-Tron 1-20 Volumetric Feeder & ZZ Feeder	7/1/96	S/L	10	4,074.00												611.10	611.10
Total 9/30/97				173,294.28		4,060.79	4,060.79	11,693.29	15,754.08	15,280.27	31,034.35	13,265.86	44,304.20	17,693.14	61,997.34	18,444.52	80,441.86

NOVON INTERNATIONAL
 LAB EQUIPMENT NOT IN SERVICE
 MONTHLY PURCHASE SCHEDULE 10/95-9/97
 Acct # 12100-000

DATE	COMPANY	DESCRIPTION	TOTAL PURCHASE	BALANCE
9/30/95	BEGIN BALANCE			0.00
5/1/96	WARNER LAMBERT	EQUIP STORAGE - 9/95 - 4/96	3,143.04	3,143.04
6/13/96	WARNER LAMBERT	EQUIP STORAGE - 5/96	1,017.38	9,160.42
7/1/96	WARNER LAMBERT	EQUIP STORAGE - 6/96	1,017.38	10,177.80
7/15/96	WARNER LAMBERT	EQUIP STORAGE - 7/96, ADJ 5/96 & 6/96	1,009.28	11,187.08
8/96	WARNER LAMBERT	EQUIP STORAGE - 8/96	1,011.27	12,198.35
9/96	WARNER LAMBERT	EQUIP STORAGE - 9/96	1,011.27	13,209.62
9/96	WARNER LAMBERT	K-TON, STRAND BELTS CHILL STACK (w/hs)	50,274.00	63,483.62
10/30/96	WARNER LAMBERT	EQUIP STORAGE - 10/96	979.42	64,463.04
11/30/96	WARNER LAMBERT	EQUIP STORAGE - 11/96	983.68	65,446.72
12/31/96	WARNER LAMBERT	EQUIP STORAGE - 12/96	981.10	66,427.82
7/1/96	EQUIPMENT PUT IN SERVICE	K-TRON T-20 VOLUMETRIC FEEDER (prod. & service)	4,074.00	62,353.82

All items th. pay
 located in T.O.C. warehouse
 under notice.

ALLOCATION OF CONSIDERATION

Intangible Rights and Intangible Patent Rights:	\$200,000
Inventory:	\$60,000
Tangible Personal Property:	\$40,000