

Form PTO-1595
(Rev. 03/01)

RECORDATION FORM COVER SHEET
PATENTS ONLY

U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

OMB No. 0651-0027 (exp. 5/31/2002)

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

1. Name of conveying party(ies):
UV Coatings, Ltd.

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

2. Name and address of receiving party(ies)
Name: Scott Fishel
Internal Address: _____

Street Address: 36580 Biltmore Place

City: Willoughby State: Ohio Zip: 44094
Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other Exclusive License Agreement

Execution Date: January 15, 2000

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)
B. Patent No.(s)
5,773,487

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: Stephen A. Hill
Internal Address: Rankin, Hill, Porter & Clark LLP

Street Address: 925 Euclid Avenue, Suite 700

City: Cleveland State: Ohio Zip: 44115


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:
18-0160
(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.

Stephen A. Hill  August 23, 2002
Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and documents: 9

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231

EXCLUSIVE LICENSE AGREEMENT

THIS EXCLUSIVE LICENSE AGREEMENT ("Agreement"), made and entered into at Cleveland, Ohio as of the 15th day of January, 2000 (effective as provided herein), is by and among UV COATINGS, LTD., an Ohio limited liability company ("Licensor"), SCOTT FISHEL, an individual resident of the State of Ohio ("Fishel"), and ANDREW SOKOL, an individual resident of the State of Ohio ("Sokol"). Fishel may establish either a corporation or limited liability company (hereinafter such corporation and limited liability company shall be collectively referred to as the Assignee"), and pursuant to Section 20 of this Agreement, Fishel may, in his sole discretion, assign (the "Assignment") all of his rights, interest, duties, responsibilities, liabilities and obligations to and under this Agreement to such Assignee. Hereinafter, for all purposes of this Agreement, the term "Licensee" shall initially mean Fishel, but upon the occurrence of the Assignment, "Licensee" shall mean the Assignee.

WITNESSETH:

WHEREAS, Licensor desires to license the right to manufacture, produce, market and sell certain exterior wood sealers or treatments of sun-cured, naturally occurring ultraviolet (UV) light cured items and/or goods, including but not limited to the ZVOC™ 1200 sun-cured decksealer series of products (hereinafter collectively referred to as the "Products" and individually as a "Product"); and

WHEREAS, Licensee desires to acquire the license rights to the Products upon the terms set forth in this Agreement; and

WHEREAS, the granting of such license is pursuant to the terms and provisions of a certain Exclusive and Sole Distribution Agreement by and between the Licensor and the Licensee dated January 15, 2000 (the "Distribution Agreement"); and

WHEREAS, in this Agreement, the term "Intellectual Property Rights" shall collectively mean any and all property rights in, of, for, related to and/or arising from the Products and all improvements, modifications, reformulations and/or amendments to the Products, including but not limited to all patents (pending or issued), trade names, trade marks, copy rights and/or any other similar property rights.

NOW, THEREFORE, in consideration of the premises and the mutual promises set forth in this Agreement, and for other good and valuable consideration (the receipt and legal sufficiency whereof being hereby acknowledged), the Licensor, the Licensee and Sokol each agree as follows:

1. **Incorporation of Distribution Agreement.** The license granted pursuant to this Agreement is in conjunction with and pursuant to the terms and provisions of the Distribution Agreement, and the terms and provisions of the Distribution Agreement are hereby incorporated into this Agreement as if such terms and provisions were reproduced herein in full. The terms

used in this letter that are defined in the Distribution Agreement are used in this Agreement as so defined. If any of the terms and provisions of this Agreement (before incorporation of the terms and provisions of the Distribution Agreement) are inconsistent with or conflict with the terms and provisions of the Distribution Agreement, the terms and provisions of this Agreement (before the incorporation of the terms and provisions of the Distribution Agreement) shall control and govern.

2. **Representation and Warranty.** The Licensor hereby represents and warrants to Licensee that: (i) Licensor is the lawful owner of all of the Intellectual Property Rights; (ii) Licensor has the full and exclusive right to grant the exclusive and irrevocable license granted under this Agreement; and (iii) neither the Products nor the Intellectual Property Rights infringe upon any other party's patents, trademarks or copyrights.

