

12-03-2004

Form PTO-1595  
(Rev. 10/02)

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

OMB No. 0651-0027 (exp. 6/30/2005)

102894234

Tab settings

12-1-04

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

1. Name of conveying party(ies):  
Solomon B. Margolin

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

2. Name and address of receiving party(ies)  
Name: KDL Gmbh  
Internal Address: \_\_\_\_\_  
Street Address: Bahnhof Strasse 11  
Zug, CH-6301 Switzerland  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Additional name(s) & address(es) attached?  Yes  No

3. Nature of conveyance:  
 Assignment (50%)  Merger  
 Security Agreement  Change of Name  
 Other \_\_\_\_\_  
Mar. 2, 1998; Nov. 2, 1996  
Oct. 1, 2001; Aug. 18, 1998;  
Execution Date: \_\_\_\_\_

4. Application number(s) or patent number(s):  
If this document is being filed together with a new application, the execution date of the application is: \_\_\_\_\_  
A. Patent Application No.(s)  
B. Patent No.(s)  
5,310,562  
Additional numbers attached?  Yes  No

5. Name and address of party to whom correspondence concerning document should be mailed:  
Name: John H. Crozier, Esquire  
Internal Address: \_\_\_\_\_  
Street Address: 1934 Huntington Turnpike  
City: Trumbull State: CT Zip: 06611

6. Total number of applications and patents involved:  1  
7. Total fee (37 CFR 3.41).....\$40.00  
 Enclosed Credit Card  
 Authorized to be charged to deposit account  
8. Deposit account number:  
(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.*  
John H. Crozier Nov. 29, 2004  
Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and documents:  16

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

12/03/2004 GT0N11 00000072 6310562

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PATENT  
REEL: 016026 FRAME: 0534

## **First Amendment to Restatement Agreement**

Marnac, Inc. ("Marnac"), Shitotomo Yamauchi, KDL GmbH, and KDL, Inc. (which parties shall be collectively referred to as "KDL") enter into this amendment as of October 1, 2001 to their Restatement Agreement to which all parties other than KDL GmbH are parties.

### **Purpose**

1. The amendment seeks to accomplish two tasks. One is the addition of KDL GmbH to the Agreement. The second is to provide for ease of marketing of the as yet unlicensed portions of the rights of the anti-fibrotic applications of pirfenidone through providing the parties with specified rights to enter into licenses on stated conditions as set forth herein.

2. Marnac and KDL intend to work together to disclose to one another the potential for new licensees in the unlicensed territories for the anti-fibrotic uses of pirfenidone, and to keep each other advised of new negotiations and proposals. At the same time, Marnac and KDL recognize that in some instances, a potential licensee may wish to deal with a single entity acting on behalf of both licensors. This Agreement seeks to define ways to meet both goals.

### **Amendment to Add KDL GmbH**

3. KDL GmbH shall be added as a party to this Agreement effective as of the date of the Restatement Agreement. KDL GmbH shall be entitled to all the rights and privileges to which Shitotomo Yamauchi and KDL, Inc. were entitled under this Restatement Agreement, but is not entitled to any further rights or privileges. KDL GmbH shall be subject to the responsibilities and obligations to which Shitotomo Yamauchi and KDL, Inc. are subject, but is not by this amendment subject to any further duties. KDL, Inc. and Yamauchi hereby transfer any of their rights, duties and obligations to KDL GmbH as to territories other than Japan, Korea and Taiwan. Nothing

in this amendment releases any duty of KDL, Inc. or Yamauchi under the Restatement Agreement, as to any territory, including those assigned to KDL GmbH. KDL GmbH accepts this transfer, and Marnac consents to this transfer. For avoidance of doubt, and to further express the intentions of the parties, KDL GmbH is fully bound in all respects by the Restatement Agreement and by the Confidentiality Agreement which it executes and which is attached as Exhibit "A" to this First Amendment. KDL, Inc., YAMAUCHI and KDL GmbH warrant that this transfer will be effective, valid, and not in violation of the rights of any party, and HEREBY AGREE TO INDEMNIFY, HOLD HARMLESS AND DEFEND MARNAC AGAINST ANY DEMAND, CLAIM, SUIT, LOSS OR DAMAGE OR ANY KIND OR CHARACTER, ARISING FROM THIS TRANSFER INCLUDING, WITHOUT LIMITATION, ATTORNEYS FEES, EXPERT WITNESS FEES, COSTS AND TAX LIABILITIES TO MARNAC CAUSED BY THE TRANSFER OF RIGHTS TO KDL GmbH.

