

09-11-2003

Form PTO-1595
(Rev. 10/02)

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U.S. DEPARTMENT OF COMMERCE
U.S. 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):

Allied PhotoChemical, Inc.

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

3. Nature of conveyance:

☐ Assignment☐ Merger☐ Security Agreement☐ Change of Name☒ Other Patent License Agreement
(includes right of first refusal)

Execution Date: 08/14/2003

2. Name and address of receiving party(ies)

Name: Nor-Cote International, Inc.

Internal Address: _____

Street Address: 506 Lafayette AvenueCity: Crawfordsville State: IN Zip: 47933Additional name(s) & address(es) attached? ☐ Yes ☒ No

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)

09/904,36110/037,69710/193,389

B. Patent No.(s)

6290881Additional numbers attached? ☐ Yes ☒ No

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

Name: Robert J. Milford

Internal Address: _____

Street Address: 8888 Keystone Crossing,Suite 1200City: Indianapolis State: IN Zip: 462406. Total number of applications and patents involved: 47. Total fee (37 CFR 3.41).....\$ 160.00☒ Enclosed☐ Authorized to be charged to deposit account

8. Deposit account number:

n/a

(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.*Robert J. Milford

Name of Person Signing

Signature

8/20/03
DateTotal number of pages including cover sheet, attachments, and documents: 15Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231

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PATENT
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PATENT LICENSE AGREEMENT

This Patent License Agreement ("Agreement") is effective this ____ day of August, 2003, by and between Nor-Cote International, Inc. ("Licensee"), a corporation organized under the laws of Indiana and having its principal offices at 33 Ridge Road, Crawfordsville, Indiana 47933; and Allied PhotoChemical, Inc. ("Licensor"), corporations organized under the laws of Michigan and having their principal offices at 48 North Airport Drive, Kimball, Michigan.

RECITALS

1) Licensor is the owner of all right, title and interest in certain patents and patent applications; and

2) Licensee desires to acquire by license from Licensor, rights to use the products and formulations and practice any process involved in the manufacture or use of such products and formulations as claimed in the Licensed Patents.

NOW, THEREFORE, in consideration of the promises and mutual covenants and agreements contained herein, the parties agree as follows:

AGREEMENT

ARTICLE I. DEFINITIONS

A. "Licensed Patents" shall mean the United States patent applications and patents and the foreign patent applications and patents listed on the attached Schedule 1.

B. "Licensed Products" shall mean any products and formulations, as well as, any process or method involved in the manufacture or use thereof employing the invention or composition of one or more claims of one or more of the Licensed Patents and any continuation, continuation-in-part, division, extension, re-issue, re-examination or any worldwide counterparts thereof.

C. "Sublicense" shall mean the right of a subsidiary of Licensee, through the license grant from Licensor to Licensee, to further import, export, make, have made, use, allow its customers to use, lease, rent, and sell Licensed Products to fourth party individuals or entities.

ARTICLE II. GRANT

A) Upon the terms, royalty payments and conditions set forth herein and under the Licensed Patents, the scope of the license granted by Licensor to Licensee under this Agreement shall be:

(1) For the lives of the Licensed Patents, an exclusive license to import, export, make, have made, use, allow its customers to use, lease, rent and sell Licensed

Products for screen printing applications in the following countries: World wide except that Licensor may continue to sell Licensed Products to the customers listed on the attached Schedule 2.

(2) For the lives of the Licensed Patents, a non-exclusive license to import, export, make, have made, use, allow its customers to use, lease, rent and sell Licensed Products for other types of applications (other than screen printing applications) to be approved on a case-by-case basis by Licensor. If Licensee has a proposed application for a particular customer, Licensee shall submit a request to Licensor. Licensor may approve or disapprove the request in its sole discretion. If Licensor approves the request, Licensee shall have the exclusive license for the proposed application to the particular customer.

(3) For each of the license grants in Article II.A(1) and II.A(2) above, to practice methods and processes involved in the making and use of Licensed Products;

(4) For each of the license grants in Article II.A(1) and II.A(2) above, to sublicense its subsidiaries. This right to sublicense is exclusive to Licensee and its subsidiaries and shall not be assignable, transferable or inure to the benefit of any other person or entity; and cannot sublicense to any third party without full written consent and approval from Licensor.

