

09-21-2004



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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):

Hydro Conduit Corporation

Execution Date(s) October 18, 1999Additional 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
☐ Other _____

2. Name and address of receiving party(ies)Name: Intralaminar Heat Cure Inc.

Internal Address: _____

Street Address: 27621 Community DriveCity: HOUSTONState: TEXASCountry: US Zip: 77362Additional name(s) & address(es) attached? ☐ Yes ☒ No**4. Application or patent number(s):**☐ This document is being filed together with a new application.

A. Patent Application No.(s)

08/467,460

09/588,407

B. Patent No.(s)

5,648,137

5,656,231

5,606,997

5,561,291

Additional numbers attached? ☐ Yes ☒ No**5. Name and address to whom correspondence concerning document should be mailed:**Name: DAVID McEWING

Internal Address: _____

Street Address: P.O. Box 231324City: HOUSTONState: TEXAS Zip: 77023Phone Number: (713) 514-0137Fax Number: (713) 514-9840Email Address: dmcewing@houston.rr.com**6. Total number of applications and patents involved:**

6

7. Total fee (37 CFR 1.21(h) & 3.41) \$ 240.00

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

8. Payment Informationa. Credit Card Last 4 Numbers _____
Expiration Date _____

b. Deposit Account Number _____

Authorized User Name _____

9. Signature:

Signature

September 16, 2004

Date

DAVID McEWING

Name of Person Signing

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

15

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
 REEL: 015788 FRAME: 0184

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**ASSET PURCHASE AGREEMENT
AS TO
INTRALAMINAR HEAT CURE
TECHNOLOGY DIVISION OF
HYDRO CONDUIT CORPORATION**

THIS IS AN ASSET PURCHASE AGREEMENT by and between Intralaminar Heat Cure, Inc., a Delaware corporation ("Purchaser"), and Hydro Conduit Corporation, a Delaware corporation ("CSR Hydro"), dated as of October 18, 1999, and by which Purchaser and CSR Hydro, in consideration of the agreements set forth below (the mutuality, adequacy and sufficiency of which are hereby acknowledged), hereby agree as follows to set forth the basis on which Purchaser will acquire certain assets and liabilities of CSR Hydro's intralaminar heat cure technology division (the "IHC Division"):

ARTICLE 1: GENERALLY AS TO PURCHASE & SALE.

1.1 Purchase and Sale of Assets; Assumption of Liabilities. At the Closing (which shall occur immediately after the execution of this Agreement as provided in Section 2.1):

(a) Purchased Assets. CSR Hydro will sell and deliver to Purchaser, and Purchaser will purchase and accept from CSR Hydro, the following assets of the IHC Division (collectively the "Purchased Assets"): (i) raw materials, work in progress, and finished goods inventory; (ii) plant and improvements; (iii) machinery and other equipment; (iv) spare parts, repair parts and tools; (v) furniture and office machinery and equipment; (vi) accounts receivable, (vii) patents, patent applications and service marks listed in Exhibit A; (viii) goodwill; and (ix) except as specifically excluded below, all other tangible and intangible assets of the IHC Division, including those listed in Exhibit A. The Purchased Assets do not include: (A) cash; (B) motor vehicles (other than that certain 1994 Chevrolet Siverado truck); (C) the 18 IHD Units (as defined below) which are subject to replacement as authorized by CSR Hydro (Purchaser representing that CSR Hydro's cost of such IHD Units is approximately \$33,000); and (D) other assets not used in the IHC Division (collectively the "Excluded Assets").