**Amendment to Grant Limited Authorities to License Territories**

4. MARNAC shall have the right to bind KDL to a license of the anti-fibrotic applications of pirfenidone in the North American and South American markets (including central America) in the event that MARNAC can execute an agreement with a licensee capable of performance on the following terms, (or such terms that shall be agreeable to Marnac and KDL):

- a. an initial license payment of at least ten million dollars;
- b. further milestone payments of at least an additional five million dollars
- c. royalties of not less than nine percent.

The milestone payments must be payable within a term of not more than four years.

5. KDL shall have the right to bind MARNAC to a license of the anti-fibrotic applications of pirfenidone in the European markets in the event KDL can execute an agreement with a licensee capable of performance on the following terms,(or such terms that shall be agreeable to Marnac and KDL):

- a. an initial license payment of five million dollars;
- b. further milestone payments of at least five million dollars;
- c. royalties of not less than nine percent.

The milestone payments must be payable within a term of not more than four years.

The parties agree, however, that if its existing licensee Shionogi elects to license the European territory, that the initial license payment must be at least ten million dollars, and the further milestone payments must be at least five million dollars.

6. KDL shall have the right to bind MARNAC to a license of the anti-fibrotic applications of pirfenidone in the Asian markets (excluding those licensed) and in Australia, provided that KDL can execute an agreement with a licensee capable of performance on the following terms, (or such terms that shall be agreeable to Marnac and KDL):

- a. an initial license payment of five million dollars;
- b. further milestone payments of not less than five million dollars; and
- c. royalties of not less than nine percent.

The milestone payments must be payable within a term of not more than four years.

7. Either MARNAC or KDL may bind the other party to a world-wide license of the anti-fibrotic applications of pirfenidone (other than those territories already licensed in Japan, Korea, and Taiwan) provided that either party can execute an agreement which a licensee capable of performance on the following terms, (or such terms that shall be agreeable to Marnac and KDL):

- a. an initial license payment of twenty million dollars;
- b. further milestone payments of not less than fifteen million dollars; and
- c. royalties of not less than nine percent.

The milestone payments must be payable within a term of not more than four years.

8. A "licensee capable of performance on the following terms" shall require that the licensee have both the financial ability at the time of the license and the technological resources to perform on a license of the anti-fibrotic applications of pirfenidone.

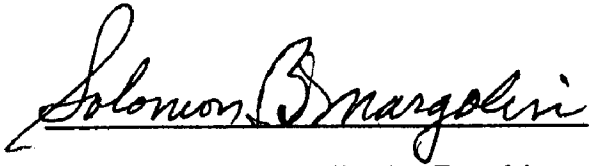
9. In the event that MARNAC or KDL locates the licensee, that party locating the licensee shall be deemed entitled to a "finder's fee" of an increase by five percent of the initial license fee sums which would otherwise be due at that party's share as a result of the license. By way of example, whereas in the absence of a finder's fee, MARNAC and KDL might each be entitled to fifty percent of royalties and the initial license fee. If one of the parties is a finder, the finder would receive fifty five percent of initial license fee (initial license fees and initial milestone payment).

For subsequent royalty payments, the finder's fee would reduce, so that the finder would receive fifty two and a half percent, and the non-finder would receive forty seven and a half percent of each subsequent royalty payment. If any third party finders become entitled to compensation, this compensation shall be payable first from the increased "finder's fee" percentage provided herein, and only after the "finder's fee" is exhausted shall any third party finder's fee be payable from the other percentages received by the parties.

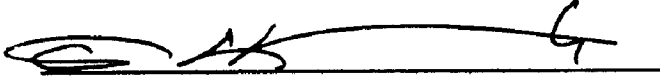
10. This amendment is intended as a limited exception to the duties of mutual consultation and consent set forth in the Restatement Agreement. Nothing herein is intended to expand the nature of the agreements, except as expressly set forth in this amendment. This amendment is not intended to act as a waiver of or estoppel of any past issues regarding performance by the parties of the agreements set forth in the Restatement Agreement. This amendment is instead intended to carve out a narrow set of exceptions and amendments to the Restatement Agreement, while preserving the rights otherwise arising from that Agreement.

