

## PATENT ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT										
NATURE OF CONVEYANCE:	LICENSE										
CONVEYING PARTY DATA											
<table border="1"><thead><tr><th>Name</th><th>Execution Date</th></tr></thead><tbody><tr><td>Charles M Leonard</td><td>08/30/2006</td></tr><tr><td>Terry Jones</td><td>08/30/2006</td></tr></tbody></table>	Name	Execution Date	Charles M Leonard	08/30/2006	Terry Jones	08/30/2006					
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Terry Jones	08/30/2006										
RECEIVING PARTY DATA											
<table border="1"><tr><td>Name:</td><td>Quintec Films Corporation</td></tr><tr><td>Street Address:</td><td>1624 Railroad Avenue</td></tr><tr><td>City:</td><td>Shelbyville</td></tr><tr><td>State/Country:</td><td>TENNESSEE</td></tr><tr><td>Postal Code:</td><td>37160</td></tr></table>	Name:	Quintec Films Corporation	Street Address:	1624 Railroad Avenue	City:	Shelbyville	State/Country:	TENNESSEE	Postal Code:	37160	
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PROPERTY NUMBERS Total: 1											
<table border="1"><thead><tr><th>Property Type</th><th>Number</th></tr></thead><tbody><tr><td>Patent Number:</td><td>6265055</td></tr></tbody></table>	Property Type	Number	Patent Number:	6265055							
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Patent Number:	6265055										
CORRESPONDENCE DATA											
Fax Number: (615)742-7218 <i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>											
Phone: 615-244-5200											
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Correspondent Name: Richard S. Myers, Jr.											
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NAME OF SUBMITTER:	Francine M VanAelst										
Total Attachments: 6 source=License Agreement '055#page1.tif source=License Agreement '055#page2.tif source=License Agreement '055#page3.tif source=License Agreement '055#page4.tif											

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## **LICENSE AGREEMENT**

This License Agreement ("Agreement") is entered into as of August 30, 2006 (the "Effective Date"), between Charles M. Leonard of 2118 Stillwell Court, Murfreesboro, TN 37130, and Terry Jones of 1938 Cliffview Court, Murfreesboro, TN 37128, (collectively, "Licensors"); and Quintec Films Corporation, a corporation organized under the laws of the State of Tennessee, having a principal place of business at 1624 Railroad Ave, Shelbyville, Tennessee ("Licensee") (each, a "Party," and collectively, the "Parties").

Whereas, Licensors are the sole owner of all right, title and interest to the invention and subject matter disclosed in United States Patent No. 6,265,055 titled "Multilayer Stretch Cling Film" (the "'055 Patent"); and

Whereas, Licensee is engaged in the manufacture and sale of stretch wrap film and desires to obtain a exclusive license to the subject matter disclosed in the '055 Patent;

Now, therefore, in consideration of the promises and mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows.

### **AGREEMENT**

#### **1. DEFINITIONS.**

1.1 "Licensed Film" shall mean any film covered by or which embodies the Exclusive Patent Rights defined in this Agreement.

1.2 "Exclusive Patent Rights" shall mean Licensors' rights in the '055 Patent, including continuations, continuations-in-part, and divisionals, and all patents which may issue based on such applications, and all reissues, reexaminations, or extensions thereof, and patents and patent applications on any improvements, advancements, modifications, revisions or developments that relate to the Licensed Technology and that are developed by or for Licensor.

1.3 "Exclusive Technology Rights" shall mean technical information and know-how, including without limitation, trade secrets, designs, drawings, data, products, inventions, specifications, and any other information related to the Licensed Film and created by or for Licensor before the Effective Date. Exclusive Technology Rights may not be covered by Patent Rights, but are necessary for practicing the invention covered by the Exclusive Patent Rights.

## 2. GRANT OF LICENSE.

2.1. Exclusive License to Licensed Film. Licensors hereby grant to Licensee an exclusive, non-transferable, license under Exclusive Technology Rights and Exclusive Patent Rights to manufacture, have manufactured, use, import, offer to sell, and/or sell, lease or otherwise commercially exploit the Licensed Film throughout the world during the Exclusive License Term.

2.2. Past Infringement. Licensors expressly grant to Licensee the right to sue for all damages related to past infringement, specifically including the right to recover for injury to any prior owner.

