

Form PTO-1595 (Rev. 09/04)
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U.S. DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

RECORDATION FORM COVER SHEET PATENTS ONLY

To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies)/Execution Date(s):

Village Farms, L.P.

Execution Date(s) July 1, 2004

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

3. Nature of conveyance:

- ☐ Assignment
 ☐ Merger
☐ Security Agreement
 ☐ Change of Name
☐ Government Interest Assignment
☐ Executive Order 9424, Confirmatory License Agreement for Sale and Purchase
☒ Other of Business

2. Name and address of receiving party(ies)

Name: Austin Grant, Inc.

Internal Address: _____

Street Address: 3799 Brantley Place

City: Apopka

State: Florida

Country: USA Zip: 32703

Additional name(s) & address(es) attached? ☐ Yes ☒ No

4. Application or patent number(s):

A. Patent Application No.(s)

☐ This document is being filed together with a new application.

B. Patent No.(s)

5,554,368 ; 6,017,752

Additional numbers attached? ☐ Yes ☒ No

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

Name: David M. Perry, Esquire

Internal Address: Blank Rome LLP

9th Floor

Street Address: One Logan Square

City: Philadelphia

State: PA Zip: 19103-6998

Phone Number: 215-569-5767

Fax Number: 215-832-5767

Email Address: perry@blankrome.com

6. Total number of applications and patents involved:

2

7. Total fee (37 CFR 1.21(h) & 3.41) \$ 80.00

- ☐ Authorized to be charged by credit card
☒ Authorized to be charged to deposit account
☐ Enclosed
☐ None required (government interest not affecting title)

8. Payment Information

a. Credit Card Last 4 Numbers _____
Expiration Date _____

b. Deposit Account Number 02-2555

Authorized User Name David M. Perry

9. Signature:

David M. Perry
Signature

12-7-04
Date

David M. Perry

Name of Person Signing

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

18

Documents to be recorded (including cover sheet) should be faxed to (703) 306-5995, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, V.A. 22313-1450

PATENT

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REEL: 015428 FRAME: 0669

CH \$80.00 022555 5554368

AGREEMENT FOR SALE AND PURCHASE OF BUSINESS

THIS AGREEMENT FOR SALE AND PURCHASE OF BUSINESS is made this 1 day of July , 2004, by and between VILLAGE FARMS, L.P. , hereinafter referred to as "SELLER," and AUSTIN GRANT, INC., hereinafter referred to as "BUYER":

WITNESSETH

WHEREAS, Seller is the owner and operator of a business involved in the creation of products and the sale of products related to the Bio-Save, Post Harvest, and Bio-Protectant line of products, hereinafter sometime generally referred to as "BUSINESS", and

WHEREAS, Seller wishes to sell all of its interest in the assets, tangible personal property, clientele, equipment, inventory, intellectual property, business trade name, and other assets used solely in the operation of the Business, but only upon the terms and conditions herein contained, and

WHEREAS, Buyer wishes to purchase all of Seller's interest in the assets, tangible personal property, clientele, equipment, inventory, intellectual property, trade name, and other assets used solely in the operation of the business, but only upon the terms and conditions herein contained, and

NOW, THEREFORE, for and in consideration of the premises hereof, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each, the parties hereby agree as follows:


PATENT

REEL: 015428 FRAME: 0670

ARTICLE I

PROMISE TO BUY AND SELL

Section 1.01. Seller agrees to sell, transfer, and deliver, and Buyer agrees to purchase and accept for the consideration hereinafter specified, all of Seller's interest in assets, tangible personal property, clientele, equipment, inventory, intellectual properties, trade name, and other assets used solely in connection with the operation of the Business, which assets and personal property are generally listed on Exhibit "A" attached hereto and made a part hereof by this reference thereto.

