

07-02-2003

FORM PTO-1619A  
Expires 06/30/99  
OMB 0651-0027



U.S. Department of Commerce  
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102487759

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- New 6-29-03
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- Document ID #
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**Conveyance Type**

- Assignment  Security Agreement
- License  Change of Name
- Merger  Other

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- Departmental File  Secret File

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

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*Shirley A. Langley*  
 Shirley A. Langley **PATENT**

REEL: 014224 FRAME: 0417

2003

**Correspondent Name and Address**

Area Code and Telephone Number

248-689-3500

Name Mr. Eric T. Jones, Reising, Ethington, Barnes, Kisselle, P.C.

Address (line 1) P.O. Box 4390

Address (line 2) Troy, Michigan 48099-4390

Address (line 3)

Address (line 4)

**Pages**

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

# 14

**Application Number(s) or Patent Number(s)**

Mark if additional numbers attached.

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

**Patent Application Number(s)**

**Patent Number(s)**

10/119,329

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

Month Day Year

**Patent Cooperation Treaty (PCT)**

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

PCT

PCT

PCT

PCT

PCT

PCT

**Number of Properties**

Enter the total number of properties involved.

# 1

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41):

\$ 40.00

Method of Payment:

Enclosed

Deposit Account

Deposit Account

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

Deposit Account Number:

# 50-0852

Authorization to charge additional fees:

Yes

No

**Statement and Signature**

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Eric T. Jones

Name of Person Signing

Signature

Date

24 JUNE 03

DATED 26 February 2003

LADYCARÉ HEALTH PRODUCTS LIMITED (IN LIQUIDATION) (1)

-and-

MAGNO PULSE LIMITED (2)


-and-

GIAN-LORENZO NICOLETTI (3)

ASSET SALE AGREEMENT

Mead King Solicitors  
11-12 Queen Square  
Bristol  
BS1 4NT  
Ref: JDL

I, Simon Beck a Patent Attorney with Withers & Rogers of Bristol, England hereby certify that this is a true and faithful copy of the original document.

  
Simon Beck

THIS AGREEMENT is made the 26<sup>TH</sup> day of February two thousand and three

BETWEEN

- (1) LADYCARE HEALTH PRODUCTS LIMITED (IN LIQUIDATION) whose registered number is 04175023 and whose registered office is situated at Houghton Stone, Filton Road, Hambrook, Bristol BS16 1GG (hereinafter described as "the Vendor")
- (2) MAGNO-PULSE LIMITED whose registered number is 0338497 and whose registered office is situated at 24 Emery Road, Brislington, Bristol BS4 5PF (hereinafter described as "the Purchaser")
- (3) GIAN-LORENZO NICOLETTI of Greenwood Stuart, 10 Hillside Avenue, Exeter, EX4 4NN (hereinafter described as "the Liquidator")

WHEREAS:

- (A) The Liquidator was appointed as Liquidator of the Vendor company on 26 February 2003 by meetings of the Vendor's members and creditors convened and held on that day.
- (B) The Vendor has agreed to sell to the Purchaser whatever right, title and interest it has in the Assets (as hereinafter defined) subject to the terms of this Agreement;
- (C) The Purchaser has agreed to buy such right, title and interest as the Vendor may have in the Assets on the terms and conditions hereinafter set out.
- (D) The Purchaser has agreed to enter into this Agreement having made such inspection and investigation of the right, title and interest covered herein as it thinks fit and with full knowledge of the terms and conditions herein set out.

NOW IT IS HEREBY AGREED as follows:-

1. **DEFINITIONS**

"the Assets" collectively the Chattels, the Goodwill, the IP Rights, the Intellectual Property, the Materials and the Stock

"the Business" the business carried on by the Vendor as at Completion

"the Chattels" all the office furniture and equipment, tenant's fixtures, fittings, fixed and movable plant, machinery and loose tools and computer equipment used or intended for use by the Vendor in connection with the Business wherever situate as at Completion

"the Goodwill" the goodwill, custom and connections of the Business; the names "Ladycare" and "Ladycare Health Products" and any domain names and rights associated with same; the exclusive right to represent the Purchaser as carrying on the Business in succession to the Vendor; the possession and use of the Vendor's lists of customers and other customer databases including computerised databases relating to the Business; the right to contact the Vendor's current and previous customers; the Business Records