## 3. LICENSE FEES, PAYMENTS.

3.1. License Fees for Licensed Film. In view of other consideration received by Licensors, Licensee shall pay to Licensors license fees in the form of a fee of seven thousand dollars (\$7000.00) per year, for the remainder of the patent term of the '055 Patent, and the term of any continuations, continuations-in-part, and divisionals, and all patents which may issue based on such applications, and all reissues, reexaminations, or extensions thereof, and patents and patent applications on any improvements, advancements, modifications, revisions or developments that relate to the Licensed Technology and that are developed by or for Licensor.

3.2. Payment of License Fees. Within ten (10) days after the end of each calendar year of the license, Licensee shall pay to Licensors the fee accrued during the immediately preceding year. All amounts payable hereunder by Licensee will be paid in United States funds without deductions for taxes, assessments, fees, or charges of any kind.

## 4. PATENT ENFORCEMENT.

The parties shall give each other prompt notice of any incident of infringement of the Exclusive Patent Rights coming to its attention. The parties shall thereupon confer together as to what steps are to be taken to stop or prevent such infringement. Licensors grant Licensee the right, and Licensee agrees to use reasonable efforts to stop any such infringement including, but not limited to, bringing suit in its own name or if required by law, jointly with Licensors,, in which event Licensee shall be responsible for all legal costs incurred including attorney fees, without recourse to Licensors. Financial recoveries from any such litigation will first be retained by Licensee for the payment of litigation expenses. Any financial recoveries beyond litigation expenses will be retained by Licensors. In any action to enforce Licensee's Patent Rights, the Licensors, at the request and of Licensee shall cooperate to the fullest extent reasonably possible

and shall be reimbursed reasonable expenses, including attorney fees. Should Licensee decide not to commence proceedings, Licensors shall be entitled to do so in its own name against the infringer, and shall be responsible for all legal costs incurred, and shall be entitled to retain any damages recovered.

## 5. INDEMNIFICATION, WARRANTIES AND LIMITATIONS OF LIABILITY.

5.1. Representations and Warranties. Each Party represents and warrants that it has the right and authority to enter into this Agreement and perform all its obligations hereunder.

5.2. No Other Warranties By Licensor. Except as provided in this Section, LICENSORS PROVIDE THE EXCLUSIVE PATENT RIGHTS AND THE EXCLUSIVE TECHNOLOGY RIGHTS "AS IS" WITHOUT ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY OR NONINFRINGEMENT.

5.3. Disclaimer of Other Warranties. Nothing in this Agreement shall be construed as:

5.3.1. A warranty or representation by Licensors as to the validity or scope of any of Exclusive Patent Rights;

5.3.2. A warranty or representation that anything made, used, sold, or otherwise disposed of under any license granted in this Agreement is or will be free from infringement of any patent rights or other intellectual property right of any third party; or

5.3.3. An obligation of Licensors to bring or prosecute actions or suits against third parties for infringement of any Exclusive Patent Rights or an obligation to prosecute or maintain any patents or patent applications.

5.4. Indemnification. Licensee agrees to indemnify Licensors against and hold it harmless from any loss suffered or incurred by Licensors by reason of a third party claim arising out of or relating to (i) the use of Licensors' Exclusive Patent Rights or Exclusive Technology Rights by Licensee or any other party acting pursuant to the permission, direction, license or control of Licensee, or (ii) any use of the Licensed Film pursuant to this Agreement, including infringement claims, unfair or fraudulent advertising claims, warranty claims, product defect claims, and liability claims pertaining to the Licensed Film.

5.5. Breach of this Agreement. To the extent either Party is held liable to the other Party for a breach of this Agreement, then, in addition to being subject to the other Party's termination rights as set forth in Section 7.2, the Party in breach will indemnify the other Party for resulting direct expenses and direct damages, including without limitation reasonable attorneys' fees.

6. **LIMITATION OF LIABILITY.**

NEITHER PARTY HEREUNDER SHALL BE LIABLE FOR ANY INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING, WITHOUT LIMITATION, ANY DAMAGES FOR LOSS OF PROFITS, LOSS OF USE, BUSINESS INTERRUPTION, LOSS OF DATA, OR COST OF COVER IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT WHETHER ALLEGED AS A BREACH OF CONTRACT, TORTIOUS CONDUCT (INCLUDING NEGLIGENCE) OR OTHER LEGAL THEORY, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL ANY PARTY'S AGGREGATE LIABILITY TO ANY OTHER PARTY ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT EXCEED THE AMOUNTS PAID BY LICENSEE TO LICENSORS HEREUNDER.