3. **Grant of License.** (a) The Licensor hereby absolutely and unconditionally confers upon and grants to Licensee, and Licensee hereby accepts from the Licensor, upon the terms set forth in this Agreement, an exclusive and irrevocable license (the "License") to: (i) use, develop, produce, manufacture, distribute, apply, lease and/or sell the Products and/or make the Products available for sale; (ii) take and conduct all actions and activities necessary or reasonable to implement the terms and provisions of this Agreement (including but not limited to Subsection 3(a)(i) of this Agreement); and (iii) use the Intellectual Property Rights for any and all purposes necessary or reasonable to implement the terms and provisions of this Agreement (including but not limited to Subsection 3(a)(i) of this Agreement).

(b) In consideration for the granting of the License, the Licensee shall pay to the Licensor the royalty set forth in Section 4 of this Agreement, as provided therein.

4. **Royalty.** (a) There shall be no initial payment required or charged upon the execution of this Agreement. Instead, for the License granted by the Licensor to the Licensee pursuant to this Agreement, the Licensee shall pay to the Licensor a royalty (the "Royalty") based upon Licensee's Product Collections (as defined herein). For each quarter during the term of this Agreement, the Licensee shall determine the Product Collections that occurred during such quarter, and the amount of the Royalty to be paid by the Licensee to the Licensor shall equal the Product Collections for such quarterly period multiplied by two percent (2%).

(b) Licensee shall pay the Royalty to Licensor in quarterly installments within forty-five (45) days of the end of each quarterly period during the term of this Agreement, where each quarter shall end on March 31st, June 30th, September 30th and December 31st of each year. With each Royalty payment by the Licensee to the Licensor, the Licensee shall disclose to the Licensor the amount of Product Collections upon which such Royalty payment is based.

(c) Notwithstanding any provision of this Agreement to the contrary, pursuant to Subsection 10(b) of the Distribution Agreement, if the Licensor or the Licensor's successors and assigns breach any of the terms and provisions of the Distribution Agreement, then the Licensee shall not owe or pay any of the Royalty to the Licensor or to the Licensor's successors and assigns, and the provisions of Subsections 3(b), 4(a) and 4(b) of this Agreement regarding such Royalty and the payment thereof, shall be null, void and of no further force and effect.

(d) For the purposes of this Agreement, the term "Product Collections" shall mean the Licensee's Net Cash Collections (as defined herein) from the sales of only the Products during the term of this Agreement. For the purposes of this Agreement, the term "Net Cash Collections" shall mean gross cash collections of the Licensee from only sales of the Products during the term of this Agreement minus returns, taxes and shipping costs from such sales.

5. **Term.** Pursuant to Section 10 of the Distribution Agreement, this Agreement and the granting of the License shall be effective upon the occurrence of:

- (a) the exercise by the Licensee (described in the Distribution Agreement as the Distributor) of the option described in Section 10 of the Distribution Agreement; and
- (b) the Licensee's receipt of this Agreement from the Escrow Agent.

Hereinafter, the date upon which the conditions described in Subsections 5(a) and 5(b) of this Agreement both have been satisfied shall be referred to in this Agreement as the "Effective Date." The term of this Agreement shall commence on the Effective Date and shall continue thereafter without interruption until this Agreement is terminated pursuant to the terms and provisions of Section 6 of this Agreement.

6. **Termination.** This Agreement shall terminate thirty (30) days after the date on which the Licensee provides written notice to the Licensor stating the Licensee's desire to terminate this Agreement.

7. **Confidentiality.** As a material inducement to the Licensee to enter into this Agreement and the Distribution Agreement, the Licensor agrees and covenants to the Licensee that during the term of this Agreement, the Licensor shall:

- (a) hold all information of or about the Products (collectively, the "Confidential Information") in confidence from all persons or entities other than the Licensee;
- (b) not use the Confidential Information for any purpose other than pursuant to the terms and provisions of this License Agreement; and
- (c) take all reasonable steps necessary to ensure that the Confidential Information is not disseminated or disclosed to any other person or entity except upon the prior written consent of the Licensee.

