

11-13-2000

2 #

FORM PTO-1595

(Rev. 6-93)
OMB No. 0651-0011 (Exp 4/94)

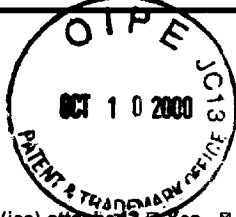


101514013

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

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

1. Name of conveying party(ies):
Igor Zuykov



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

Internal Address: None

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

3. Nature of conveyance

- Assignment Merger
- Security Agreement Change of Name
- Other

Street Address: 1700 West Blancke Street

City: Linden State: NJ ZIP: 07036

Additional name(s) and addresses attached? Yes No

Execution Date: 05081998

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

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

A. Patent Application No.(s)
09318210

B. Patent No.(s)

Additional numbers attached? Yes No

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

Name: Michael D. Fitzpatrick

Internal Address: None

Street Address: 328 Fenimore Avenue, PO Box 178

City: Uniondale State: NY ZIP: 11553-0178

6. Total number of applications and patents involved: 1

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

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

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

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.

Michael D. Fitzpatrick
Name of Person Signing

Michael D. Fitzpatrick
Signature

10102000
Date

11/09/2000 MTHAI1 00000360 09318210

Total number of pages including cover sheet, attachments, and documents: 10

01 FC:581

60.00.00
Mail documents to be recorded with required cover sheet information to:
Box Assignments, Assistant Commissioner for Patents
Washington, D.C. 20231

THIS AGREEMENT is between ENVIRONMENTAL INVESTIGATIONS, CORP. located at 52-57 72nd Place, Maspeth, New York (hereafter known as the "Corporation") and IGOR ZUYKOV & OLEG ZUYKOV, citizens of the Russian Republic and Republic of the Ukraine, respectively (hereafter known as "Zuykov"). Zuykov is located at 2671 Haring Street, Brooklyn, N.Y.

WHEREAS, Igor Zuykov is the inventor and owner of certain technology, processes, testing procedures, hardware, software, machinery and apparatus which Zuykov wants to market and utilize in the United States and worldwide; and

WHEREAS, Corporation is willing and able to assist Zuykov, financially and personally, with securing patents, both in the United States and internationally and to assist Zuykov in seeking and obtaining the immigration status necessary to be eligible to become employed in the United States by and on behalf of Corporation; and

WHEREAS, upon becoming eligible to work in the United States, Zuykov agrees to become the employee of the Corporation; and

WHEREAS, regardless of the eligibility of Zuykov to be employed in the United States, the parties want to enter into this Agreement regarding the use and marketing by the Corporation of the technology developed by Zuykov by the Corporation;

NOW THEREFORE, IN CONSIDERATION of their mutual promises set forth below, and for other good and valuable consideration, the parties hereby agree as follows:

THIS AGREEMENT AND ALL OF THE OBLIGATIONS OR DUTIES ARISING FROM IT IS/ARE SPECIFICALLY CONTINGENT AND DEPENDENT UPON THE APPROVAL OF THE PATENT OR PATENTS FOR THE TECHNOLOGY OR INVENTION(S) OF ZUYKOV AND THE PERFORMANCE OF THE TECHNOLOGY AS REPRESENTED. IF THE PATENTS ARE NOT APPROVED AND/OR THE TECHNOLOGY OR INVENTION(S) DO NOT PERFORM AS REPRESENTED, THEN THE CORPORATION SHALL HAVE THE RIGHT TO TERMINATE THIS AGREEMENT AND NEITHER PARTY SHALL HAVE ANY FURTHER RIGHTS OR OBLIGATIONS PURSUANT TO THIS AGREEMENT AGAINST THE OTHER.

1. EMPLOYMENT.

It is understood and agreed by and between the parties that the Corporation and Zuykov cannot enter an employment agreement unless and until Zuykov is eligible under the immigration laws of the United States to accept employment in the United States. Nothing in this agreement shall be construed to create an employer/employee relationship between Corporation and Zuykov. The parties agree, however, that Corporation shall employ Zuykov, and Zuykov shall accept employment from Corporation, upon approval of

1

CERTIFIED TO BE A TRUE
COPY OF THE ORIGINAL


STEPHEN C. LEONARD,

PATENT

REEL: 011221 FRAME: 0106

the Immigration and Naturalization Service for Zuykov to be employed legally in the United States.