(5) Each sublicensee shall be bound by the terms and conditions of this Agreement as if it were a party hereto and provided further that Licensee shall pay any royalties due hereunder on account of activities of any sublicensee and shall be accountable to Licensor for compliance by any sublicensee with all the terms and conditions of this Agreement. In no event, however, shall a sublicensee have the right to grant a further sublicense for the Licensed Products except that sublicensee's customers shall have the right to use any Licensed Products for which a royalty is paid. Any sublicenses granted hereunder shall terminate upon the termination of this Agreement or upon the date a subsidiary ceases to be a subsidiary, whichever first occurs. A copy of each sublicense granted hereunder shall be sent to Licensor;

(6) For each of the license grants in Article II.A(1) and II.A(2) above, to make and have made, to use and have used, and to maintain and have maintained machines, tools, instrumentalities and materials, and to use and have used methods and processes, insofar as such machines, tools, instrumentalities, materials, methods and processes are involved in or incidental to the development, manufacture, installation, testing or repair of Licensed Products; provided, however, that the rights granted in this Subparagraph A(6) shall not serve to enlarge the scope of the rights granted herein;

B) No license, immunity or other right is granted by implication or otherwise with respect to any patent or patent application other than the Licensed Patents.

C) Licensor grants to Licensee, sublicensees and Licensee's and sublicensees' customers with respect to any Licensed Products for which a royalty is paid under the

Licensed Patents, royalty-free immunity under the Licensed Patents and all other patents of Licensor in any country of the world.

D) Subject to the payment of a royalty by Licensee under Article III of this Agreement, Licensor hereby releases Licensee from all claims, demands and rights of action which may have accrued prior to the effective date of this Agreement on account of any infringement or alleged infringement of the Licensed Patents by reason of any manufacture, use, lease, sale or other activities prior to the effective date of this Agreement. Notwithstanding anything herein to the contrary, this release is exclusive to Licensee and its subsidiaries and shall not be assignable, transferable or inure to the benefit of any other person or entity.

E) For the lives of the Licensed Patents, Licensor shall not grant to another screen printing ink manufacturer a license to import, export, make, have made, use, allow its customers to use, lease, rent and sell Licensed Products.

ARTICLE III. ROYALTY AND PAYMENT

A) During the license grant periods identified in Article IIA(1) and IIA(2) herein, Licensee agrees and shall pay Licensor for the Licensed Products leased, sold, used or put into use by, Licensee and/or Licensee's customers, the royalties set forth in Schedule 3 attached hereto.

B) During the license grant periods identified in Article IIA(1) and IIA(2) herein, the Licensee agrees and shall pay Licensor for the Licensed Products leased, sold, used or put into use by the sub-licensee(s) and/or the customers of any sublicensee of Licensee, the royalties set forth in Schedule 2 attached hereto.

C) Only one royalty shall be paid hereunder as to the Licensed Products whether or not it is covered by more than one claim of the Licensed Patents.

D) No royalty shall be payable on Licensed Products which is covered solely by or utilizes only a claim or claims of a Licensed Patent which has expired or which has been declared invalid by a decision of a court of final jurisdiction or by a decision of a court having subject matter jurisdiction from which no appeal has been taken; provided, however, that any royalties already paid by Licensee to Licensor shall not be returned to Licensee.

E) Licensor hereby agrees that the sums payable to Licensor by Licensee under this Article III are also made in consideration of a total and complete release to Licensee for past infringement of any Licensed Patent prior to the effective date of this Agreement. Notwithstanding anything herein to the contrary, this release is exclusive to Licensee and its subsidiaries and shall not be assignable, transferable or inure directly or indirectly to the benefit of any person or entity.

F) The accounting periods under this Agreement shall be on a monthly basis with the first accounting period ending on the end of the first month occurring after the effective date of this Agreement.