11. Each party will execute such powers of attorney, assignment documents, and other documents reasonably necessary to implement this amendment.

Marnac, Inc. ("Marnac")

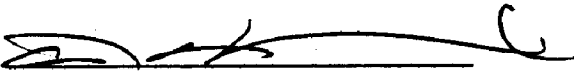


Solomon B. Margolin, its President



Shitotomo Yamauchi, individually

KDL GmbH



Shitotomo Yamauchi, its President

KDL, Inc.



Shitotomo Yamauchi, its President

## **RESTATEMENT AGREEMENT**

**THIS AGREEMENT** is made among Marnac, Inc. ("Marnac") a corporation organized and existing under the laws of the State of New Jersey and qualified to transact business under the laws of the State of Texas, with offices located at 6723 Desco Drive, Dallas, Texas 75225; KDL, Inc. ("KDL"), with offices located at Central Building, Ichibancho Chiyoda, Tokyo 102, Japan, a corporation organized and existing under the laws of Japan; and Shitotomo Yamauchi ("Yamauchi"), c/o KDL, Inc., Central Building, Ichibancho Chiyoda, Tokyo 102, Japan.

**WHEREAS**, Marnac, KDL and Yamauchi have previously entered into a number of agreements regarding the ownership, development and other matters relating to the anti-fibrotic agent 5-methyl-1-phenyl-2(1H)-pyridone ("Pirfenidone"), as cited in Japanese anti-fibrotic use Patent #1838915 and corresponding non-Japanese patents claiming priority of Patent #1838915, which agreements have been superseded by, and merged into, that certain Assignment from KDL/Yamauchi to Marnac dated November 2, 1996; and that certain Assignment from Marnac to KDL/Yamauchi, dated November 2, 1996;

**WHEREAS**, Marnac, KDL and Yamauchi desire to clarify, confirm and restate the rights, duties and obligations among the parties concerning, but not limited to, the ownership of Japanese Patent #1838915 and corresponding non-Japanese patents claiming priority of Patent #1838915, which agreements have been superseded by, and merged into, that certain Assignment from KDL/Yamauchi to Marnac dated November 2, 1996; and that certain Assignment from Marnac to KDL/Yamauchi, dated November 2, 1996; the marketing, sale and/or licensing of Pirfenidone for anti-fibrotic indications, the allocation of income and expenses relating to Pirfenidone; the relationship between KDL and Yamauchi, vis a vis Marnac; and the exclusive rights of Marnac in all basic and clinical research data; and

**WHEREAS**, it is the desire of Marnac, KDL and Yamauchi that this Restatement Agreement shall supercede all prior agreements among the parties relating in any way to Pirfenidone, and that this Restatement Agreement shall hereafter govern the rights, duties and obligations of Marnac, KDL and Yamauchi with respect to Pirfenidone.

**NOW, THEREFORE**, in consideration of the mutual promises, covenants and agreements contained herein, and for valuable consideration from each party to the other, receipt of which is hereby acknowledged, Marnac, KDL and Yamauchi agree as follows:

1. **Ownership of Patents Related to Pirfenidone.** The following use Patents and Patent Applications, Patents issuing on said Patent Applications, and the Inventions covered thereby, (the "Patent Rights") are owned one-half (1/2) by Marnac and one-half (1/2) by KDL/Yamauchi collectively.



US Patent No. 5,310,562 issued May 10, 1994

Australia Patent No. 633541 issued May 28, 1993

Mexico Patent No. 182266 issued July 29, 1996

Japanese Patent No. 1838915 issued April 25, 1994

Canada Patent No. 2010017 issued September 5, 1995

Austria Patent No. ATE136215T1 issued October 9, 1996

Denmark Patent No. DK/EP0458861 issued August 12, 1996

Netherlands Patent No. 0458861 issued May 20, 1996

Sweden Patent No. 0458861 issued April 3, 1996

Switzerland Patent No. 0458861 issued April 3, 1996

Brazilian Patent Application No. PI 9003771-5 filed August 1, 1990

New Zealand Patent Application No. 266673 filed May 9, 1994

Belgium, France, Germany, Italy, Spain, United Kingdom. Patent Application No. EPO 0-383-591-A2 filed February 15, 1990. Notice of Allowance received in 1996. Patents to be issued.