2. DUTIES

A. Zuykov, when eligible, shall be employed by the corporation and Zuykov agrees to accept employment with the Corporation to perform all duties and have such responsibilities that may be required to further the purposes of the Corporation and advance the technology and discoveries of the Zuykov.

B. Zuykov, when eligible, shall execute any and all duties required of them in accordance with the terms of this Agreement at the principal place of business of Corporation, or at such time and other places as may be directed by Corporation and more specifically on any business trip in connection with business proposals on its behalf; provided, however, that Zuykov will be permanently located in the United States of America.

3. LICENSE OF PATENTS:

A. Corporation shall exercise its best efforts and shall expend such sums of money, in its sole and complete discretion, to obtain patent protection in the United States and internationally, for the technology, processes, procedures and/or apparatus developed and owned by Zuykov. Regardless of the eligibility of Zuykov to work in the United States, for value received by Zuykov from Corporation, the receipt of which is acknowledged, Zuykov grants, gives and assigns to Corporation the sole and exclusive license and interest in the application and the technology or invention, and in any improvements in the technology or invention made or acquired by the Zuykov prior to or following the date of this agreement, and to all rights of priority in the application and the technology or invention pursuant to the International Convention for the Protection of Industrial Property. Zuykov further gives and licenses to Corporation the entire right, title, and interest in any patent on the invention and/or improvements that may be granted in the United States or any foreign country, including each patent granted on any application which is a division, substitution, or continuation of the application specifically identified in this instrument, and in each reissue or extension of the patent.

Zuykov agrees to cooperate with Corporation so that Corporation may enjoy to the fullest extent the rights conveyed under this agreement. Such duty includes prompt execution of all papers, to be prepared at the expense of Corporation, that are deemed necessary or desirable by Corporation to perfect the conveyed rights.

The term, covenants, and provisions of this license and assignment shall inure to the benefit of the Corporation, its successors and assigns and/or other legal representatives, and

shall be binding on the Zuykov, Zuykov's heirs, assigns, and other legal representatives.

Zuykov warrants and represents that Zuykov has not entered into any assignment, contract, or understanding in conflict with this agreement.

The license and assignment shall be binding and effective for a period of **TEN (10) YEARS** from the date of this agreement.

Nothing contained in this agreement shall compel the Corporation to expend money or proceed with the applications for patents for Zuykov's technology if Corporation determines that the continuation of the process will not be economically feasible or profitable or the technology does not perform as represented.

B. After the expiration of the initial TEN (10) year term, the corporation shall have the right to continue to use the technology and/or invention developed by Zuykov including any patents in the name of Zuykov for an unlimited period of time. It being understood as stated above that the Corporation shall be the owner of any patents, improvements, discoveries, or modifications to the technology and/or invention of Zuykov.

4. COMPENSATION

A. Corporation shall pay Zuykov the cash sum of \$500.00 per person per week as and for Zuykov's expenses during the term of this agreement and such payments shall be considered an advance or a loan against the compensation for the licensing of Zuykov's patent and technology to the Corporation.

B. As and in consideration for the Licensing of the Patent from Zuykov to the Corporation for the period of ten years, Corporation shall pay Zuykov or either of them, an initial sum representing a commission of THIRTY PER CENT (30%) of the net income to the corporation received or derived, in any form, from the use, implementation or utilization of the technology developed and improved by the Zuykov during the term of this agreement. Payments to Zuykov shall be made on a yearly basis or more often in the discretion of the Corporation. All payments received for expenses as set forth in 4A above shall be deducted from the gross amount payable to Zuykov.

C. Corporation may pay Zuykov a bonus at any time and from time to time upon the unanimous approval of Corporation's Board of Directors. However, it is understood and agreed that if the commission payable to Zuykov from the Corporation shall be less than \$50,000.00 in any calendar year, to each of them or in other words, less than a total of \$100,000.00 to them together, then the Corporation shall pay to Zuykov the sum of \$5,000.00 to each of them, Igor and Oleg, \$10,000.00 total as and for their insurance expenses. Payment shall be made once each year.

D. Any amounts to which Zuykov is entitled as compensation, bonus, or any other form of compensation subject to withholding, shall be subject to usual deduction for appropriate federal, state, and local tax obligations of Zuykov. The Corporation shall, at a minimum, withhold from the compensation to be paid to the Zuykov, thirty-three per cent (33%) of Zuykov' gross income, in order to guarantee payment of Corporation's obligation for withholding under the federal, state and local laws.