G) Within thirty (30) days after the end of each accounting period, Licensee shall furnish to Licensor payment along with a supporting written statement of the dollar value of Licensee's and all sublicensee's sales of Licensed Products subject to royalty and upon which payment is based in the preceding accounting period setting forth the essential information concerning such sales. Such information shall further include all facts necessary to facilitate verification of Licensee's royalty calculation. In the event there are no royalty payments due in any accounting period during the term of the Agreement, Licensee shall so state within thirty (30) days following each such accounting period.

H) Licensee agrees that it will at all times keep, in accordance with generally accepted accounting principles, consistently applied, complete, true and correct books of account in one United States location containing a current record of sales and other data in sufficient detail to enable the royalties payable under this Agreement to be computed and verified. Licensee further agrees to permit an independent certified public accounting firm to have reasonable access to its relevant books of account not more than one (1) audit per year upon at least five (5) business days advance written notice. In such an audit, the CPA auditor shall only be provided access to books of account for the current calendar year and the one (1) preceding calendar year. Such audit shall be conducted during Licensee's normal business hours at Licensee's United States location. Such CPA auditor shall sign a nondisclosure agreement with Licensee to protect Licensee's confidential information. In the event the audit results in a determination that Licensee has paid an amount equal to or more than required under this Agreement, Licensor shall bear all costs of such audit. In the event the audit results in a determination that Licensee has paid an amount less than required under this Agreement, Licensee shall bear all costs of such audit. In the event that an audit results in a determination that Licensee has paid more than required under this Agreement such excess shall, at Licensee's option, be immediately refunded or credited against future royalties. In the event that an audit results in a determination that Licensee has paid less than required under this Agreement, Licensee shall immediately pay the additional amount due together with interest as required in Article III.J.

I) Licensee shall be liable for interest on any overdue royalty commencing on the date such royalty becomes due at an annual rate of ten percent (10%). If such interest rate exceeds the legal rate in the jurisdiction where a claim therefore is being asserted, the interest rate shall be reduced to the maximum rate that is legal in such jurisdiction.

J) Licensee shall pay all royalties due hereunder in United States dollars. All royalties for an accounting period computed in other currency shall be converted into United States dollars at the buying rate for such transfer for such currency to United States dollars as quoted by the Wall Street Journal on the day that the respective accounting period closes or business day thereafter if such last day shall be a Saturday, Sunday or holiday.

K) Licensee shall also pay to Licensor for certain requested onsite consulting and training services at the rate of \$1,000.00 per day plus expenses.

ARTICLE IV. MARKING

A) Licensee agrees to affix to the Licensed Products' packaging a legible notice reading: "Licensed under U.S. Patent" followed by the number of the patents licensed hereunder.

B) Neither the granting of the license herein nor the acceptance of royalties hereunder shall constitute an approval of or acquiescence in Licensee's or its sublicensees' practices with respect to trademarks, trade names, corporation names, advertising (including endorsements, sponsorships or other forms of association), or similar practices with respect to any Licensed Products, nor does the granting of such license constitute an authorization or approval of, or acquiescence in the use of Licensor's name, or its principals; or any trade name or trademark or rights of publicity of Licensor or its affiliates, or its principals; in connection with the manufacture, advertising or sale of any Licensed Products, and Licensor hereby expressly reserves all rights with respect thereto.

ARTICLE V. DURATION AND TERMINATION

A) Unless otherwise earlier terminated pursuant to the terms of this Agreement, this Agreement shall terminate with respect to each Licensed Patent at the end of the term of such patent.

B) In the event of any one of the following:

- (1) A party breaches the Agreement and does not cure such breach within forty-five (45) days after notice thereof from the other party specifying such breach;
- (2) Liquidation of a party except in the course of or as a result of a transaction permitted under Article IX.C;
- (3) Insolvency or bankruptcy of a party whether voluntary or involuntary;
- (4) Inability of a party to meet its obligations hereunder;
- (5) Failure of a party to satisfy any final, non-appealable judgment against it;
or
- (6) Appointment of a trustee or receiver for a party except in the course of or as a result of a transaction permitted under Article IX.C;

then, and in addition to all other rights and remedies which the other party may have at law or in equity, the other party may, at its option, terminate this Agreement by notice thereof in writing specifying the reason for such termination and a termination date. Such termination shall become effective on the date of termination set forth in the notice of termination, but in no event earlier than forty-five (45) days from the date of mailing thereof.