Section 1.02. It is hereby acknowledged by the parties hereto that the list of assets and personal property attached hereto as Exhibit "A" is neither intended to be exhaustive nor specific and that it is the intention of the parties hereto that the Seller transfer all of its interest in the assets and tangible personal property used solely in connection with the operation of Business, whether or not listed on Exhibit "A".

Section 1.03. Buyer acknowledges and agrees that Seller is an ongoing business and the assets being sold herein are just a portion of Seller's assets and any and all assets not used solely in the operation of the Business shall remain the property of Seller.

ARTICLE II

PURCHASE PRICE AND AGREEMENT

Section 2.01. Buyer and Seller agree that the purchase price for the assets and personal property of the business and Sellers Covenant Not to Compete hereinafter given shall be _____ plus royalties as identified below.

Section 2.02. This _____ shall be paid as follows:

A. The amount of _____ shall be payable upon execution of this

Agreement by all parties.

B. Contemporaneous with the execution of this Agreement, Buyer shall execute a Promissory Note in favor of Seller in the face amount of _____, payable under the terms and conditions set forth on said Promissory Note, a copy of said Promissory Note attached hereto as Exhibit "B" (the "Promissory Note").

Section 2.03. The Promissory Note is to be personally guaranteed by Lucie Grant pursuant to a guaranty in the form annexed hereto as Exhibit "C" (the "Guarantee").

Section 2.04. The Promissory Note described above shall be secured by a security interest granted pursuant to a Security Agreement in the form annexed hereto as Exhibit "D" (the "Security Agreement") executed this date on all the assets described therein.

Section 2.05. In addition to the purchase price set forth above, the Buyer agrees to pay to Seller, a royalty consisting of a percentage of net sales of product purchased from Seller as defined below:

A. Buyer shall pay to Seller an amount equal to _____

The first quarter for which payments shall be payable will be the quarter beginning October 1, 2004 and ending on December 31, 2004 and continuing every three (3) months thereafter until a total aggregate _____

B. The minimum royalties payable each year shall be _____

C. Payments will be made within thirty (30) days after the end of each quarter.

D. After Buyer has paid a total aggregate of

net sales for twelve (12) quarters thereafter.

Section 2.06. Both parties agree that net sales are to be defined as gross sales of Products (as defined below) purchased from Seller, less cost of goods sold computed on a basis consistent with the historical financial statement of the Bio Save Division of Seller. The term "Products" means the Bio-Save Postharvest Biofungicides products, as such products may be modified, altered or improved after the date hereof.

Section 2.07. Buyer agrees to keep proper records and books of account in accordance with generally accepted accounting principles ("GAAP"), showing the sales upon which the royalty payments are based, and all other information necessary for the accurate determination of the payments to be made to the Seller hereunder. Buyer agrees to deliver to Seller, with each royalty payment made hereunder, a report showing the information on which the payments herein provided are calculated.

Section 2.08. On thirty (30) days' prior written notice, Seller shall have the right to inspect or have an independent certified public accountant inspect the books and records of Buyer twice per fiscal year during usual business hours, for the sole purpose of and only to the extent necessary to verify the completeness and accuracy of the records and payments made under this Agreement. Seller or the accountant shall inform Buyer only if there has been an underpayment or an overpayment, and if so, the amount thereof and whether the books and records have been kept in a manner consistent with GAAP. The expense of any such inspection shall be borne by Seller; *provided, however*, that if the inspection discloses an error in excess of five percent (5%) in favor of Seller, then Buyer shall pay the full cost of such audit.

Section 2.09. Buyer shall not be obligated to pay any royalty on new products that Buyer may develop after closing.

Section 2.10. In the event of (a) the sale of the rights to the Products by Buyer (other than in the ordinary course of business), (b) the sale of all or substantially all of the assets of Buyer, (c) the shareholders of Buyer as of the date hereof ceasing to own more than 50% of the Buyer's outstanding capital stock, (d) a merger or consolidation of Buyer which results in the shareholders of Buyer as of the date hereof owning less than 50.1% of the Buyer's outstanding capital stock, then in any such event all royalties contemplated by this Agreement will become immediately due and payable, with future royalties be calculated on the assumption that monthly net sales of the Products would be equal to average monthly net sales of the Products for the most recently completed 12 month period (annualized in case such event occurs within twelve months of the date of this Agreement).