(b) Assumed Liabilities. Purchaser will assume all of the IHC Division's current and future liabilities and obligations (whether absolute, contingent, known or unknown, determinable or not determinable or otherwise), specifically including: (i) all of its contracts to supply product (including any IHD Units (as hereinafter defined)) to its customers, including those customers listed on Exhibit B; (ii) that certain license agreement by and between Advanced Trenchless Rehabilitation Systems, L.L.C., Richard D. Blackmore, Conductive Composites Technology, Inc. and Chicagoland Trenchless Rehabilitation, Inc. and dated February 16, 1996 (CSR Hydro is successor by assignment to Advanced Trenchless Rehabilitation Systems, L.L.C. and Conductive Composites Technology, Inc.); (iii) that certain settlement agreement by and among Chicagoland Trenchless Rehabilitation, Inc., Angelo DiPaolo, Conductive Composites Technology, Inc. and Richard D. Blackmore and dated December 18, 1995 (CSR Hydro is successor by assignment to Conductive Composites Technology, Inc.); (iv) unpaid ad valorem

property taxes of the current year; (v) that certain lease agreement between Larry and Linda Robinson and CSR Hydro dated April 1, 1997 (the "Lease"); (vi) all liabilities as to products manufactured or sold by the IHC Division; (vii) liabilities and/or obligations relating to (A) current and former employees of the IHC Division (including those relating to withholdings, payroll taxes and medical expenses), (B) litigation, (C) products sold and/or work performed (whether as to repair, replacement or otherwise and whether related to defects in materials or workmanship or otherwise), (D) environmental matters (including those with respect to personal injury, clean-up, removal or remediation, whether under CERCLA or otherwise, that relate to, are based upon or arise from or in connection with any applicable law relating to the environment, anti-pollution, related health matters or other similar matters and violations of law), and (E) violations of or non-compliance with any other applicable law or permit (collectively the "Assumed Liabilities").

1.2 Purchase Price. The "Purchase Price" consists of two components, as follows:

(a) *Fixed Component.* Thirty Thousand Eight Hundred Seventy-Four and 66/100 Dollars (\$30,874.66), which will be paid at Closing in cash; plus

(b) *Inventory Component.* CSR's cost as reflected on Attachment A-1 to Exhibit A ("CSR's Cost") for each item of inventory included in the Purchased Assets that is sold, leased, rented or otherwise disposed of by Purchaser on or after the Closing Date, which will be paid by Purchaser in accordance with Section 2.2(a).

The Purchase Price will be adjusted in accordance with Exhibit C by any prorations (including proration of assumed personal property or ad valorem taxes) to be paid or otherwise borne by CSR Hydro pursuant to this Agreement.

1.3 Understandings as to IHD Unit. Purchaser acknowledges that CSR Hydro has not yet developed an acceptable intralaminar heat curing device (an "IHD Unit") and that CSR Hydro disclaims any representation, warranty, covenant, agreement or obligation as to the current status or future prospects of developing a commercially acceptable IHD Unit.

ARTICLE 2: CLOSING.

2.1 The Closing. At the "Closing" (which will consist of the deliveries set forth below, none of which will be deemed to have been delivered unless and until all of them have been delivered, and which will occur immediately after the execution of this Agreement effective as of the [opening] of business on such day), the following will occur:

(a) *Purchase Price.* Purchaser will pay CSR Hydro the Purchase Price by wire transfer of \$30,874.66.

(b) *Bill of Sale.* CSR Hydro will execute and deliver to Purchaser a bill of sale as to the Purchased Assets.

(c) Patent Assignments. CSR Hydro will execute and deliver to Purchaser an assignment of the patents and patent applications included in the Purchased Assets.

(d) Assignment and Assumption of Liabilities. Purchaser and CSR Hydro will execute and deliver to each other an assignment and assumption of liabilities as to the Assumed Liabilities.

(e) Assignment of Lease. Purchaser and CSR Hydro will execute and deliver to each other an assignment and assumption of the Lease.

(f) Joint Releases. CSR Hydro will execute and deliver, and Purchaser will have caused each of Richard Blackmore, Mark Sloan and Bill Lepola to execute and deliver, joint releases.

(g) Guaranty in Favor of CSR Hydro. Purchaser will have caused Richard Blackmore to execute and deliver to CSR Hydro a Guaranty in favor of CSR Hydro, pursuant to which Mr. Blackmore shall have agreed to guarantee the prompt payment and performance of each of Purchaser's obligations under this Agreement.