E. After the expiration of the TEN (10) year period during which this Agreement shall remain in effect, absent an agreement modifying this Agreement, Corporation shall have the right to continue the use of the technology developed by Zuykov, including any patents in name of Zuykov and shall pay to Zuykov the sum representing FIVE (5%) Percent of the net income to the Corporation for the following TEN years derived from the utilization of the technology developed or improved by Zuykov during the initial term of this Agreement.

F. The Corporation additionally agrees to assist Igor and Oleg Zuykov and pay any reasonable expenses, including but not limited to attorney fees, in applying for and obtaining from the U.S. Immigration and Naturalization Service the legal status to work and reside in the United States on behalf of the Corporation.

5. DISCOVERIES

A. Any and all improvements, inventions, and discoveries which are related to the products designed, manufactured, sold or marketed by Corporation and which Zuykov has conceived or first accurately reduced to practice, or may conceive or first accurately reduce to practice, during the term of this Agreement, and which relate to the business character of Corporation now or hereafter carried on or contemplated by Corporation during the term of this Agreement shall be the sole and exclusive property of Corporation, or its nominee, successors and assigns, to the extent they are legally-recognized property rights. The parties further agree as follows:

B. During the term of this Agreement (and for a period of one (1) calendar year thereafter), Zuykov shall execute and assign any and all applications, assignments, and other instruments which Corporation shall deem necessary or convenient in order to apply for and obtain Letters Patent of the United States {and/or} of foreign countries for such improvements, inventions and discoveries and in order to assign and convey to Corporation or its nominee successor or assigns, the sole and exclusive right, title, and interest in and to said matters. Zuykov shall render to Corporation any and all aid and assistance necessary in securing such Letters Patent. Any and all expenses reasonably incurred by Zuykov in connection with the foregoing assistance shall be paid by Corporation to Zuykov upon demand.

C. During the term of this Agreement, if Zuykov shall make an improvement, invention or discovery related to the products designed, manufactured, sold or marketed by Corporation, as described above, Zuykov shall make a full and complete disclosure thereof to Corporation. If Corporation, after such disclosure, shall state in writing, over the signature of an authorized officer of Corporation, that it disclaims any interest in such invention or discovery, then anything to the contrary contained herein notwithstanding, Zuykov shall be free to make such use of any such improvement, invention or discovery as Zuykov may desire, free of all claims whatsoever of Corporation.

6. DISCONTINUATION OF CORPORATION

Notwithstanding anything in this agreement to the contrary, in the event that Corporation shall discontinue operating, then this agreement will terminate as of the last day of the month in which Corporation ceases operations.

7. DEVOTION OF FULL TIME TO THE CORPORATION

Zuykov shall devote all their time, attention, knowledge, and skill solely and exclusively to the business and interest of Corporation, and Corporation shall be entitled to all of the benefits, emoluments, profits, or other issues arising from or incident to any and all work, services, and advice of Zuykov, and Zuykov expressly agrees that during the term of this agreement they will not be interested, directly or indirectly, in any form, fashion, or manner, as partner, officer, director, stockholder, advisor, employee, or in any other form or capacity, in any other business similar to Corporation's business or any allied trade; provided, however, that nothing shall be deemed to prevent or limit the right of Zuykov to invest any of their funds in the capital stock or other securities of any corporation whose stock or securities are publicly owned or are regularly traded on any public exchange, nor shall anything be deemed to prevent Zuykov from investing or limit Zuykov's right to invest their funds in real estate.

For the FIVE (5) YEARS following this agreement, Zuykov expressly agrees they will not be interested, directly or indirectly, in any form, fashion, or manner, as partner, officer, director, stockholder, advisor, employee, or in any other form or capacity, in any other business similar to Corporation's business or any allied trade which directly competes with the business of the Corporation.

Specifically exempted from the restrictions in this paragraph, the Zuykov shall be allowed to retain his interest and ownership in their company in the Ukraine and it is specifically agreed that Zuykov shall be permitted to utilize the Zuykov'

technology as it exists at the time of this agreement, in the pursuit of their business in the Ukraine AND/OR Russia. This exception shall not permit Zuykov to utilize the technology in direct competition with the Corporation. It being specifically understood and agreed that any and all improvements, modifications and new discoveries or inventions made by the Zuykov during the term of this agreement shall be the sole and exclusive property of Corporation.

