

# PATENT ASSIGNMENT

Electronic Version v1.1  
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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Asset Purchase Agreement
<b>CONVEYING PARTY DATA</b>	
Name	Execution Date
AIT Dental Inc.	09/19/2007
<b>RECEIVING PARTY DATA</b>	
Name:	Tess Corporation
Street Address:	1226 International Drive
City:	Eau Claire
State/Country:	WISCONSIN
Postal Code:	64701
<b>PROPERTY NUMBERS Total: 1</b>	
Property Type	Number
Patent Number:	5775346
<b>CORRESPONDENCE DATA</b>	
Fax Number:	(312)609-5005
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	312-609-7707
Email:	ddrehkoff@vedderprice.com
Correspondent Name:	W. Dennis Drehkoff
Address Line 1:	Vedder Price P.C.
Address Line 2:	222 N. LaSalle St., Suite 2600
Address Line 4:	Chicago, ILLINOIS 60601
ATTORNEY DOCKET NUMBER:	40288.00.0001
NAME OF SUBMITTER:	W. Dennis Drehkoff
<b>Total Attachments: 11</b> source=AssetPurchaseAgreement#page1.tif source=AssetPurchaseAgreement#page2.tif source=AssetPurchaseAgreement#page3.tif source=AssetPurchaseAgreement#page4.tif	

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## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT ("Agreement"), is made and entered into this 25th day of September by and between AIT Dental Incorporated, a California corporation with its place of business located at 8920 Wilshire Blvd. Suite 305, Beverly Hills, CA 90211, (hereinafter collectively referred to as "Seller"), Tess Corporation, a Wisconsin corporation with its place of business at 1226 International Drive, Eau Claire, WI (hereinafter collectively referred to as the "Purchaser").

### RECITALS

WHEREAS, Seller currently owns and operates a distribution and manufacturing operation and related assets located at 8920 Wilshire Blvd. Suite 305, Beverly Hills, CA 90211, (hereinafter the "Business"), and Seller owns molds and tooling that is held and used at Rolenn Manufacturing, Inc., located at 2065 Roberta Street, Riverside, California 92507, and Pak Mane Brush Factory, located at Flat C. 14/F., Blk 4, Golden Dragon Ind. Centre, 182-190 Tai Lin Pai Road, Kwai Chung, N.T., Hong Kong.

WHEREAS, the Purchaser desires to acquire certain assets utilized in connection with the operation of a portion of the Business from the Seller, specifically those assets used in connection with the production of Proxi-Tip (long purple handle), Implant-Prophy+ instruments, Proxi-Tip, Proxi-Floss, Proxi-Pik, Perio Brush, Inter Brush Adapter, Pocket Traveler, and Proxi-Stik.

WHEREAS, in order to carry out the foregoing objectives, Seller and Purchaser desire to enter into this Agreement and the ancillary Agreements contemplated hereby, to establish the terms and conditions of their Agreement.

### AGREEMENT

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Sale and Purchase of the Assets. Upon the terms and subject to the conditions of this Agreement, Seller shall sell, assign, transfer and deliver to Purchaser, and Purchaser shall purchase and acquire from Seller, all of Seller's title and interest in and to the following assets free and clear of all liens and encumbrances (hereinafter the "Assets"):
  - a. Machinery and Equipment. All machinery, equipment, goods, fixtures, tooling, apparatus, and other tangible property currently used in connection with the Business' production of Implant-Prophy+, Proxi-Tips (various styles and accessories), Proxi-Floss including, without limitation those assets as more specifically identified on the attached *Exhibit "A"*
  - b. Inventory. All inventory used in connection with the Business' production of Implant-Prophy+, Proxi-Tips (various styles and accessories), Proxi-Floss, including, but not limited to inventory as defined in the Uniform Commercial Code, raw materials, merchandise, work-in-process, supplies and other commodities identified on the attached *Exhibit "B"*
  - c. Intangible Property. All intangible property used in connection with the Business' production of Implant-Prophy+, Proxi-Tips (various styles and accessories), Proxi-Floss, including, but not

limited to good-will and all patents, trademarks, trade names, service marks, know-how or technology (and any registrations, derivations or applications with respect thereto identified on the attached *Exhibit "C"*