(h) Noncompetition and Nonsolicitation Agreement. Purchaser and CSR Hydro will execute and deliver to each other a noncompetition and nonsolicitation agreement.

2.2 Post-Closing Actions.

(a) Insurance: Payment for Inventory. As long as any amounts are owed to CSR Hydro pursuant to Section 1.2(b), Purchaser will maintain with financially sound and reputable insurance companies insurance on all inventory included in the Purchased Assets in at least such amounts and against at least such risks as are usually insured against in the same general area by companies engaged in the same or a similar business. Purchaser will pay CSR Hydro no less frequently than monthly amounts due pursuant to Section 1.2(b) for inventory sold, leased, rented or otherwise disposed of by Purchaser on and after the Closing Date; provided, however, that, if any such inventory has not be sold, leased, rented or otherwise disposed of by Purchaser by the first anniversary of the Closing Date, Purchaser will pay to CSR Hydro, within 15 days after the first anniversary of the Closing Date, an amount equal to 50% of CSR's Cost for each item of remaining inventory. Purchaser and CSR Hydro will meet following the end of each calendar quarter so long as any amounts are owed to CSR Hydro pursuant to Section 1.2(b) to determine compliance with the foregoing; and any disputes will be submitted to arbitration in accordance with Section 2.2(b).

(b) Arbitration. Any disputes arising under or with respect to Section 2.2(a) will be submitted to and settled by arbitration in accordance with this Section (it being expressly understood and agreed that if such disputes cannot be settled by mutual agreement, it is the intention of the parties that any such claim be settled by arbitration). Arbitration will be by a single arbitrator experienced in the matters at issue and selected by CSR Hydro and Purchaser in accordance with the Commercial Arbitration Rules of the American Arbitration Association (the "Rules"). The arbitration will be held in such place in the Houston, Texas metropolitan area as may be specified by the arbitrator (or any place upon which Purchaser, CSR Hydro and the

arbitrator may agree), and will be conducted in accordance with the Rules and (regardless of any other choice of law provision in this Agreement) the United States Arbitration Act (9 U.S.C. §§ 1-16) to the extent not inconsistent with this Agreement. The decision of the arbitrator will be final and binding as to any matters submitted under this Section; and, if necessary, any decision may be entered in any court of record having jurisdiction over the subject matter or over the party against whom the judgment is being enforced. The determination of which party (or combination of them) will bear the costs and expenses of such arbitration proceeding will be determined by the arbitrator. The arbitrator will have the discretionary authority to award that all or a part of the reasonable attorneys' fees of one party in connection with the arbitration will be reimbursed by another party.

(c) *Mail.* From and after the Closing Date, Purchaser may open all mail and other communications received by Purchaser addressed to CSR Hydro with respect to the IHC Division and either (i) if such communications relate to the Purchased Assets or the Assumed Liabilities, may act with respect to such communications in such manner as Purchaser may elect or (ii) if such communications do not so relate, Purchaser will forward the same promptly to CSR Hydro. CSR Hydro will promptly deliver to Purchaser the original of any mail or other communication received by it after the Closing Date pertaining to the Purchased Assets or the Assumed Liabilities.

(d) *IHD Units.* Purchaser will continue to supply and otherwise support lateral and spot customers of the IHC Division after Closing in accordance with their respective use permit agreements.

ARTICLE 3: REPRESENTATIONS AND WARRANTIES.

3.1 By CSR Hydro. CSR Hydro hereby represents and warrants to Purchaser that:

(a) *Corporate Existence and Status.* CSR Hydro is a corporation duly incorporated, organized, and validly existing in good standing under the corporation and franchise tax laws of the State of Delaware.