2. **Filing and Protection of Patents Related to Pirfenidone.** Each party shall be responsible for complying with procedures required by each applicable patent office to give public notice of the above owners of the Patent Rights in the manner and form required by the respective patent offices in order to protect said patents to the fullest extent provided by law, including, but not limited to, filing assignments of the Patent Rights to reflect ownership in the proportions set forth above. Marnac and KDL/Yamauchi agree to provide each other official documentation evidencing the ownership set forth above.

The expenses of patent filing, examination, registration, maintenance and patent attorney's fees generated prior to the date of execution of this Agreement shall be directly paid by the respective parties who incurred the expense. The expenses of the patent filing, examination, registration, maintenance and patent attorney's fees generated after the date of execution shall also be directly paid by the respective parties who incurred the expense.

3. **Marketing, Sale and/or Licensing of Pirfenidone.** Marnac and KDL/Yamauchi, respectively, shall use their best efforts to find licensees for and otherwise market Pirfenidone so that income can be derived from the above cited Patents. Marnac and KDL/Yamauchi are authorized to jointly or individually communicate with potential licensees or interested parties for the purpose of negotiating contracts for the marketing, sale and licensing of Pirfenidone anti-fibrotic products. However, neither party shall commit to, or enter into, any legal agreement or contract with any potential licensee or interested party without the express prior written consent of the other party. The parties agree that they shall inform each other promptly of any negotiations undertaken regarding the Patent Rights and Pirfenidone and shall introduce each other to the party with whom negotiations are undertaken. KDL/Yamauchi are not authorized agents of Marnac and agree that they will not represent to anyone that they are agents of Marnac for any purpose or make representations on behalf of Marnac. Any final agreement or contract shall require the approval and execution of all parties hereto.

4. **Allocation of Income and Expenses Related to Pirfenidone.** All monies in any form, or consideration in any form, to which any party hereto may become entitled for the Patent Rights, however denominated or designated (for example, but not limited to, royalties, fees, profits, income, milestone payments, deposits, credits or consideration of any other kind) (the "Income") shall be paid as follows:

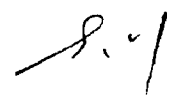
- a. 50% of the Income shall be deposited in a KDL/Yamauchi commercial account in a bank in Japan or elsewhere designated by KDL/Yamauchi.
- b. 50% of the Income shall be deposited in a Marnac commercial account in a bank in the United States designated by Marnac.

Marnac and KDL/Yamauchi may, upon written notice to the other, change the bank account into which the monies shall be deposited into its commercial account.

The expenses which each party incurs in its efforts to develop, research, market, sell or license Pirfenidone shall be directly paid by the respective parties who incurred the expense.

Any commission to a finder shall be borne one-half (1/2) by Marnac and one-half (1/2) by KDL/Yamauchi. The amount of commission to be paid to a finder shall be agreed upon by Marnac and KDL/Yamauchi but shall not exceed 10% of the net income of Marnac and KDL/Yamauchi under any legal contract or agreement resulting in Income.

5. **Relationship Between KDL and Yamauchi vis a vis Marnac.** Regarding all past, present and future transactions among Marnac, KDL and Yamauchi, KDL and Yamauchi represent and agree that such transactions also bind Yamauchi individually. KDL and Yamauchi assure Marnac that any benefits which to Marnac is entitled under any agreements relating to Pirfenidone and the above cited Patents will accrue to Marnac.



In summary, KDL shall have all the obligations of Yamauchi under this Agreement and past and future transactions, and Yamauchi shall have all the obligations of KDL under this Agreement and all past and future transactions to the effect that the obligations of KDL and Yamauchi vis a vis Marnac shall be identical.