- d. Trade Secrets. All marketing know-how and trade secrets currently used in connection with the Business' production of Implant-Prophy+, Proxi-Tips (various styles and accessories), Proxi-Floss, including, without limitation intellectual property, computer software, confidential information, price lists, customer lists and customer documentation;
  - e. Books and Records. All books and records currently used in connection with the Business' production of Implant-Prophy+, Proxi-Tips (various styles and accessories), Proxi-Floss, including, without limitation property records, operating manuals, production records, service records and similar items, including, without limitation to those identified on Exhibit C-1.
  - f. Contracts. All contracts, agreements and commitments that pertain to or are currently used in connection with the Business' production of Implant-Prophy+, Proxi-Tips (various styles and accessories), Proxi-Floss, including, without limitation those identified on *Exhibit "C"*
  - g. Permits and Certifications. All permits licenses, certifications or approvals currently used in connection with the Business' production of Implant-Prophy+, Proxi-Tips (various styles and accessories), Proxi-Floss, including, without limitation those identified on *Exhibit "D"*
2. Purchase Price. In consideration for the purchase of the Business, Purchaser shall pay an aggregate amount equal to \_\_\_\_\_ Dollars (the "Purchase Price") in accordance with the following terms:
- a. Purchase price for the Assets. In consideration of the purchase of the Assets, the Purchaser shall pay an amount equal to \_\_\_\_\_ at the Closing by check.
  - b. Payment for Covenant not to Compete. In consideration for the Covenant not to Compete (as more fully set forth in Section 3.f. hereof), the Purchaser shall pay an amount equal to \_\_\_\_\_ at the Closing by check.
  - c. Allocation of Purchase Price. The Purchase Price shall be allocated for all purposes among the Assets in accordance with the Allocation Schedule set forth on *Exhibit "E"*. You and your accountant need to fill this out. As soon as you have it, I need to review with my accountant. Seller and Purchaser agree to be bound by the allocation of the Purchase Price set forth in this Agreement for all federal, state and local income tax purposes. The parties further agree to submit Internal Revenue Service Form 8594 (or such other forms as may be required by law) in accordance with the allocation of the Purchase Price set forth herein.
3. Additional Covenants of the Seller and Purchaser Incident to the consummation of the transaction contemplated by this Agreement, the parties covenant and agree as follows:
- a. No Liabilities Assumed by Purchaser. Except for those liabilities specifically set forth on Schedule 3.a, it is expressed, understood and agreed that all liabilities and obligations of Seller affecting the Business or the Assets shall be discharged and/or satisfied by Seller on or before Closing and that no liabilities or obligations of Seller are to be assumed by Purchaser, including, without limitation, liabilities of Seller with respect to trade debt, financing agreements, taxes, penalties, license fees, personal property taxes, wages, fringe benefits, or other charges levied or imposed upon the assets in connection with the Business or the Assets



for periods prior to the Closing Date. With respect to the obligations set forth on Schedule 3.1, Purchaser shall assume, be liable for and obligated to pay, perform, discharge or guarantee all such liabilities.