8. **Covenants Against Competition.** (a) As a material inducement to Licensee to enter into this Agreement and the Distribution Agreement, the Licensor agrees and covenants to the Licensee that at no time during the term of this Agreement shall the Licensor and/or any person related to or affiliated with the Licensor and/or the shareholders of the Licensor, directly or indirectly engage or become interested in, in any way whatsoever, either alone or in association with others, in the operation of any business which: (i) competes (as defined herein) with the

Licensee; (ii) uses, develops, produces, manufactures, distributes, applies, leases and/or sells the Products and/or substitutes for the Products; and/or (iii) makes the Products and/or substitutes for the Products available for sale.

(b) As used in this Section 8 and throughout this Agreement, the term "compete" shall mean engaging in the same or any similar business as the Licensee, in any manner whatsoever, including without limitation as a proprietor, partner, investor, member, shareholder, director, officer, employee, manager, member, consultant, independent contractor, agent, distributor, representative, through stock ownership, investment of capital, lending of money or property, rendering of services or otherwise.

(c) As used in this Section 8 and throughout this Agreement, the term "directly or indirectly" shall be construed in the broadest sense and shall include, but not be limited to, the activities of any partnership, corporation, limited liability company or any other association which the Licensor may be involved.

9. **Reasonableness of Restrictions.** (a) A duly authorized officer of the Licensor has carefully read and considered the provisions of Sections 7 and 8 of this Agreement and has had the opportunity to consult with its legal counsel, and the Licensor agrees that the restrictions set forth in these sections, including but not limited to, the time period of restriction and the nature and scope of the restrictions, are fair and reasonable and reasonably required for the protection of the interests of Licensee and its shareholders, directors, officers, members, agents and employees. The Licensor acknowledges and agrees that the provisions of Sections 7 and 8 of this Agreement shall be strictly enforced and construed against the Licensor.

(b) In the event that, notwithstanding the foregoing, any of the provisions of Sections 7 and/or 8 of this Agreement shall be held to be invalid or unenforceable, the remaining provisions or parts thereof shall nevertheless continue to be valid and enforceable as though the invalid or unenforceable parts had not been included therein. In the event that any provision of Sections 7 and/or 8 of this Agreement relating to the time period and/or the nature and scope of restriction and/or related aspects shall be declared by a court of competent jurisdiction or an authorized panel of arbitrators to exceed the maximum restrictiveness such court or such panel of arbitrators deems reasonable and enforceable, the time period and/or areas of restrictions and/or related aspects contained in this Agreement shall be reformed and modified to become those deemed reasonable and enforceable by the court or the panel of arbitrators and thereafter be the maximum restrictions in such regard, and the restrictions shall remain enforceable to the fullest extent deemed reasonable by such court or such panel of arbitrators.

(c) The restrictions set forth in Sections 7 and 8 of this Agreement are separate and distinct restrictions, each of which is intended to protect the Licensee in a separate area of legitimate concern on the part of Licensee, and each such restriction shall be deemed separate and distinct for all purposes of enforceability on behalf of Licensee. A waiver by Licensee of one or more of said restrictions, or a judicial determination that any one or more of said restrictions is invalid or unenforceable, shall not affect the continuing validity and enforceability of any other said restrictions. The restrictions contained in Sections 7 and/or 8 of this Agreement shall be construed as independent of any other provision of this Agreement and/or the Distribution

Agreement, and the existence of any other agreement, claim or cause of action of against Licensee, whether predicated upon this Agreement, the Distribution Agreement or otherwise, shall not constitute a defense to the enforcement by the Licensee of the restrictions contained in Sections 7 and/or 8 of this Agreement.