"the IP Rights" such right, title and interest (if any) as the Vendor has in any third party intellectual property including, without limitation, any manufacturing or other processes used by the Vendor in connection with the Business and the benefit of any licences (if existing) for the Vendor to use third party intellectual property in connection with

the Business insofar as any rights arising in respect of those licences are capable of being assigned by the Vendor and are in existence;

“the Business Records”

all of the records of the Vendor, relating to the Business including the accounts ledgers, stock lists, sales records, contact and customer lists and information required by statute to be kept by the Vendor in relation to the Business with the exception of the Retained Records as hereinafter defined;

“Retained Records”

those records required to be kept by the Liquidator by statute including those records relating to the Vendor's book debts such as (without limitation) the Vendor's debtor and cash books together with the Vendor's tax records;

“the Intellectual Property”

any patents (including supplementary protection certificates), trade marks, service marks, registered designs, utility models, design rights, topography rights, copyrights and neighbouring rights, inventions, trade secrets, procedures, processes and other confidential information, know-how, business or trade names, get-ups and all other intellectual property and rights of a similar or corresponding character in any part of the world (whether or not registered or capable of registration) which are used or intended to be used by the Vendor in relation to the Business, and all applications and rights to apply for the protection of the same including such rights, title and interest (if any) the Vendor may have in the rights listed or referred to as part of the Goodwill

“the Materials”

any drawings, diagrams, films, charts, patterns, layouts, circulars, publications, manuals, specifications, photographs, prototypes, models,

"the Stock"

mock-ups and moulds used or intended to be used by the Vendor in connection with the Business wherever situate as at Completion

all finished goods, work-in-progress, stock-in-trade, raw materials and spare parts acquired, manufactured or used or intended for use by the Vendor in connection with the Business wherever situate as at Completion including such of those items listed in Schedule 2 as remain in the possession of the Vendor

## 2. SALE AND PURCHASE

2.1 The Vendor shall sell with no title guarantee and the Purchaser shall purchase all such right, title and interest as the Vendor may have in the Assets and so that the Business is intended to be transferred as a going concern.

2.2 Until the full balance of the Purchase Price (as hereinafter defined) is received from the Purchaser the Purchaser hereby agrees with the Vendor that ownership of and legal title to the Assets shall remain with the Vendor.

2.3 For the avoidance of doubt only (and so that the absence of any item from the following list shall not, because of that fact, be used as evidence that it was intended to be sold hereunder) the following items are not included in the sale hereunder:-

- (i) the benefit at the date hereof of the Vendor's book debts, cash in hand or at bank;
- (ii) the Vendor's creditors at the date hereof;
- (iii) any actual or potential claim under any insurance maintained up to and including Completion;

- (iv) any right or interest which the Vendor may have (if any) in any land or premises;
- (v) the Retained Records
- (vi) any shares whether paid up or not held by the Vendor
- (vii) any vehicles used by the Vendor

**3. PRICE**

3.1 The price payable on Completion for the sale and purchase under Clause 2 shall be the sum of £4,000 (four thousand pounds) plus Value Added Tax (if applicable) (the "Initial Consideration") apportioned as follows between the Assets and payable on Completion:-

(i)	Chattels	£ 500.00
(ii)	Stock	£2,500.00
(iii)	Goodwill	£ 1.00
(iv)	IP Rights	£ 1.00
(v)	Intellectual Property	£ 997.00
(vi)	Materials	£ 1.00

£4,000.00

3.2 The Purchaser shall, for a period of two years following Completion, also pay to the Vendor further consideration on each product sold by the Purchaser which uses and/or incorporates the IP Rights transferred hereunder (the "Further Consideration"). The Further Consideration shall be calculated at the rate of twenty pence per product sold prior to 26 February 2004 and <sup>thirteen pence</sup> ten pence per product sold prior to 26 February 2005 and, for these purposes, "sold" shall include any orders received by the Purchaser for products prior to 26 February 2005 whether such products have been sent to its customers or invoiced for or not.



3.3 The Purchaser shall account to the Vendor for the Further Consideration every three months and shall produce such supporting documentation (including, without limitation, order books, sales ledgers, management and audited accounts) as the Vendor shall reasonably require to satisfy itself that the Further Consideration has been properly calculated and paid.