7. **TERM AND TERMINATION.**

7.1. Exclusive License Term. Unless otherwise terminated in accordance with the provisions of this Agreement, the license granted under Section 2.1 shall commence as of the Effective Date and continue in effect until the expiration of the term of the Exclusive Patent Rights ("Exclusive License Term").

7.2. Termination: This Agreement may be terminated:

7.2.1 By Licensors if Licensee shall at any time default on any obligation to make payment, and shall fail to remedy any such default or breach within thirty (30) days after written notice by Licensor;

7.2.2 By Licensors upon the sale of Licensee, or upon the merger of Licensee with a third party, the sale or merger being defined as business combinations in which (i) the Licensee's existing stockholders do not continue to own more than fifty percent of the Licensee, (ii) stockholder approval of a plan of liquidation for the Licensee, (iii) certain events that result in the persons who are then the incumbent directors of the Licensee ceasing to constitute a majority of the Licensee's Board of Directors and (iv) a sale, lease or transfer of substantially all of the assets of the Licensee (an "Asset Sale").

7.2.2 By either party if the other party shall commit any material default of any covenant or agreement contained herein, and shall fail to remedy any such default or breach within thirty (30) days after written notice by the non-defaulting or non-breaching party; and/or

7.2.3 By Licensors if Licensee files any petition for bankruptcy, whether voluntary or involuntary, or makes any assignment for the benefit of creditors during the term of this Agreement.

7.3 Effect of Termination. Upon termination or expiration of this Agreement, all license rights granted to Licensee hereunder shall immediately terminate, except that Licensee shall be allowed to sell any Licensed Film that it has in its inventory at the date of termination.

## 8. GENERAL.

### 8.1. Payments, Reports, Notices.

8.1.1 All payments provided for in this Agreements shall be effective when received either by (i) personal delivery or (ii) when deposited, postage prepaid, in the United States Registered or Certified Mail addressed to the following Licensor at the following addresses:

Charles M. Leonard  
2118 Stillwell Court  
Murfreesboro, TN 37130

8.1.2 All reports and notices provided for in this Agreements shall be effective when received either by (i) personal delivery or (ii) when deposited, postage prepaid, in the United States Registered or Certified Mail addressed to the parties respectively at the following addresses:

If to Licensor:	Charles M. Leonard 2118 Stillwell Court Murfreesboro, TN 37130	<u>and</u>	Terry Jones 1938 Cliffview Court Murfreesboro, TN 37128
If to Licensee:	Quintec Films Corporation Attn: Mike Smith 1624 Railroad Ave Shelbyville, Tennessee 37164		

8.2. Governing Law. This Agreement will be governed by the laws of the State of Tennessee without regard to the conflicts of law provisions thereof. The sole jurisdiction and venue for actions relating to the subject matter of this Agreement will be the Tennessee State and United States federal courts having jurisdiction in Tennessee, and the Parties expressly consent to the jurisdiction of such courts. In any action or proceeding to enforce rights under this Agreement, the prevailing party will be entitled to recover reasonable costs and attorneys' fees.

8.3. Amendment. This Agreement may not be amended or modified except by written agreement signed by authorized representatives of the Parties.

8.4. No Third Party Beneficiaries. Nothing in this Agreement is intended to, or shall, create any third party beneficiaries, whether intended or incidental, and no Party shall make any representations to the contrary.

8.5. Assignment. This Agreement may not be assigned by the Parties without the prior written consent of the other Party. Any attempted assignment shall be considered null and void. In the event of any permitted assignment, this Agreement will be binding on, inure to the benefit of, and be enforceable by the Parties and their respective heirs, successors and valid assigns.

8.6. Severability. If any provision of this Agreement is construed to be invalid or unenforceable, such provision will be limited or modified to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect and enforceable.

8.7. Waiver. The provisions of this Agreement may be waived only with the written consent of the Parties. The failure of a Party to enforce its rights under this Agreement for any period will not be construed as a waiver of such rights.

8.8. Headings. Headings contained in this Agreement are for ease of reference only and will have no legal effect.

8.9. Counterparts and Facsimiles. This Agreement may be executed on facsimile copies in two or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same Agreement.

In witness whereof, the undersigned have executed this Agreement effective as of the Effective Date.

**LICENSORS**

**QUINTEC FILM CORPORATION**

By: 

By: 

Title: CEO & Treasurer

By: 