6. **Indemnification.**

- a. YAMAUCHI AND KDL AGREE THAT THEY WILL, JOINTLY AND SEVERALLY, INDEMNIFY AND HOLD HARMLESS MARNAC FROM AND AGAINST ANY CLAIMS, LOSSES OF DAMAGES OF ANY KIND AND CHARACTER ARISING FROM ANY PAST, PRESENT AND FUTURE DEALINGS OF MARNAC WITH KDL AND/OR YAMAUCHI ASSERTED BY ANY PARTIES (INCLUDING BUT NOT LIMITED TO ATTORNEY'S FEES, COSTS AND EXPENSES) ARISING OUT OF OR RELATING TO THE ACTS OF YAMAUCHI AND/OR KDL.
- b. MARNAC AGREES THAT IT WILL INDEMNIFY AND HOLD HARMLESS YAMAUCHI AND KDL FROM AND AGAINST ANY CLAIMS, LOSSES OR DAMAGES OF ANY KIND AND CHARACTER ARISING FROM ANY PAST, PRESENT AND FUTURE DEALINGS OF YAMAUCHI AND/OR KDL WITH MARNAC ASSERTED BY ANY PARTIES (INCLUDING BUT NOT LIMITED TO ATTORNEY'S FEES, COSTS AND EXPENSES), ARISING OUT OF OR RELATING TO THE ACTS OF MARNAC.

7. **Exclusive Rights of Marnac in all Basic and Clinical Research Data.** KDL acknowledges and agrees that Marnac has the exclusive ownership, possession, and control of certain technical, chemical, pharmacological and toxicological information relating directly to the anti-fibrotic properties of Pirfenidone (the Data), which was funded directly or indirectly and obtained by Marnac and/or Solomon B. Margolin. KDL acknowledges and agrees that the Data is confidential. Marnac has the exclusive proprietary interest in the Data, which Marnac will disclose to KDL/Yamauchi only under the terms of a Confidentiality Agreement acceptable to Marnac, Inc. In the same manner Marnac, under the terms of a Confidentiality Agreement acceptable to KDL/Yamauchi, is to have access to existing and future basic and clinical research related directly to the anti-fibrotic properties of Pirfenidone which is funded by KDL/Yamauchi in Japan, with KDL/Yamauchi retaining equal co-ownership with Marnac of such existing and future data.

8. **Governing Law.** This Agreement shall be interpreted in accordance with the laws of the State of Texas. Any dispute between Marnac, and KDL/Yamauchi arising out of, or relating to this agreement, in connection with any business activities related to the anti-fibrotic property of Pirfenidone, anywhere in the world (except Japan), its interpretation or alleged breach, shall be settled by arbitration in Texas in accordance with the rules of the American Arbitration Association. The

prevailing party shall be entitled to reimbursement for all costs, including reasonable attorney's fees and expenses. The decision or award of said Arbitration proceedings shall be a final and binding one upon all parties.

Should the dispute between Marnac, and KDL/Yamauchi arising out of, or relating to this agreement, be in connection with business activities (which are strictly limited to Japan) and related to the anti-fibrotic property of Pirfenidone, and includes business with a Japanese Licensee in Japan, its interpretation or alleged breach, shall be settled by arbitration in Tokyo, Japan in accordance with the Japanese law and rule them obtaining of the Japan commercial Arbitration Association. The decision or award of said Japanese Arbitration proceedings shall be a final and binding one upon all parties.

9. **Recitals.** The recitals contained hereinabove are true and correct.

10. **Invalid Provisions.** If any provision hereof is held to be illegal, invalid or unenforceable under present or future laws effective during the term hereof, such provision shall be fully severable, and this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof. The remaining provisions hereof shall continue in full force and effect and shall not be effected by the illegal, invalid or unenforceable provisions or by its severance therefrom.

11. **Entirety and Amendments.** This Agreement embodies the entire agreement among the parties hereto concerning the matters dealt with herein and supercedes all prior agreements or understanding as may relate to the matters addressed herein. This Agreement may be amended only by instruction in writing executed by all the parties hereto. There are no unwritten oral agreements among the parties effecting the matters dealt with herein, and this agreement may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties.

12. **Captions.** The captions of the sections herein are inserted for convenience of reference only and shall not be used in construing the terms and provisions hereof.