(b) *Corporate Power and Authorization.* CSR Hydro has had at all times the corporate power to own or lease its properties and otherwise to conduct the business conducted by the IHC Division. CSR Hydro has the power to execute, deliver and perform this Agreement and each other contract, instrument and document to be executed and delivered by it pursuant to this Agreement (this Agreement and such other contracts, instruments and documents being referred to collectively as the "CSR Hydro Delivered Documents"). The execution, delivery and performance of the CSR Hydro Delivered Documents have been duly authorized by all necessary action on the part of CSR Hydro in compliance with its articles of incorporation, its bylaws, and applicable law. This Agreement constitutes, and each of the other CSR Hydro Delivered Documents will constitute, CSR Hydro's valid and binding agreements, enforceable against CSR Hydro in accordance with its terms.

(c) *Taxes:* CSR Hydro has no liability with respect to taxes that would affect in any way whatsoever Purchaser's right, title, and interest in (other than permitted liens) any Purchased Asset.

(d) Assets: CSR Hydro owns all right, title and interest in and to the Purchased Assets free and clear of all liens (other than permitted liens), encumbrances or other adverse interests.

(e) Execution, Delivery and Performance Permitted Without Violation: The execution, delivery and performance of this Agreement and of the other CSR Hydro Delivered Documents are in compliance with, and are not (and will not be), assuming the giving of notice or the passage of time or both, in violation of: (i) CSR Hydro's articles of incorporation or bylaws; (ii) any applicable law to which CSR Hydro or any of its assets is subject or bound; or (iii) any order, ruling or proceeding to which CSR Hydro or any of its assets is a party, subject or bound.

NOTWITHSTANDING THE FOREGOING OR ANY PROVISION TO THE CONTRARY IN THIS AGREEMENT (BUT WITHOUT AFFECTING IN ANY MANNER THE EXPRESS REPRESENTATIONS AND WARRANTIES SET FORTH IN SECTION 3.1 ABOVE), AND REFLECTING IN PART THAT THE PURCHASER'S CONTROLLING SHAREHOLDER HAS, AT THE DIRECTION OF CSR HYDRO, PARTICIPATED IN THE OPERATION OF THE IHC DIVISION, NO REPRESENTATION OR WARRANTY IS MADE AS TO THE BUSINESS, FINANCIAL CONDITION, ASSETS, LIABILITIES OR OBLIGATIONS OF THE IHC DIVISION, IT BEING ACKNOWLEDGED AND AGREED THAT THE ACQUISITION BY PURCHASER OF THE BUSINESS, ASSETS, LIABILITIES AND OBLIGATIONS OF THE IHC DIVISION IS ON AN "AS IS", "WHERE IS" AND "WITH ALL FAULTS" BASIS, AND CSR HYDRO EXPRESSLY DISCLAIMS ANY AND ALL REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE FINANCIAL CONDITION, ASSETS, LIABILITIES OR OBLIGATIONS OF THE IHC DIVISION, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OPERABILITY, CAPACITY, CONDITION OR FREEDOM FROM LIENS OR ENCUMBRANCES.

3.2 By Purchaser. Purchaser hereby represents and warrants to CSR Hydro that:

(a) Corporate Existence and Status. Purchaser is a duly incorporated and organized corporation validly existing and in good standing under Delaware law.

(b) Corporate Power and Authorization. Purchaser has the corporate power and authority to execute, deliver and perform this Agreement and the agreements, instruments and documents to be executed and delivered by it pursuant to this Agreement, and without limiting the foregoing, the Board of Directors of Purchaser has authorized and approved the execution, delivery and performance of this Agreement.

(c) Due Execution and Enforceability. This Agreement has been, and each other agreement, instrument and document to be executed and delivered by Purchaser pursuant to this Agreement will be, duly executed and delivered by Purchaser, and each constitutes the legal, valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms.