C) Licensee may, at its option, terminate this Agreement at any time upon at least ninety (90) days prior written notice to Licensor provided that Licensee, in the exercise of its reasonable discretion, is unable, using commercially reasonable efforts, to generate sufficient sales to justify the minimum royalties set forth in Schedule 3 attached hereto.

D) The waiver of any default under this Agreement shall not constitute a waiver of the right to terminate this Agreement for any subsequent default.

ARTICLE VI. WARRANTY

A. Licensor hereby represents and warrants that it has no license or other agreements with or obligations to third parties or any other legally binding commitments, obligations, or liens, mortgages and encumbrances which may diminish or limit in any manner the rights granted to Licensee under this Agreement or Licensor's full right and authority to grant such rights and to perform its covenants under this Agreement; and Licensor further covenants that it will not divest itself of any rights now or hereafter possessed where the effect of its so doing may be to diminish or impair the license rights acquired by Licensee under this Agreement.

ARTICLE VII. DISCLAIMERS AND LIMITATIONS

A. Nothing in this Agreement shall be deemed to be a representation or warranty by Licensor of the validity of any of the patents or improvements. Licensor shall have no liability whosoever to Licensee or any other person for or on account of any injury, loss, or damage, of any kind or nature sustained by, or any damage assessed or asserted against, or any other liability incurred by or imposed upon Licensee or any other person, arising out of or in connection with or resulting from (a) the production, use or sale of any apparatus or product, or the practice of the patents or improvements; or (b) any advertising or other promotional activities with respect to any of the foregoing, and Licensee shall hold Licensor, and its officers, agents or employees, harmless in the event Licensor, or its officers, agents, or employees, is held liable.

B. Licensor shall have the sole right to file and prosecute all of the patents that are the property of Licensor and shall have the right to determine whether or not, and where, to file a patent application or to abandon the prosecution of any patent or patent application.

C. Nothing in this Agreement shall be construed as limiting the rights which the parties have outside the scope of the licenses granted hereunder.

ARTICLE VIII. NOTICES

A. All notices, requests, demands and other communications under this Agreement or in connection therewith shall be given to or be made upon the respective parties hereto as follows:

To Licensee: Nor-Cote International, Inc.
Attention: President
33 Ridge Road
Crawfordsville, IN 47933

To Licensors: Allied PhotoChemical, Inc.
Attention: President
48 North Airport Drive
Kimball, Michigan

B. All notices, requests, demands and other communications given or made in accordance with the provisions of this Agreement shall be in writing, and shall be deemed to have been given when deposited postage prepaid, addressed as specified in the preceding paragraph, or when transmitted by confirmed facsimile transmission or other self-authenticating means.

ARTICLE IX. SUCCESSOR INTERESTS

A. This Agreement shall be binding upon and inure to the benefit of Licensors but shall not be assignable or transferable without the prior written consent of Licensee, except as described in Article XIV.E.

B. This Agreement shall be binding upon and inure to the benefit of Licensee, but shall not be assignable or transferable without the prior written consent of Licensors, except as described in Article XIV.E.

C. This Agreement shall be binding upon and inure to the benefit of any successor corporation of either party hereto resulting from a sale or other transfer of its entire assets to such successor or from a consolidation with such successor corporation.

ARTICLE X. INDEMNIFICATION

A. Licensors shall hold Licensee harmless from any and all liability and costs resulting from infringement of any patent or copyright on the Licensed Patents, provided Licensors is promptly notified of any and all threats, claims, and proceedings related thereto and given the opportunity to assume full control over the defense of any such threat, claim, or proceeding and all negotiations for a settlement or compromise thereof.

B. In the event Licensee is enjoined from using the Licensed Patents or that Licensee has a reasonable belief that the use could be permanently enjoined: Licensors shall, at its expense (1) obtain for Licensee the right to continue using the Licensed Patents; or (2) replace or modify such Licensed Patents so that it does not infringe and provides substantially the same functionality; or (3) allow Licensee, at its expense, to assume full control over the defense of any such threat, claim, or proceeding and all negotiations for a settlement or compromise thereof regarding the Licensed Patents.