Section 2.11. The purchase price shall be allocated for IRS purposes by Seller and Buyer outside closing after they have had the opportunity to consult with their respective accountants.

ARTICLE III

EFFECTIVE DATE OF TRANSFER

Section 3.01. It is hereby agreed by and between the parties that the closing shall be effective upon execution of this Agreement and all ancillary documents being signed by both parties.

Section 3.02. Seller shall deliver to the Buyer, such Deeds, Bills of Sale, Assignments, Covenants, and other instruments of transfer as may be necessary to effect

the terms and conditions of this Agreement, and to vest in the Buyer good and marketable title to the personal property, intellectual properties and other assets sold under this Agreement, free of any and all liens and encumbrances, with the exception of those listed herein. Both parties agree that should any additional documentation be required or any modification of documents previously executed be required, they shall cooperate in execution of new or modified documents. Both parties further agree to execute all documentation necessary to transfer ownership of any assets from Seller to Buyer. Seller specifically agrees to comply with the Transfer of Registration requirements for the registrations identified on Exhibit A hereto. In addition, Buyer agrees to cooperate with respect to assistance with the ESC-I strain.

Section 3.03. Buyer and Seller agree that Buyer shall be entitled to retain all income earned from the operation of the Business beginning July 1, 2004 and Buyer shall be responsible for all expenses incurred beginning July 1, 2004.

ARTICLE IV

CONDITIONS OF CLOSING

Section 4.01. It is expressly understood and agreed by the parties hereto that the Buyer's obligation to close the transactions contemplated by this Agreement, are subject to and conditioned on the following:

A. The execution and delivery of a Bill of Sale by Seller transferring all assets of the Business as described above to the Buyer.

Section 4.02. It is expressly understood and agreed by the parties hereto that the Seller's obligation to close the transactions contemplated by this Agreement are subject to and conditioned on the following:

- A. The execution and delivery by Buyer of the Promissory Note.
- B. The execution and delivery by Buyer of the Security Agreement.
- C. The execution and delivery by Buyer of a UCC-1 Financing Statement.
- D. The execution and delivery by Lucie Grant of each of the Guarantee and a Release in form satisfactory to the Seller.
- E. The delivery by Buyer of _____ Seller by wire transfer or certified or bank check.

ARTICLE V

WARRANTIES AND AGREEMENTS OF SELLER AND BUYER

Section 5.01. Seller warrants that there are no creditors of the business contingent or otherwise, with the exception of those identified in writing.

Section 5.02. Seller hereby represents and warrants that there are no encumbrances, liens, liabilities, claims, debts, unfiled tax and information returns, unpaid taxes, unpaid expenses, or unpaid trade creditors, contingent or otherwise, whatsoever against the Business or said assets, except for those expenses which have been recently incurred and are not payable as of this date and will be timely paid by Seller and the Seller has good and marketable title to said assets. The Seller further represents, warrants and guarantees that all financial records, statements, information and representations furnished to Buyer concerning the operation of the business are true and correct in all material respects.

Section 5.03. The Seller has no knowledge of any facts or events which may be injurious or detrimental or constitute a lien, encumbrance, claim or liability against the

assets of the Business; further, Seller has complied in all material respects with all applicable governmental laws, regulations, rules and/or interpretations in the operation of the Business and use of the assets, including employment practices and procedures, the filing of tax and information returns and the payment of taxes.

Section 5.04. Seller acknowledges that the foregoing representations are given to expedite this and to induce the Buyer to purchase said assets and the Seller shall indemnify and hold the Buyer harmless with respect to any claims, liabilities, liens or encumbrances, whatsoever, including attorneys' fees, that now exist or may hereafter arise or be asserted against the assets or Business as a result of the undersigned's or the Seller's ownership and/or uses of said assets, with right of offset by said Buyer against any sums owed the Seller.