(d) Execution, Delivery and Performance Without Conflict. The execution, delivery and performance of this Agreement is, and of the agreements, instruments and documents to be executed and delivered by Purchaser pursuant to this Agreement will be, in compliance with, and are not (and will not be), assuming the giving of notice or the passage of time or both, in violation of: (i) Purchaser's articles of incorporation or bylaws of Purchaser as amended or restated; (ii) any applicable law to which Purchaser or its assets is a party, subject or bound; or (iii) any contract, commitment, order, ruling or proceeding to which Purchaser or its assets is a party, subject or bound.

ARTICLE 4: COVENANTS & AGREEMENTS.

4.1 Confidentiality of this Agreement. The terms and conditions of this Agreement will remain confidential, except with the prior written consent of the other party (which will not be unreasonably withheld or delayed) and except to the extent applicable law or enforcement of its terms requires public disclosure; provided, however, that CSR Hydro will be permitted, subject to prior approval of Purchaser, to announce in writing to customers of the IHC Division that the assets of the IHC Division have been sold to Purchaser and that Purchaser will be responsible for the performance of their respective use permit agreements on and after the Closing Date.

4.2 Bulk Sales; State Tax Clearances. Purchaser and CSR Hydro each acknowledge and agree: (a) that notices to creditors are not being given under, and no other actions are being taken to comply with, the "Bulk Sales Act" under the Uniform Commercial Code or any similar applicable law as in effect in any state (but without acknowledging that such is required); and (b) that no waivers or clearances are being obtained under, and no other actions are being taken to comply with state laws, if any, providing for tax clearances in connection with transfers of assets (but without acknowledging that such is required). Purchaser and CSR Hydro waive compliance with such laws, but it is further agreed that, notwithstanding such waiver, CSR Hydro will indemnify, defend and hold Purchaser harmless from any losses, expenses, liabilities and claims arising from such non-compliance.

4.3 Expenses. Each party will pay its own expenses and costs incurred in connection with the negotiation and consummation of this Agreement and the transactions contemplated by this Agreement. Notwithstanding the foregoing, Purchaser will pay: (a) to the extent the transactions contemplated by this Agreement are not exempt from sales, use or excise taxes, such taxes and any penalties and interest; and (b) fees and costs relating to the transfer of patents, patent applications and service marks included in the Purchased Assets and all recording, indexing and filing relating to recording all documents effecting or evidencing transfer of title to patents, patent applications and service marks included in the Purchased Assets.

ARTICLE 5: INDEMNIFICATION.

5.1 Indemnification.

(a) Generally. Each party will indemnify, defend and hold the other harmless from and against any Loss (as defined below) incurred or suffered as a result of a breach of a representation, warranty, covenant or agreement set forth in this Agreement.

(b) Other -- By Purchaser. In addition to the indemnification obligations in Subsection (a) above, Purchaser will indemnify, defend and hold CSR Hydro harmless from and against any Assumed Liability.

5.2 Certain Limitations. Notwithstanding the foregoing:

(a) Time Limitations. No party will be required to indemnify another party unless the party claiming the right to be indemnified gives notice to the other party of facts which it in good faith thinks constitute a reasonable basis for indemnification:

(i) in the case of claims involving taxes, within 60 days after the expiration of the applicable statute of limitation (including extensions of it); and

(ii) in the case of claims involving any other matters covered by Article 3 or Section 5.1(a), on or before October 18, 2000.

; provided, however, that the foregoing will not apply to any loss for which CSR Hydro is indemnified pursuant to Section 5.1(b) [Assumed Liabilities].

(b) Cap. CSR Hydro's liability for indemnification pursuant to this Article 5 shall not exceed \$50,000.

(c) Other. Notwithstanding any other provision of this Agreement, CSR Hydro shall not be liable to Purchaser: (i) for any Loss to the extent that it relates to any act or omission of Purchaser or any of its affiliates or the agents of any of them; (ii) for any Loss to the extent that it relates to any act or omission occurring after the Closing Date even though those acts or omissions are consistent with, or a continuation of, those preceding the Closing Date; and (iii) for any Loss if Purchaser had actual knowledge at or before the Closing of the facts as a result of which CSR Hydro's representation, warranty, covenant or agreement was inaccurate or breached.