C. Except as described in Articles X.A and X.B above, Licensee shall hold Licensors harmless from any and all liability resulting from the import, export, assembly, manufacture, use, allowance of its customers to use, lease, rent and/or sale of Licensed Products by Licensee or a sublicensee of Licensee.

ARTICLE XI. DISPUTE RESOLUTION

Any dispute in connection with this Agreement shall be settled through arbitration including any dispute as to whether any product is a Licensed Product. If the designated representatives conclude in good faith that amicable resolution through continued negotiation of the matter is not likely to occur, then, upon the request of either party, the dispute will be submitted to arbitration before a panel of two party-appointed and one neutral arbitrator conducted in accordance with the then in effect Commercial Arbitration Rules of, but not administered by, the American Arbitration Association. Either party may seek discovery or the resolution of other disagreements on procedure or appointment of the neutral arbitrator by application to a court in St. Clair County, Michigan. The decision of the Arbitration Committee shall be considered as final and neither party shall appeal such decision to any court. Judgment upon the award rendered by the Arbitrators may be entered by any court having competent jurisdiction thereof.

This Agreement shall be deemed to be a contract made under the laws of the State of Indiana, and for all purposes shall be interpreted in its entirety in accordance with the laws of said State.

The arbitration process and hearing shall be conducted in English. Venue for the arbitration hearing shall be St. Clair County, Michigan at a place mutually agreeable by the parties or as determined by the arbitrators. Each party shall bear its own expenses of the arbitration, but the neutral arbitrators' fees and costs shall be borne equally between the parties participating in the arbitration.

ARTICLE XII. PROPRIETARY INFORMATION

In regard to the exchange of any proprietary or confidential information between the parties, if any, the parties agree to the following:

A. For the purpose of this Agreement, "Confidential Information" shall mean information received by one Party ("Receiving Party") from the other ("Submitting Party") which is marked as "Confidential", "Company Confidential," "Private," and/or

"Proprietary." Information initially furnished verbally or visually and identified beforehand as confidential and/or proprietary at the time of disclosure shall be reduced to writing and confirmed as Confidential Information in a written statement that fully identifies the material considered confidential within thirty (30) business days after its initial disclosure. During that thirty (30) business day period, the latter information shall be protected, but failure to so identify, reduce to writing, mark and deliver such verbally or visually disclosed information in the manner prescribed shall relieve the Receiving Party of all obligations of protection with respect to inadvertent disclosure to persons who were not original recipients of the verbal or visual information.

B. From receipt until a period of five (5) years beyond the termination of this Agreement, the Receiving Party shall maintain all Confidential Information in confidence and shall not disclose same to any third party, unless authorized with the Disclosing Party's written consent. In protecting such information from disclosure, the Receiving Party shall use at least the same degree of care as it normally uses in the protection of its own confidential and proprietary information of like kinds. Such degree of care shall be no less than the prevailing standard of reasonable care in the Receiving Party's industry. Each Receiving Party further agrees that it will not (i) use any Confidential Information received from the other except for the purposes contemplated by this Agreement, (ii) disclose same to persons in its organization without a "need to know," or (iii) make unnecessary copies of same.

C. The restrictions herein shall not apply with respect to Confidential Information which:

- (1) Is or becomes known to the general public without breach of this Agreement; or
- (2) Was previously known to the Receiving Party or was possessed by it without restriction prior to any disclosure hereunder; or
- (3) Is or has been lawfully disclosed to a Receiving Party by a third party without an obligation of confidentiality; or
- (4) Is independently developed by a Party without access to or use of the Confidential Information; or
- (5) Is disclosed pursuant to judicial action or Government regulations, provided the disclosing Party notifies the other prior to such disclosure and cooperates with the other in the event the other elects to legally contest and avoid such disclosure; or
- (6) At the end of the period of confidentiality set forth in Article XII.B above.