13. **Further Assurances.** The parties hereto shall each promptly execute and deliver to the other all further documents provided for herein.

14. **Benefit of Parties.** This Agreement is solely for the benefit of the parties hereto and is not intended to and shall not create or enlarge any rights or privileges of any kind or nature whatsoever in any person or entity not a party hereto.

15. **Notices.** All notices, requests, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to be given or delivered when actually received by the addressee or if earlier and regardless of whether actually received upon deposit in a regularly maintained receptacle for the United States mail, registered or certified, postage fully prepaid, addressed to the addressee to whom directed at its address set forth below or at such other address as such party may have specified thereto before by notice actually received by the sending party:

A. 4

IF TO MARNAC:

Marnac, Inc.  
6723 Desco Drive  
Dallas, Texas 75225  
Telephone: 214-987-1388  
Telecopy: 214-987-1588

IF TO KDL:

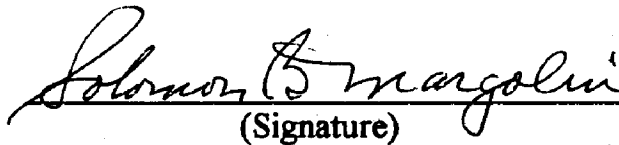
Shitotomo Yamauchi, President  
KDL, Inc.  
Central Building  
Ichibancho Chiyoda  
Tokyo 102, Japan

IF TO YAMAUCHI:

Shitotomo Yamauchi  
c/o KDL, Inc.  
Central Building  
Ichibancho Chiyoda  
Tokyo 102, Japan

EXECUTED on the date set forth by each party below.

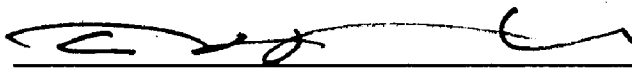
MARNAC, INC.

  
(Signature)

By: Solomon B. Margolin, President

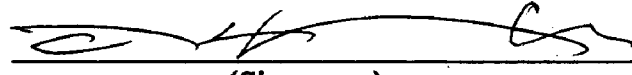
Date: August 18, 1998

KDL, INC.

  
(Signature)

By: Shitotomo Yamauchi, President

Date: March 2, 1998  
~~2/27/1998~~

  
(Signature)

SHITOTOMO YAMAUCHI

Date: March 2, 1998

S. Y

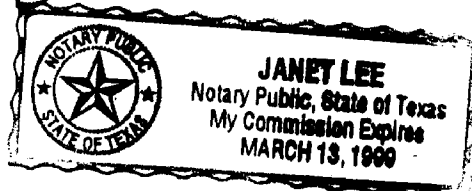
STATE OF §  
§ ss.  
COUNTY OF §

Before me, the undersigned Notary Public, personally appeared SOLOMON B. MARGOLIN, President of MARNAC, INC., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same on behalf of MARNAC, INC., and for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this 18th day of August, 1998.

Janet Lee  
Notary Public, State of Texas

STATE OF Tokyo §  
§ ss.  
COUNTY OF Japan §



Before me, the undersigned Notary Public, personally appeared SHITOTOMO YAMAUCHI, President of KDL, INC., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same on behalf of KDL, INC., and for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this 2nd day of March, 1998.



Masato Nakashige  
Notary Public, State of Tokyo  
MASATO NAKASHIGE

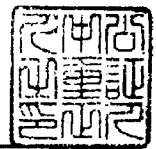


STATE OF Tokyo §  
§ ss.  
COUNTY OF Japan §

Before me, the undersigned Notary Public, personally appeared SHITOTOMO YAMAUCHI, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

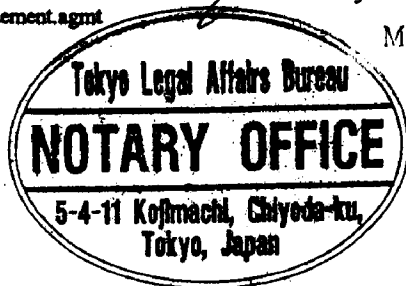
Given under my hand and seal of office this 2nd day of March, 1998.