3.4 The Purchaser may not, without the written consent of the Vendor, transfer its legal or beneficial interest in the IP Rights to any third party before 26 February 2005 and the Vendor may, as a condition of the granting of such consent, require the Purchaser to include as a condition of such sale or transfer to a third party purchaser that the third party purchaser of the IP Rights enter into a substantially identical agreement with the Vendor with regard to payment of Further Consideration as the Purchaser has entered into with the Vendor hereunder.

#### 4. COMPLETION

4.1 Subject to clause 2.2 completion of the sale and purchase of the Assets shall take place immediately following execution of this Agreement (herein referred to as "Completion") when the Vendor shall give the Purchaser possession of the Assets.

4.2 The parties understand that the sale and purchase may be treated as neither a supply of goods nor a supply of services for Value Added Tax purposes by virtue of Article 5 of the Value Added Tax (Special Provisions) Order 1995. If Value Added Tax is payable on all or part of the Purchase Price, the Purchaser shall pay the amount of such Value Added Tax against delivery by the Vendor to the Purchaser of a VAT invoice in respect thereof, such Value Added Tax being paid within 3 working days of the date of delivery of the VAT invoice.

4.3 Following Completion but subject to Clause 4.4 hereof the Purchaser will take delivery of the Assets

4.4 Risk in respect of the Assets shall pass to the Purchaser with effect from Completion.

5. **TRANSFER DATE, DEBTS ETC**

For the purposes of clarity only, nothing in this Agreement shall operate to transfer to the Purchaser the benefit of any debts of the Vendor as at the date hereof or subsequently or to transfer to the Purchaser the burden of paying any creditors or liabilities of the Vendor as at the date hereof.

6. **THIRD PARTY ITEMS**

6.1 In respect of those of the Assets or any such assets of which the Purchaser is given possession which are not owned by the Vendor and which the Purchaser is presently or subsequently becomes aware are not so owned the Purchaser undertakes not to hold itself out as the owner of such assets nor sell, offer for sale, assign, charge or create any lien on such assets and that it will keep them in its own possession, at its own expense, and in as good repair and condition as they are at the date hereof (fair wear and tear excepted) provided that, if the Purchaser does not require any such asset, it may deliver up such asset to the owner of such asset at any time.

6.2 The Purchaser further undertakes that during such time as either it or the Vendor is not the owner of such assets, it will deliver possession of such assets to the Liquidator or the owner of such asset as the Liquidator and Vendor shall nominate forthwith on demand provided that the Liquidator and the Vendor shall not require the Purchaser to deliver up any such asset if the Purchaser demonstrates that it has obtained the consent of the owner of such asset to the Purchaser using or possessing such asset and such continued use or possession does not result in loss or damage being suffered by the Vendor or the Liquidation

7. **BOOK DEBTS**

To the extent that the Purchaser receives any monies in respect of the book debts of the Vendor following Completion the Purchaser shall account to the Vendor forthwith for any amounts received by it in respect of those book debts and pending

such accounting shall hold such monies on trust for the Vendor and separate from its own monies.

8. **RECORDS**

8.1 The Purchaser shall allow the Liquidator including their staff, agents and licensees whilst the Liquidator (or any successor in title) shall remain Liquidator of the Vendor, free of charge and for the purpose of conducting the affairs of the administration of the Vendor, reasonable access at reasonable times to the Business Records and the Purchaser undertakes to the Liquidator not to destroy the Business Records without the permission of the Liquidator and to notify the Liquidator forthwith of the physical whereabouts of the Business Records if moved to a different location

8.2 The Vendor and the Liquidator shall allow the Purchaser including its staff, agents and licensees free of charge and for the purpose of conducting the Business and the affairs of the Purchaser, reasonable access at reasonable times to the Retained Records and the Vendor and the Liquidator undertake to the Purchaser not to destroy the Retained Business Records without the permission of the Purchaser and to notify the Purchaser forthwith of the physical whereabouts of the Retained Records if moved to a different location

9. **EXCLUSIONS ETC**

9.1 All representations, warranties and conditions express or implied statutory or otherwise in respect of the Assets or any of the rights titles and interests sold hereunder or agreed to be sold hereunder are expressly excluded (including, without limitation, warranties and conditions as to title, quiet possession, satisfactory quality, fitness for purpose and description). It is hereby agreed by the Purchaser that the terms and conditions of this agreement and the exclusions and limitations contained herein are fair and reasonable in the context of a sale by a company in liquidation.