D. Except as expressly herein provided, no rights, licenses or relationships whatsoever are to be inferred or implied by the furnishing of Confidential Information specified above or pursuant to this Agreement.

E. All tangible or electronic information, including drawings, specifications and other information submitted hereunder, by one Party to the other shall remain the property of the Submitting Party. The Receiving Party shall promptly return or, in the case of information on hard drives or other devices, permanently deleted, Confidential Information, including any and all copies thereof, to the submitting Party, and shall cease any further use thereof, upon the first to occur of the following events: (i) written request of the Submitting Party; (ii) termination of this Agreement; or (iii) completion of the purpose for which the Confidential Information was disclosed. In lieu of the foregoing, the Receiving Party, upon mutual consent, may destroy all copies of the Confidential Information and certify to the Submitting Party in writing that it has done so.

F. This section shall survive any termination of this Agreement.

ARTICLE XIII. LICENSED PATENTS

A. Licensor hereby grants to Licensee a right of first refusal to purchase any or all of the Licensed Patents if, at any time during the lives of the Licensed Patents, Licensor desires to sell any or all of the Licensed Patents. If Licensor receives a bona fide offer from a third-party to purchase a Licensed Patent and if Licensor desires to sell the Licensed Patent pursuant to the terms of this offer, Licensor shall provide Licensee with a written notice regarding its intent to sell ("Notice"). The Notice shall state all of the material terms of the proposed sale. Within thirty (30) days of Licensee's receipt of the Notice, Licensee shall provide Licensor with a written response regarding its intent to purchase the Licensed Patent upon the terms indicated in the Notice. If Licensee elects to purchase the Licensed Patent, closing shall occur within sixty (60) days of Licensee's receipt of the Notice. If Licensee fails to respond to the Notice in a timely manner, elects not to purchase or fails to close in a timely manner, Licensor may sell the Licensed Patent upon the terms indicated in the Notice. If Licensor fails to close on the sale of the Licensed Patent within one hundred and twenty (120) days of Licensee's receipt of the Notice, the Licensed Patent shall again become subject to Licensee's right of first refusal.

B. If Licensee makes a patentable improvement and/or development related to application aspects of the Licensed Products, Licensor agrees to cooperate with Licensee in Licensee's filing of any application patent for the improvements and/or developments. If any patents are granted to Licensee for the application improvements and/or developments and this Agreement is terminated, Licensee agrees to negotiate in good faith a compensation plan to allow Licensor use of the patented improvement and/or development. Any formulation patents or improvements are solely owned by the Licensor.

C. Licensor shall maintain the Licensed Patents in all jurisdictions in which they or equivalents have been filed, for the statutory life of patents in those jurisdictions. The parties agree to cooperate in connection with the maintenance of the Licensed Patents and to take any and all actions necessary to transfer the necessary documents and rights required for, and to do such other things as are from time to time necessary to comply with the requirements of this Section. Payment of all fees and costs incurred during the

term of this Agreement relating to the maintenance of the Licensed Patents shall be the responsibility of Licensor. Licensor and Licensee shall keep each other promptly and fully apprised of all material developments in the maintenance of the Licensed Patents. Each party will cooperate as reasonably necessary to secure and maintain protection applicable to the Licensed Patents. Notwithstanding anything to the contrary in this Agreement, in the event Licensor determines that the upcoming fees and costs to maintain one, or more, of the Licensed Patent(s) will exceed the royalties from the said Licensed Patent(s) for the upcoming maintenance period in any specific jurisdiction(s), Licensor may terminate payment of such maintenance fees and costs in said designated jurisdiction(s), so long as Licensor gives Licensee thirty (30) days written notice of said decision to permit Licensee to pay such maintenance fees and costs, at Licensee's sole expense, if Licensee so desires.

D. Licensee shall maintain any application patents for improvements and/or developments in all jurisdictions in which they or equivalents have been filed, for the statutory life of patents in those jurisdictions. The parties agree to cooperate in connection with the maintenance of such patents and to take any and all actions necessary to transfer the necessary documents and rights required for, and to do such other things as are from time to time necessary to comply with the requirements of this Section. Payment of all fees and costs incurred during the term of this Agreement relating to the maintenance of such patents shall be the responsibility of Licensee. Licensor and Licensee shall keep each other promptly and fully apprised of all material developments in the maintenance of such patents. Each party will cooperate as reasonably necessary to secure and maintain protection applicable to such patents.