8. COMMITMENTS BINDING ON CORPORATION ONLY ON WRITTEN CONSENT

Anything contained in this agreement to the contrary notwithstanding, it is understood and agreed that Zuykov shall not have the right to make any contracts or commitments for or on behalf of Corporation without the written consent of Corporation.

9. NONDISCLOSURE COVENANT

Zuykov shall not directly or indirectly disclose or use at any time, either following or subsequent to the term of employment as set forth in this Agreement, any of the following that are secret or confidential, unless Zuykov shall first secure the written consent of Corporation: information, knowledge, or data of Corporation whether or not obtained, acquired, or developed by Zuykov. Upon termination of this Agreement, Zuykov shall return to Corporation all notes, memoranda, notebooks, drawings, {and/or} other documents made by, compiled by, or delivered to Zuykov concerning any customers, distributors, distribution systems, products, apparatus, or process manufactured, used, developed, or investigated by Zuykov during his employment, it being agreed that the same and, to the extent recognized by law all information contained therein, are at all times the property of Corporation.

10. FULL BUSINESS HOURS COVENANT

During the term of this Agreement, Zuykov shall devote his entire productive time, ability, and attention to the business of Corporation. Zuykov shall not, during normal business hours, directly or indirectly render any services of a business, commercial, or other professional nature to any other person or organization, whether for compensation or otherwise, without the prior written consent of Corporation.

11. ENTIRE AGREEMENT

This written agreement contains the sole and entire agreement between the parties and shall supersede any and all other agreements between the parties. The parties acknowledge and agree that neither of them has made any representation with respect to the subject matter of this agreement or any representations inducing its execution and delivery except such representations as are specifically set forth in this writing and

the parties acknowledge that they have relied on their own judgment in entering into the same. The parties further acknowledge that any statements or representations that may have been made by either of them to the other are void and of no effect and that neither of them has relied on such statements or representations in connection with its dealings with the other.

12. MODIFICATION OR WAIVER NOT EFFECTIVE UNLESS IN WRITING

It is agreed that no waiver or modification of this agreement or of any covenant, condition, or limitation contained in it shall be valid unless it is in writing and duly executed by the party to be charged with it, and that no evidence of any waiver or modification shall be offered or received in evidence in any proceeding, arbitration, or litigation between the parties arising out of or affecting this agreement, or the rights or obligations of any party under it, unless such waiver or modification is in writing, duly executed as above. The parties agree that the provisions of this paragraph may not be waived except by a duly executed writing.

13. AGREEMENT GOVERNED BY THE LAWS OF THE STATE OF NEW YORK

The parties agree that it is their intention and covenant that this agreement and performance under it and all suits and special proceedings relating to it be construed in accordance with and under and pursuant to the laws of the State of New York and that in any action, special proceeding, or other proceeding that may be brought arising out of, in connection with, or by reason of this agreement, the laws of the State of New York shall be applicable and shall govern to the exclusion of the law of any other forum, without regard to the jurisdiction in which any action or special proceeding may be instituted.

14. NOTICES

All notices required or permitted to be given hereunder shall be in writing and shall be deemed to have been given when mailed by certified or registered mail, return receipt requested, addressed to the intended recipient as follows or at such other address as is provided by either party to the other:

A. To Corporation: C/O Mr. Wieslaw Olejnik
52-57 72nd Place
Maspeth, NY 11378

B. To Zuykov: 2671 Haring Street
Brooklyn, NY

15. BREACH OF CONTRACT

If either party shall fail to substantially perform as required by this Agreement or commit a serious violation of the terms of this Agreement then the aggrieved party shall be entitled declare the other party in default of its/their obligations according to this Agreement. It is understood that the other party, accused of violating this agreement, shall have the opportunity to remedy the alleged violation within a reasonable time. The aggrieved party shall be obligated to take their grievance to Arbitration in accordance with the rules of the American Arbitration Association and the parties agree to be bound by the decision of the arbitrators.