9.2 The Purchaser acknowledges, for the avoidance of any doubt, that if it shall be found that the Vendor does not have title or unencumbered title to any or all of the Assets this shall not be a ground or grounds for rescinding, avoiding or varying any or all of

the provisions hereof or for the recovery of any or all of the Initial Consideration payable or paid by the Purchaser hereunder nor for refusing to pay or continue to pay the Further Consideration.

9.3 It is not warranted by the Vendor or the Liquidator that the Intellectual Property or any IP Rights exist or may be assigned or transferred and it is accepted by the Purchaser that it is its responsibility to investigate whether any third party licences (if existing) relating to the IP Rights may be freely transferred or assigned to the Purchaser.

9.4 The Purchaser agrees to indemnify and keep indemnified the Liquidator and each of them against all actions, proceedings, claims, demands and costs whatsoever arising by reason directly or indirectly on account of the use by the Purchaser of the IP Rights, whether or not any licensor has agreed to any transfer or assignment thereof, or the failure of the Purchaser to comply with the terms of any agreement (including this Agreement) relating to or affecting the IP Rights.

9.5 No representations are made by the Vendor or the Liquidator or warranties given as to the accuracy or otherwise of the descriptions of the Assets and the Purchaser acknowledges that it has inspected the Assets and shall take the same as and where they lie in the condition in which they are at the date of this Agreement.

## 10. INTEREST

Interest shall accrue on all sums due from the Purchaser hereunder as well after as before any demand is made or judgment is obtained therefor at the rate of 3 per cent above Lloyds Bank plc's base rate for the time being and from time to time in force from the due date until the date of actual payment.

## 11. NO OBLIGATION TO DISCHARGE UNSECURED LIABILITY

Nothing in this Agreement shall require the Vendor to discharge any unsecured liability of the Vendor to a third party.

12. GENERAL

- 12.1 In consideration of the benefit of the Purchaser's covenants herein the Liquidator hereby agrees to pay the sum of one pound to the Purchaser receipt of which the Purchaser hereby acknowledges.
- 12.2 The terms and conditions of this agreement represent the entire agreement between the parties relating to the disposal of the Assets. The Purchaser acknowledges that it places, and has placed no reliance whatsoever on any representations, agreements, statements or undertakings (oral or in writing) made or alleged to have been made by the Vendor, the Liquidator or its/his servants or agents or otherwise on or prior to the date of execution and delivery of this agreement.
- 12.3 No waiver by or on behalf of the Vendor or Liquidator of the requirements hereof or of any of its rights hereunder shall release the Purchaser from full performance of the remaining obligations stated herein.
- 12.4 The Purchaser hereby acknowledges and agrees with the Liquidator (who is named as a party to this Agreement solely for the purpose of receiving the benefit, if any, of the covenants given in his favour by the Purchaser and this acknowledgement and agreement) that in the negotiation and consummation of this Agreement the Liquidator is acting as agent for the Vendor and that, the personal liability of the Liquidator under this Agreement or arising directly or indirectly in connection therewith is hereby expressly excluded.
- 12.5 The headings to this agreement are for convenience only and shall not affect the construction hereof.
- 12.6 This Agreement may be executed in any number of counterparts all of which taken together shall constitute one and the same agreement and any of the parties hereto may execute this Agreement by signing such counterpart.

12.7 This agreement is subject to the law of England and Wales and the parties agree to submit any disputes arising from the matters set out in this agreement or arising therefrom to the exclusive jurisdiction of the Courts of England and Wales.

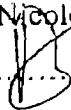
12.8 The Vendor shall, so far as the Purchaser may from time to time within twelve months from Completion reasonably require in writing, but at the Purchaser's expense, execute and do all such documents, acts and things as may be necessary in order to vest fully and effectively in the Purchaser whatever right, title and interest the Vendor may have in the Assets or any of them (and in particular the Intellectual Property) and to give to the Purchaser the full benefit of this Agreement, subject however to the provisions of this Agreement.

Signed by Mr Gian-Lorenzo Nicoletti



.....  
as agent for LADYCARÉ HEALTH PRODUCTS Limited  
(in Liquidation) without  
personal liability

Signed by Mr Gian-Lorenzo Nicoletti



.....  
solely to take the benefit of the covenants and  
exclusions given in his favour by the Purchaser.

Signed by



(print name)

for and on behalf of

MAGNO PULSE LIMITED