Section 5.05. Seller agrees to provide to Buyer a NON COMPETE AGREEMENT for a period of five (5) years, prohibiting it being involved in a similar business or the sale of similar products to that being sold to Buyer this date.

Section 5.06. Buyer hereby represents that as a result of the prior employment of Buyer's principal, Lucie Grant, by Seller, Buyer is intimately familiar with the Business and that Seller is making no representations to Buyer regarding the Business other than as specifically stated herein.

ARTICLE VI

ADDITIONAL COVENANTS

Section 6.01. Seller and Buyer acknowledge and agree that each party shall pay their own costs, including attorney fees relating to this transaction.

Section 6.02. The addresses of Buyer and Seller for the purpose of all notices pursuant to this Agreement are:

BUYER: Austin Grant, Inc.
3799 Brantley Place Circle
Apopka, FL 32703

SELLER: Village Farms, L.P.
7 Christopher Way
Eatontown, NJ 07724

ARTICLE VII

GOVERNING RULES

Section 7.01. The sections and headings used herein are for convenience only and shall have no force or effect for purposes of interpreting this Agreement.

Section 7.02. This Agreement is to be governed by and construed under the laws of the State of Florida and venue for any legal action relating to the contract shall be Seminole County, Florida.

Section 7.03. This Agreement shall be executed in duplication and each copy shall be deemed an original but all counterparts together shall constitute one and the same instrument.

Section 7.04. This Agreement shall be binding upon and inure to the benefits of the parties to it and their legal representatives, heirs, successors, and assigns.

Section 7.05. Whenever used herein, unless the context thereof clearly otherwise requires, the singular shall include the plural, the plural the singular, and the use of any gender shall include all genders.

Section 7.06. The covenants herein shall survive the closing hereunder.


Section 7.07. This Agreement supersedes all prior agreements and discussions between the parties. No agreements, unless incorporated in writing into this Agreement or a supplement hereof, shall be binding upon any of the parties.

**SIGNED, SEALED, AND DELIVERED
IN THE PRESENCE OF:**




WITNESS AS TO SELLER

**SELLER:
VILLAGE FARMS, L.P.**


By Kenneth S. Williams

BUYER:

AUSTIN GRANT, INC.


By Lucie Grant President

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List of Assets for Village Farms- Bio-Save Division

1. All assets used in the operation of Bio-Save®, post harvest and bioprotectant and all products created or sold by the same including, ESC 10 and ESC 11.
2. Customer lists
3. All intellectual properties dating back to EcoScience research and development
4. Financial Records for three years, P&L statements
5. Computer and all associated software, printer, phone, fax machine, filing cabinets, and all associated equipment
6. All Bio-Save files located in PA. Greenhouse/warehouse to be stored by Village Farms until removal.
7. All Bio-Save Division products held by Osprey in Sarasota, FL, excluding ESC 1
8. All Bio-Save files located in storage unit in Altamonte Springs, FL
9. US EPA and state registrations,
 - a. 68182-9 Bio-Save 110 Biological Fungicide
 - b. 68182-10 Bio-Save 1000 Biological Fungicide
 - c. 68182-16 ESC-10 Biofungicide Technical
 - d. 68182-17 ESC-11 Biofungicide Technical
 - e. 68182-18 Bio-Save 10 LP

PATENTS AND TRADEMARKS

The patent for ESC-10 (Bio-Save 10 LP and Bio-Save 1000):

United States Patent Number 5,554,368, issued September 10, 1996, owned by Village Farms, L.P., Title: *Pseudomonas syringae* ATCC 55389 and use thereof for inhibiting microbial decay on fruit.