10. **Audit and Inspection; Copies of Financial Statements and Tax Returns.**

During the term of this Agreement and upon five (5) days prior written notice, the Licensor shall have the right to audit and inspect the books and records of the Licensee two (2) times in each calendar year to verify the Licensee's Net Cash Collections and the proper determination of the Royalty paid to Licensor. For any occasion in which Licensor identifies that Licensor has been paid a lesser Royalty than what was proper based upon the Licensee's Net Cash Collections, then the Licensee shall promptly pay to Licensor an amount equal to the sum of:

- (a) the cost and expense to Licensor to conduct such audit or inspection; and
- (b) the amount of such Royalty underpayment multiplied by three (3).

11. **Covenants of Sokol.** Sokol is the prior owner of some or all of the Intellectual Property Rights for the Products and a shareholder of the Licensor, and as a result of the foregoing, Sokol shall personally benefit from the License made pursuant to this Agreement. In consideration of such personal benefit, Sokol does hereby consent and agree to the terms and provisions contained in this Agreement. If for any reason any rights, title or interest in any of the Intellectual Property Rights becomes owned by, possessed by or inures to Sokol (or Sokol's successors, permitted assigns, estate, heirs, and/or legal representatives), then without any further consideration, Sokol and/or Sokol's successors, permitted assigns, estate, heirs, and/or legal representatives shall execute and deliver to the Licensee any and all documents or instruments requested by the Licensee to perform or implement the terms of this Agreement and/or the Distribution Agreement.

12. **Remedies.** In the event of a default, breach or threatened breach of any of the agreements, covenants and/or obligations in this Agreement by a party to this Agreement, then the nonbreaching party to this Agreement shall have all rights or remedies (to be exercised in the nonbreaching party's sole discretion) at law, in equity, pursuant to this Agreement and/or pursuant to the Distribution Agreement, including but not limited to monetary damages for any past breach, the right to equitable relief (including but not limited to specific performance by means of an injunction against the breaching party). The nonbreaching party's remedies described in this Section 12 are not intended to be exclusive of any other remedy available to the nonbreaching party, and each and every remedy available to the nonbreaching party shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute or otherwise.

13. **Amendments and Modifications.** This Agreement may be amended, supplemented or modified only by a writing signed by both Licensor and Licensee. The term "this Agreement", as used herein, includes any future written amendment, modification or supplement made in accordance herewith.

14. **Severability.** The provisions of this Agreement are severable, and if any one or more of the provisions of this Agreement shall be determined by a court or panel of arbitrators to be illegal or otherwise unenforceable in whole or in part, the remaining provisions or portions of this Agreement shall nevertheless be binding upon and enforceable by and between Licensor and Licensee.

15. **Waiver.** No waiver of any portion of this Agreement shall be effective unless mutually agreed upon in writing. No waiver of any breach of any provision of this Agreement shall constitute a waiver of any subsequent breach of the same or any other provision of this Agreement.

16. **Captions.** The captions and section headings used in this Agreement are for convenience and reference only, and they are not part of this Agreement and they shall not be used in the interpretation of the terms and conditions of this Agreement.

17. **Notices.** All notices required or permitted to be given under or pursuant to this Agreement shall be in writing and shall be deemed to have been fully given upon personal delivery, or the next business day if sent via a nationally recognize overnight courier service, or three (3) days after being sent by certified mail, postage prepaid, via the United States Postal Service. The notices and communications shall be addressed as follows:

To Licensor: UV Coatings, Ltd.
140 Sheldon Road
Berea, Ohio 44017
Attn: Thomas W. Richardson

To Licensee: Scott Fishel
36580 Biltmore Place
Willoughby, Ohio 44094

To Sokol: Andrew Sokol
c/o UV Coatings, Ltd.
140 Sheldon Road
Berea, Ohio 44017

Any party may, by written notice to the other, change the address for notices to be sent to such party.

18. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same Agreement, which shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement may be executed by way of telephonic transmission facsimile counterpart, with such facsimile counterparts having the same force and effect as originally executed counterparts.

19. **Assignment.** (a) Except as otherwise provided herein, neither this Agreement

nor any interest herein shall be assignable by any party without the prior written consent of the other party.