16. MISCELLANEOUS


This Agreement contains the entire agreement of the parties hereto, and shall not be modified or changed in any respect except by a writing executed by the parties hereto. This Agreement shall be construed, interpreted, and enforced in accordance with the laws of the State of New York. Captions in this Agreement are solely for convenience, are not a substantive part of this Agreement, and shall not in any manner alter or vary the interpretation or construction of this Agreement. All the terms and provisions of this Agreement shall be binding upon, and shall inure to the benefit of the parties hereto, their heirs, successors, assigns and personal representatives.

16. PARTIAL INVALIDITY

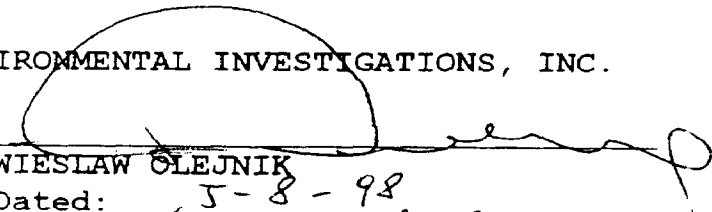
If any of the provisions of this Agreement are held to be invalid or unenforceable, all other provisions hereof shall nevertheless continue in full force and effect.

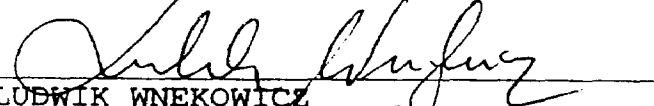
IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year set forth above.


Witness:



STEPHEN C. LEONARD
ATTORNEY AT LAW
OF NEW JERSEY

ENVIRONMENTAL INVESTIGATIONS, INC.

By: 
WIESLAW OLEJNIK
Dated: 5-8-98

By: 
LUDWIK WNEKOWICZ
Dated: -5-8-98


IGOR ZUYKOV
Dated: 5-8-98


Igor Zuykov, Witness to
the signature and the person
who appeared and signed is
certified to be my brother.
Oleg Zuykov


OLEG ZOYKOV
Dated:

Law Offices
Leonard and Leonard

A PROFESSIONAL CORPORATION

CHARLES E. LEONARD 1940-1977
VERONICA C. GADOMSKI-LEONARD
STEPHEN C. LEONARD
JOANNA J. TYRPA*

ADMITTED IN N.J. & N.Y.
October 10, 2000

715 NORTH WOOD AVENUE
P.O. BOX 1553
LINDEN, N.J. 07036-0006
925- 3737
3738
AREA CODE 908
FAX: 925-3794

Box Assignment
Assistant Commissioner for Patents
Washington, D. C. 23201

RE: Assignment of Rights - Zuykov to Environmental Investigations Corporation

Dear Sir:

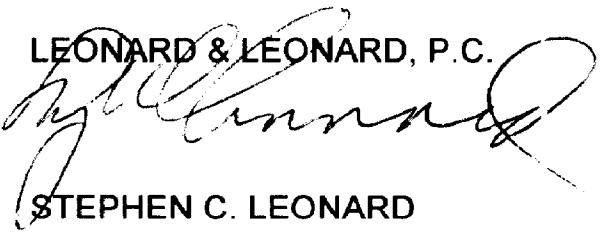
I represent Environmental Investigations Corporation with its principal offices at 1700 W. Blancke Street, Linden, New Jersey 07036. Attached please find the original agreement between the inventor Zuykov and Environmental Investigations Corporation.

Please be advised that Environmental Investigations Corporation has paid all of the expenses for the development and processing of the patent and for the further development of the technology on behalf of the inventor, Igor Zuykov. Igor Zuykov was employed by Environmental Investigations Corporation for the purpose of developing and improving the invention and as a condition of his employment he signed the Employment Agreement and Assignment.

I request that the patent be issued to Environmental Investigations Corporation as expeditiously as possible since all of the inventor's rights in the patent have been assigned to Environmental Investigations Corporation. If the patent is not issued to Environmental Investigations Corporation, the corporation will be irreparably harmed and will suffer damages if the patent application is abandoned. Environmental Investigations Corporation has to this date expended moneys in excess of \$100,000.00 towards the development of the invention, research, patent application and expenses and salary for Zuykov, the inventor. Therefore, to protect the financial and proprietary interests of Environmental Investigation Corporation, I request that the patent be issued to Environmental Investigations Corporation.

Very truly yours,

LEONARD & LEONARD, P.C.



STEPHEN C. LEONARD

RECORDED: 10/10/2000

PATENT
REEL: 011221 FRAME: 0114