5.3 Right to Contest. In addition to the deadline set forth in Section 5.2(a) above for giving notice of facts constituting a basis for indemnification, the party seeking indemnification (the "indemnified party") as to any matter that is based upon a claim by a person not party to this Agreement ("Third Party Claim") will undertake in good faith to give prompt written notice of any such claim to the other party (the "indemnifying party"); provided, however, that a failure to provide such prompt written notice pursuant to the foregoing sentence shall not prejudice any right to indemnification under this Agreement for a claim otherwise made in accordance with Section 5.2(a) except to the extent that the indemnifying party is prejudiced by such failure. The indemnifying party will have, at its election and with counsel chosen and paid by it, the right to compromise or defend any Third Party Claim. Neither party may settle a Third Party Claim or any related action (even if the indemnifying party has elected not to defend such action) without the consent of the other party, which consent will not be unreasonably withheld or delayed. The party not defending (whether by election or otherwise) a Third Party Claim will have the right at its own expense, to attend, but not otherwise participate in proceedings involving Third Party Claims.

5.4 Certain Rules. The indemnification obligations in this Article 5, although stated in terms of the parties, will be for the benefit of the parties, their permitted successors and assigns and their officers, directors, employees, agents and affiliates. The phrase "breach of a representation" includes a misrepresentation. If an act, omission of fact or circumstance does not constitute a breach of the representation and warranty by a party expressly directed to such matters, then it shall not constitute a breach of a more general representation and warranty by such party. "Loss" means any loss, cost, damage, expense, payment, liability or obligation incurred with respect to the facts or circumstances with respect to which the term is used, including related attorneys', accountants' and other professional advisors' fees and expenses for Third Party Claims, but excluding lost profits, lost revenues, lost opportunity costs, costs of financing, or consequential, punitive, special or incidental damages. Each party will take reasonable commercial actions to mitigate any Loss.

5.5 Survival. The representations and warranties agreements made in this Agreement will survive the Closing only (a) for the applicable period specified in Section 5.2(a) and (b) as to claims for breaches of representations and warranties made during such applicable period, only to the extent of such claim and until such claim is resolved. All covenants and agreements made in this Agreement will survive without limitation as to time.

5.6 Exclusive Remedies. If the Closing occurs, then the remedies provided in this Article 5 constitute the sole and exclusive remedies for recoveries against another party for breaches of the representations and warranties in this Agreement and for the matters specifically listed in this Article 5 as being indemnified against; provided, however, that neither the foregoing nor anything else in this Agreement will limit the right of a party to enforce the performance of this Agreement or of any contract, document or other instrument executed and delivered pursuant to this Agreement by any remedy available to it in equity.

ARTICLE 6: MISCELLANEOUS.

6.1 Good Faith Efforts; Further Assurances; Cooperation. The parties will in good faith undertake to perform their obligations in this Agreement, to satisfy all conditions and to cause the transactions contemplated in this Agreement to be carried out promptly in accordance with the terms of this Agreement. Each party will do such things as may be reasonably requested by another party (and at the requesting party's expense) in order more effectively to consummate or to document the transactions contemplated by this Agreement or as may be reasonably requested by a party in connection with a claim for indemnification under Article 5. The parties will cooperate with each other and their respective counsel, accountants or designees in connection with any steps required to be taken as part of their respective rights and obligations under this Agreement.

6.2 Notices. Each notice, communication and delivery under this Agreement: (a) will be made in writing signed by the party making the same; (b) will specify the section of this Agreement pursuant to which it is given; (c) will be given either in person or by a nationally recognized next business day delivery service for next business day delivery; and (d) if not given in person, will be given to a party at the address set forth below such party's signature (or at such other address as a party may furnish to the other parties to this Agreement pursuant to this subsection). If notice is given pursuant to this Section of a permitted successor or assign of a

party, then notice will also thereafter be given as set forth above to such successor or assign of such party.