(b) Notwithstanding the foregoing provisions of Subsection 20(a) of this Agreement, the Licensee may assign or transfer all of the Licensee's rights, interest, liabilities and obligations to and under this Agreement to: (i) any entity in which Fishel has an equity ownership interest, (ii) any entity which is a subsidiary of or affiliated with the Assignee or Fishel, (iii) any entity in which Fishel or the owners of the Assignee is/are the majority owner(s), and/or (iv) a successor corporation or entity in the event of a merger, consolidation, or transfer or sale of all or substantially all of the assets or shares of stock of the Assignee. In the case of any such permitted assignment, this Agreement shall be binding upon and shall inure to the benefit of the respective successors, heirs and assigns of the parties hereto. Upon the occurrence of any Assignment by Fishel to an Assignee, Fishel shall then have no duties, liabilities or obligations to the Licensor for or pursuant to this Agreement or the matters discussed herein.

(c) Notwithstanding the foregoing provisions of Subsection 19(a) of this Agreement, the Licensor may assign or transfer all of the Licensor's rights, interest, liabilities and obligations to and under this Agreement to: (i) any entity which is a subsidiary of or affiliated with the Licensor, (ii) any entity in which the owners of the Licensor are the majority owners, and/or (iii) a successor corporation or entity in the event of a merger, consolidation, or transfer or sale of all or substantially all of the assets or shares of stock of the Licensor. In the case of any such permitted assignment, this Agreement shall be binding upon and shall inure to the benefit of the respective successors, heirs and assigns of the parties hereto.

20. **Disputes, Controversies and Claims**. Any and all disputes, controversies or claims arising out of or relating to this Agreement or the breach or validity of any term or provision of this Agreement shall be resolved by final and binding arbitration. The arbitration shall be held in Cleveland, Ohio, in accordance with the Commercial Arbitration Rules of the American Arbitration Association and shall be conducted pursuant to the terms and provisions set forth in Exhibit F to the Distribution Agreement.

21. **Governing Law**. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Ohio. For any claims, allegations, causes of action or legal procedures not subject to the arbitration provisions specified by Section 21 of this Agreement, the parties to this Agreement do each hereby agree that they shall submit themselves to the venue and jurisdiction of the competent courts of the Cuyahoga County, Ohio, or the United States District Court for the Northern District of Ohio, Eastern Division, in connection with any and all such claims, allegations, causes of action or legal proceedings related to or arising from this Agreement, expressly waiving their rights to any other jurisdiction or venue which might correspond to them due to their domiciles or legal residence.

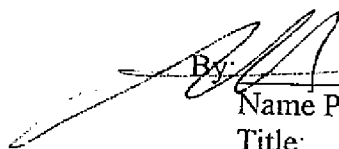
22. **Exhibits, Schedules and Attachments**. Any and all exhibits, schedules and attachments to this Agreement are incorporated herein and made a part of this Agreement. The recitals hereinabove contained in the "WHEREAS" clauses are incorporated herein and made a part of this Agreement.

23. **Further Assurances.** From time to time, without any further consideration, each party shall execute and deliver to the other parties such additional documents and/or instruments as may be reasonably necessary to consummate the transactions contemplated by this agreement.

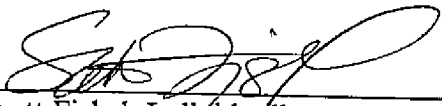
24. **Parties Bound and Gender.** This Agreement shall be binding on and inure to the benefit of the parties to this Agreement and their respective heirs, executors, administrators, legal representatives, successors and permitted assigns. The use of any gender herein shall be deemed to be or include the other genders and the use of the singular shall be deemed to be or include the plural (and vice versa), whenever appropriate.

IN WITNESS WHEREOF, the Licensee, Licensor and Sokol have caused this Agreement to be executed as of the day and year first written above.

UV COATINGS, LTD.

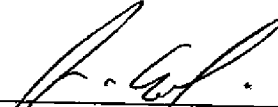
By: 
Name Printed: G. FORESTER
Title: CEO

"Licensor"



Scott Fishel, Individually

"Licensee"



Andrew Sokol, Individually

"Sokol"