ARTICLE XIV. ADDITIONAL PROVISIONS

A. This Agreement embodies all of the understanding and obligations between the parties with respect to the subject matter hereof. It is the parties' intention that no amendment or modification of this Agreement shall be valid or binding upon the parties unless made in writing and signed on behalf of each of the parties by their respective duly authorized officers, and that they contractually waive any common law decisions to the contrary.

B. Licenses, immunities and rights with respect to the Licensed Products made, sold, leased, put into use or imported prior to any termination or cancellation under the provisions of this Agreement shall survive such termination or cancellation, provided the royalty therefor has been paid prior to or within a reasonable time after any termination or cancellation of this Agreement.

C. The English language shall be the governing language in the performance of this Agreement. All data, documentation, notices, communications, and other correspondence furnished in accordance with the terms of this Agreement shall be in the English language.

D. Neither party may assign any rights, or delegate any duties, under this Agreement without first obtaining written consent from the other party, which shall not be unreasonably withheld; provided that consent is hereby given to (i) an assignment to any

corporation or other legal entity with which either party may merge or consolidate or which may succeed to its business, or (ii) an assignment to a subsidiary or parent corporation. Any permitted assignment hereunder will be binding upon assigns or successors.

E. The omission by either party at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants, or provisions hereof by the other party at the time designated, shall not be a waiver of any such default or right to which the party is entitled, nor shall it in any way affect the right of the party to enforce such provisions thereafter.

F. This Agreement may not be modified, nor may compliance with any of its terms waived, except by written instrument executed and approved in the same manner as this Agreement.

G. During the term of this Agreement, neither party shall directly solicit for hire employees of the other without the other party's prior written authorization.

H. Each party to this Agreement and any of Licensee's sublicensees shall be deemed at all times to be an independent contractors and shall be wholly responsible for the manner in which they perform the work required by the terms of this Agreement. Each party or any of Licensee's sublicensees shall be liable for the acts and omissions of its employees and agents. Nothing contained herein shall be construed as creating an employment or agency relationship between Licensor and Licensee or any of Licensee's sublicensees.

I. In the event that any provision of this Agreement shall be unenforceable or invalid under any applicable law or be so held by applicable court decision, such unenforceability or invalidity shall not render this Agreement or any other provision hereof unenforceable or invalid, and, in such event, such provision shall be changed and interpreted so as to best accomplish the objectives of such unenforceable or invalid provision within the limits of applicable law or applicable court decisions.

J. The waiver by either party of any default or breach of this Agreement shall not constitute a waiver of any other or subsequent default or breach.

K. Termination of this Agreement shall not limit either party from pursuing any other remedies available to it under this Agreement or applicable law, including injunctive relief. The parties' rights and obligations under Articles IV, VI, IX, X, XI, XII and XIII shall survive termination of this Agreement together with such other provisions hereof which either expressly or by their nature survive such termination.

IN WITNESS WHEREOF, the parties have caused their respective officers hereunto duly authorized to execute this Agreement effective the date first above written.

Nor-Cote International, Inc.

Allied PhotoChemical, Inc.

By: [Signature] CEO/President By: [Signature]

Date: 8/14/03

Date: 8/14/03

STATE OF INDIANA)
) SS:
COUNTY OF Montgomery)

Before me, a Notary Public, in and for said County and State personally appeared Herman Haffner, President of Nor-Cote International, Inc., and states that the statements made herein are true.

Dated this 14th day of August, 2003.

Signed: [Signature]
Printed: Kendala Cummings
Notary Public

My Commission Expires:

My County of Residence is:

3-16-07

Montgomery

STATE OF MICHIGAN)
) SS:
COUNTY OF St. Clair)

Before me, a Notary Public, in and for said County and State personally appeared Roy C. Krohn, President of Allied PhotoChemical, Inc., and states that the statements made herein are true.