6.3 Assignment. No assignment or transfer by a party of its rights and obligations under this Agreement will be made by merger or other operation of law or otherwise except with the prior written consent of the other party (which may not be unreasonably withheld or delayed) and except to any person that controls, is controlled by or is under common control with the assigning party or to a successor to a substantial portion or all of the business of the assigning party. This Agreement is binding upon the parties and their successors and assigns and inures to the benefit of the parties and their permitted successors and assigns.

6.4 Certain Definitions. For purposes of this Agreement: (whether or not underlined): (a) "applicable law" means each provision of any constitution, statute, law, rule, regulation, decision, order, decree, judgment, release, license, permit, stipulation or other official pronouncement enacted, promulgated or issued by any governmental authority or arbitrator or arbitration panel; (b) "contract" means any contract of any kind whatsoever, together with all related amendments, modifications, supplements, waivers and consents; (c) "governmental authority" means any legislative, executive, judicial, quasi-judicial or other public authority, agency, department, bureau, division, unit, court or other public body or person; (d) "lien" means any mortgage, deed to secure debt, deed of trust, lien, pledge or other security interest, charge, encumbrance or adverse claim of any kind whatsoever, including any conditional sale or title retention arrangement, any assignment, deposit arrangement or lease intended as, or having the effect of, security, and the interest of a lessor or lessee under a lease treated as a capitalized lease; (e) "party", "parties" and variations of such means each or all, as appropriate, of the persons who have executed and delivered this Agreement, each permitted successor or assign of such a party, and when appropriate to effect the binding nature of this Agreement for the benefit of another party, any other successor or assign of such a party; (f) "permit" means any license, permit, authorization or certificate issued by a governmental authority; (g) "permitted lien" means any (i) lien for taxes not yet due and payable, (ii) lien imposed by applicable law and incurred in the ordinary course of business for obligations not yet due and payable to landlords, carriers, warehousemen, laborers, materialmen and the like, or (iii) lien that does not have a material adverse effect on the use or value of the asset to which it relates; (h) "person" means any individual, sole proprietorship, partnership, corporation, joint venture, limited liability company, estate, trust, unincorporated organization, association, institution, or other entity or governmental authority; (i) "taxes" means all taxes, assessments, charges, duties, fees, levies or other governmental charges, including all federal, state local, foreign or other income, profits, unitary, business, franchise, capital stock, real property, personal property, intangible taxes, withholding, FICA, unemployment compensation, disability, transfer, sales, use, excise and other taxes, assessments, charges, duties, fees, or levies of any kind whatsoever (whether or not requiring the filing of returns) and all deficiency assessments, additions to tax, penalties and interest; and (j) "this Agreement" includes any amendments or other modifications and supplements, and all exhibits, schedules and other attachments, to it.

6.5 Rules of Construction. For purposes of this Agreement: (a) "including" and any other words or phrases of inclusion will not be construed as terms of limitation, so that references to "included" matters will be regarded as non-exclusive, non-characterizing illustrations; (b) when "Section," "Subsection," or "Exhibit" is capitalized in this Agreement, such refers to

such item of or to this Agreement; (c) titles and captions of or in this Agreement and bracketed descriptions following Section references are inserted only as a matter of convenience and in no way define, limit, extend or describe the scope of this Agreement or the intent of any of its provisions; (d) whenever the context requires, the singular includes the plural and the plural includes the singular, and the gender of any pronoun includes the other genders; (e) each exhibit referred to in this Agreement and each attachment to any of them or this Agreement is hereby incorporated by reference into this Agreement and is made a part of this Agreement as if set out in full in the first place that reference is made to it; and (f) acknowledging that parties have participated jointly in the negotiation and drafting of this Agreement, if an ambiguity or question of intent or interpretation arises as to any aspect of this Agreement, then it will be construed as if drafted jointly by the parties and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.