Masato Nakashige  
Notary Public, State of Tokyo  
MASATO NAKASHIGE



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RESTATEMENT AGREEMENT



PAGE 7

*S-g*

ASSIGNMENT

THIS DEED OF ASSIGNMENT, effective this 20 day of November 1996, between Dr. Solomon B. Margolin, whose post office address is c/o MARNAC Inc., 6723 Desco Drive, Dallas Texas 75225, USA (Dr. Margolin and MARNAC Inc. hereinafter singly or together being called "Assignor"), and Shitotomo Yamauchi, whose post office address is c/o KDL Inc., Central Bldg., Ichibancho 22-1, Chiyoda, Tokyo 102, Japan (Mr. Yamauchi and KDL Inc. hereinafter singly or together being called "Assignee");

WHEREAS, THE ASSIGNOR is the sole and exclusive owner of the following Patents and Patent Applications:

US Patent No. 5,310,562, issued May 10, 1994

Australian Patent No. 633541; issued February 2, 1993

Brazilian Patent Application No. PI 9003771-5, filed August 1, 1990

New Zealand Patent Application No. 232559, filed February 15, 1990

Mexican Patent Application No. 21.719, filed July 24, 1990

European Patent Application No. 90903464.7, filed February 15, 1990 (designating Austria, Denmark, Netherlands, Sweden, and Switzerland)

all said Patent and Patent Applications being derived from Japanese Patent Application No. 1-035436, filed February 15, 1989;

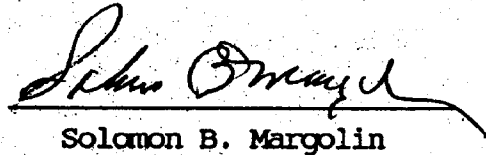
WHEREAS, THE ASSIGNEE is desirous of acquiring a one-half (1/2) undivided interest in, to, and under said Patents, said Patent Applications, Patents issuing on said Patent Applications, and the invention covered thereby (hereinafter all together being called "Patent Rights");

NOW, THEREFORE, for valuable consideration paid by the said ASSIGNEE to the said ASSIGNOR, the said ASSIGNOR hereby sells, assigns, transfers, and conveys to the said ASSIGNEE, and his or its successors, legal representatives, heirs, and assigns, a one-half (1/2) undivided interest in and to the Patent Rights, as fully and entirely as the same would have been held and enjoyed by the said ASSIGNOR if this Assignment had not been made, to the ends of the terms of the said Patent Rights.

ASSIGNMENT: S. B. MARGOLIN to S. YAMAUCHI (Cont'd)

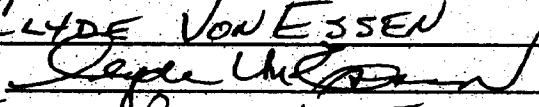
THIS ASSIGNMENT contains the entire agreement of the parties and supersedes all prior and contemporaneous agreements, understandings, representations, or proposals, oral or written, with respect to the subject matter hereof. This Assignment can be modified only by written instrument, signed by both parties, and specifically referencing this Assignment.

IN WITNESS WHEREOF, Solomon B. Margolin has caused this Assignment to be executed, on his behalf and on behalf of MARNAC Inc., this 2nd day of November 1996.

  
Solomon B. Margolin

CERTIFICATE OF WITNESS

I acknowledge that I was personally present and did see Solomon B. Margolin, who is personally known to me, duly execute the above Assignment on the date therein set forth.

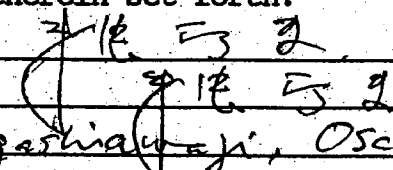
Name of Witness CLYDE VON ESSEN  
Signature of Witness   
Address 7747 SLEEPY RIVER WAY, SACRAMENTO, CA. 95831

Signed, accepted, and agreed to this 2 day of NOV., 1996.

  
Shitotomo Yamauchi

CERTIFICATE OF WITNESS

I acknowledge that I was personally present and did see Shitotomo Yamauchi, who is personally known to me, duly execute the above Assignment on the date therein set forth.

Name of Witness サバオ 小沢 史郎 SABAO KOMIZUMOSHI  
Signature of Witness   
Address 4-27-2 Higashiawaji, Osaka 533 Japan