The patent for ESC-11 (Bio-Save 110):

United States Patent Number 6,017,752, issued January 25, 2000, owned by the United States of America, Licensed to Village Farms, L.P. under license agreement S.N: 07/618,437. Title: Biological control of postharvest diseases of pome fruit with *Pseudomonas syringae* pv. *Lachrymans*.

Bio-Save- registered trademark (official copy and paperwork), # 2,184,289

Bio-Save application equipment at 14 customer packing houses and 1 distributor located in California

<u>Quantity</u>	<u>Description</u>
1	sub-zero freezer, 220 volts
1	sub-zero freezer, 110 volts
2	triple head GR pumps, 39 rpm
3	double head GR pumps, 60 rpm
3	double head GR pumps, 39 rpm
1	single head GR pump, 23 rpm
12	100 gallon tanks with agitators
1	30 gallon tank with agitator
4	triple line drippers, 7 feet
1	triple line dripper, 5 feet
1	double line dripper, 7 feet
2	double line drippers, 6 feet
1	double line dripper, 4 feet
1	single line dripper, 6 feet
1	single line dripper, 5 feet
1	single line dripper, 3 feet
1	cabinet

Laboratory Equipment located in Sarasota, Florida at Osprey**** all contents located inside equipment, excluding ESC 1**

<u>Name</u>	<u>Model Number</u>	<u>Serial Number</u>
Frigidaire, 14 cu. ft. refrigerator, 4 cu. ft. freezer	FRT18B4A	BA13022694
Whirlpool, 6 cu. ft. refrigerator	EL05CCXW	EB0330039

Incubators

Fisher Isotemp Bench-top Incubator	2550	780
VWR Scientific, 3 ft. tall	1555	0100393
VWR Scientific Incubator, 18 cu. ft. (not working)	2020	0501992
VWR Scientific Incubator, 18 cu. ft.	2020	0403694
VWR Scientific Incubator, 18 cu. ft.	2020	0700791
Fridgicab Refrigerator/Freezer	3551-10K	192001

-80°C Incubators

VWR Scientific Incubator, 30 cu. ft. 2992475F	A752OU12	S02F-
VWR Scientific Incubator, 30 cu. ft.	A852OUUA	ZA-110447

Scales

Mettler Scale, 300 gram	BB300	M74026
Mettler Scale, 100 gram	AT261	M11041
Mail Mate Scale		

Stirrers/Hotplates

Corning	PC-320	N/A
Corning	PC-320	N/A
Corning	PC-320	N/A

Dewars Liquid Nitrogen (all contents located inside Dewars, excluding ESC 1)

Taylor-Wharton, Large	K-Series	561-017-HD
Taylor-Wharton, Small	35HC	503-091-H4

Olympus Microscope	S2-ST	102633
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Desktop Market Forge Sterilmatic Autoclave	N/A	N/A
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Baker Sterilgard Hood, 6 ft.	SG600	SL344487
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Milton Roy Spectrophotometer	20D	3323192059
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APM Package Sealer	TBS-3/8	945
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Beckman Induction Drive Centrifuge	J2-21M	1701
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Orion Research Digital pH/milliVolt Meter	611	612219
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VWR Scientific Vortex	G-560	189462
Mettler Moisture Analyzer	PJ300MB/LP16	N19895
Lab-line Orbital Shaker	4626	1092-0232

**MISCELLANEOUS BIO-SAVE APPLICATION EQUIPMENT IN STORAGE,
VISALIA, CALIFORNIA**

<u>Quantity</u>	<u>Description</u>
2	100 gallon tank
1	30 gallon tank
1	agitator motor & shaft
1	double head GR pump - 39 rpm
1	Lmi pump - 480 gpd
1	200 lb capacity insulated dry ice storage
2	triple line drippers, 7 feet
1	triple line dripper, 6 feet
1	cabinet stand

Products for Sale

1. **Bio-Save 10 LP**
2. **Bio-Save 1000**
3. **Bio-Save 110 (soon to be Bio-Save 11 LP)**