6.6 Controlling Law; Integration; Amendment; Waiver; Remedies Cumulative.

This Agreement is governed by, and will be construed and enforced in accordance with, the laws of the State of Texas except the laws of that state that would render such choice of laws ineffective. This Agreement and the other agreements contemplated by this Agreement supersede all prior negotiations, agreements and understandings between the parties as to their subject matter, constitute the entire agreement between the parties as to their subject matter, and may not be altered or amended except in writing signed by the parties. The failure of any party at any time or times to require performance of any provision of this Agreement will in no manner affect the right to enforce the same; and no waiver by any party of any provision (or of a breach of any provision) of this Agreement, whether by conduct or otherwise, in any one of more instances will be deemed or construed either as a further or continuing waiver of any such provision or breach or as a waiver of any other provision (or of a breach of any other provision) of this Agreement.

6.7 Counterparts. This Agreement may be executed in one or more counterparts (one counterpart reflecting the signatures of all parties), each of which will be deemed to be an original, and it will not be necessary in making proof of this Agreement or its terms to account for more than one of such counterparts. This Agreement may be executed by each party upon a separate copy, and one or more execution pages may be detached from one copy of this Agreement and attached to another copy in order to form one or more counterparts.

DULY EXECUTED and delivered by Purchaser and CSR Hydro as of October 18, 1999.

Purchaser:

INTRALAMINAR HEAT CURE, INC.

By: Richard D. Blackmore

Name: Richard D. Blackmore

Title: President

Address: 27621 Community Drive
Pinehurst, Texas 77362

CSR Hydro:

HYDRO CONDUIT CORPORATION

By: Anita F. Michelsen

Name: ANITA F. MICHELSEN

Title: PLS Division CFO

Address: Suite 350
16701 Greenspoint Drive
Houston, Texas 77205

EXHIBIT A TO
IHC ASSET
PURCHASE AGMT (§ 1.1(a))

CERTAIN PURCHASED ASSETS

I. CERTAIN ASSETS -- See Attachment A-1

II. PATENTS, PATENT APPLICATIONS AND SERVICE MARKS

- A. U.S. Patent Application 08/287,120 for "Advanced Cured Resin Composite Parts and Method of Forming Such Parts"
Filed Aug. 8, 1994
Issued July 15, 1997
Patent Number 5,648,137 Composite Fabric
- B. U.S. Patent Application 08/431,302 for "Method and Apparatus for Repairing Pipe"
Filed April 28, 1995
Abandoned CIP filed October 17, 1997
in second office action Spot Repair
- C. U.S. Patent Application 08/430,330 for "Method for Rehabilitating Pipe Line and Resin Impregnated Lining Having an Integral Heating Element"
Filed April 28, 1995
Issued March 4, 1997
Patent Number 5,606,1997 Laterals
- D. U.S. Patent Application 08/469,634 for "Method of Forming Advanced Cured Resin Composite Parts"
Filed June 6, 1995
Abandoned no new filing Pole Wrap
- E. U.S. Patent Application 08/466,349 for "Method of Forming Advanced Cured Resin Composite Parts"
Filed June 6, 1995
Issued as of August 12, 1997
Patent Number 5,656,231 Mold Technology

- F. U.S. Patent Application 08/476,460 for "Method of Forming Advanced Cured Resin Composite Parts"
Filed June 6, 1995
In third and final office action FRP Curing Method
- G. U.S. Patent Application 08/467,020 for "Method of Forming Advanced Cured Resin Composite Parts"
Filed June 6, 1995
Issued January 7, 1995
Patent Number 5,591,291 FRP Molding Method
- H. PCT Application PCT US95/10356 for "Advanced Cured Resin Composite Parts and Method of Forming Such Parts"
Filed August 7, 1995
Abandoned International
- I. U.S. Service Mark "IHC Spot and Lateral Repair"
Reg. No. 2,220,040
Registered January 26, 1999

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