Dated this 14th day of August, 2003.

Signed: [Signature]
Printed: Scott E. Howe
Notary Public

My Commission Expires:

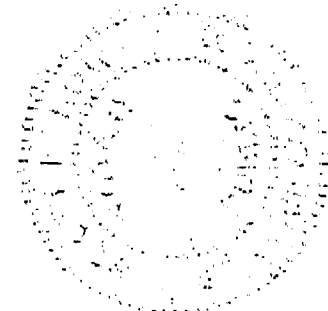
My County of Residence is:

1-5-2008

St. Clair

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Schedule 1 – Patent Applications and Patents

United States Patent Application #20010050357 – Ultraviolet Curable Silver Composition and Related Method.

United States Patent Application #20030022957 – Electroluminescent Device.

United States Patent Application #20030045596 – UV Curable Transparent Conductive Compositions.

Patent #CA2396978 – UV Curable Transparent Conductive Compositions.

Patent #EP1263892 – UV Curable Transparent Conductive Compositions.

Patent #AU2785501 - UV Curable Transparent Conductive Compositions.

Patent #WO0151567 – UV Curable Transparent Conductive Compositions.

Patent #CA2368372 – Ultraviolet Curable Silver Composition and Related Method.

Patent #WO03006709 – Ultraviolet Curable Silver Composition and Related Method.

Patent #EP1181848 – Ultraviolet Curable Silver Composition and Related Method.

Patent #US6290881 – Ultraviolet Curable Silver Composition and Related Method.

Patent #AU3923200 – Ultraviolet Curable Silver Composition and Related Method.

Patent #WO0062586 – Ultraviolet Curable Silver Composition and Related Method.

Patent #CA2385041 – UV Curable Compositions for Producing Electroluminescent Coatings.

Patent #CN1378577T - UV Curable Compositions for Producing Electro Luminescent Coatings.

Patent #EP1218456 - UV Curable Compositions for Producing Electroluminescent Coatings.

Patent #AU1819001 - UV Curable Compositions for Producing Electroluminescent Coatings.

Patent #WO0125342 - UV Curable Compositions for Producing Electroluminescent Coatings.

Schedule 2- APC Protected Customer List/U.S.

Bay Area Labels

Harrison SPI

Eastman Kodak

Melrose Nameplate

Oryon Tech

Mantex Corp

Schedule 3: License Royalty Fees Due and Payable

License royalty fees due and payable under the Patent License Agreement between the parties effective August __, 2003 into which this Schedule 3 is incorporated, shall be computed by applying the compensation methodology agreed to in Article III of said Agreement to the below schedules.

During the period of license grant as identified in Article II.A(1) and II.A(2) of this Agreement, Licensee agrees to pay to Licensors the greater of the following fees:

A. Fee-based on the volume of products sold by Nor-Cote.

The products are listed on Schedule 4.

B. Flat Fee.

- (1) \$10,000 per month for the first three (3) months of this Agreement.
The first payment shall be made within thirty (30) days From the date of this executed agreement.
- (2) \$17,500 per month for the remaining term of this Agreement.

Schedule 4 - Products to be Manufactured and Sold by Nor-Cote

Current APC Code	\$ per Kilo of Product Sold by Nor-Cote
TGH 1018 WH	\$ 8.80
TGH 1019 WH	\$ 8.80
TGH 1400 GN	\$38.28
TGH 1401 BL	\$38.28
UVAG 0025	\$13.60
UVAG 0008	\$20.00
UVAG 0010	\$20.00
UVAG 0012	\$20.00
UVAG 0013	\$20.00
UVAG 0014	\$20.00
UVAG 0016	\$20.00
UVAG 0022	\$20.00
UVAG 0028	\$20.00
EXGH-AAIU	\$20.00
TGH 1705 CL	\$ 8.00
TGH 1700 CL	\$8.00

If Licensor develops any improvements of the Licensed Products in this agreement, Licensor agrees to promptly furnish Licensee with all such products. Licensor and Licensee agree to negotiate in good faith a fee for such new products using the above-described products and fees as a guideline.