- b. Account Receivable The parties acknowledge and agree that the accounts receivable of the Business attributable to the pre-closing period (as set forth on Schedule 3.b., incorporated by reference herein) are an excluded asset and shall remain the sole property of the Seller. After the Closing and continuing through January 1, 2006, Purchaser shall assist Seller with administering the receipt of the accounts receivable in the ordinary course of its business operations. Accounts receivable shall be collected by the Purchaser and allocated on a first produced, first paid basis. Monies collected by the Buyer for the Seller shall be mailed to the Seller within 10 days of receipt. Insurance payments for procedures completed by Purchaser shall be allocated to Purchaser's accounts. Purchaser shall be under no obligation to collect or expend funds to collect Seller's accounts receivables hereunder. In consideration of such administrative services, Purchaser shall be entitled to retain five (5%) of the amount collected with respect to such accounts receivable. In the event any such accounts receivable are outstanding after January 1, 2006, Seller shall be solely responsible for further collection activities.
- c. Return/Warranty Work Any product returns that are acceptable to the Buyer that were shipped prior to the date of sale, shall be reimbursed by Seller. Brian, I added this, but I don't think it will amount to a hill of beans.
- d. Employment Matters. The Seller acknowledges and agrees that Purchaser is not acquiring Seller's business as a going concern or acquiring any of Seller's employees, and accordingly there is no obligation of the Purchaser to continue the employment of any employee on the same terms as previously employed by the Seller agrees to pay, indemnify, defend and hold Purchaser harmless from any claim of any employee not retained by Purchaser which arises from or relates to such employee's prior employment by Seller or an alleged right to continued employment ( based on Seller's employment, conduct or representations to such employee prior to Closing).

Purchaser shall receive from Seller in the time and manner required by California law Form DE2220, and/or DE88, DE88ALL, DE6 or any other EDD form that is applicable. Purchaser shall have two (2) days following receipt by the Seller of such form to agree to be bound by the terms of the Agreement, irrespective of any other rights of review granted to Purchaser under this Agreement. The Seller will agree to the withholding \_\_\_\_\_ be held in escrow until Seller provides Purchaser with proof of payment to the state of California of all applicable payroll taxes.

- e. Taxes. Seller is responsible for payment of all taxes, including real estate and property taxes, through the date of Closing, which responsibility will extend to, but not be limited to, sales tax, use tax, federal withholding and social security taxes, state withholding taxes and unemployment taxes, and single business taxes. Purchaser will be responsible for all such taxes subsequent to the date of Closing.
- f. Covenant not to Compete. Concurrently with the closing, Purchaser shall enter into a separate Covenant "not to Compete" agreement with Tess Corporation, which shall substantially conform to the terms of the Covenant not to Compete attached hereto as Exhibit "I". For a period of Five (5) years, Seller shall not directly or indirectly, as an individual, partner, stockholder, participant, or otherwise, own, operate, or become financially interested in, or work for any other similar Business and shall not render or assist in the furnishing of dental

products to any dentist or dental distributor or assist in the transferring of any former customers to any other dental suppliers, for customers whose records are transferred pursuant to this Agreement. In consideration of AIT Dental Inc. agreeing to the restrictions contained in the Covenant not to Compete, at closing Purchaser shall pay 8.7% an amount equal to Dollars in funds (as detailed in Section 2.b. of this Agreement).

4. **Seller's Representations and Warranties.** Seller hereby represents and warrants to Purchaser as follows:

- a. **Organization and Authority; Duly Licensed; Valid and Binding Agreement.** AIT Dental, Inc. is a corporation validly existing and in good standing under the laws of the State of California. Seller has full power and authority to conduct Seller's business as presently conducted, to own, lease and operate Seller's assets now owned, leased or used by it, to execute and deliver this Agreement and all of the other agreements and instruments contemplated hereby, to consummate the transactions contemplated hereby and thereby and to comply with the terms, conditions and provisions hereof and thereof. The execution, delivery and performance of this Agreement and all of the other agreements and instruments contemplated hereby and the consummation of the transactions contemplated hereby have been duly authorized by Seller and do not require any further corporate or other action on the part of Seller. This Agreement (and each any other agreement or instrument contemplated hereby), when executed and delivered by Seller, will be, the legal, valid and binding agreement of Seller, enforceable against Seller in accordance with its terms.
- b. **Non-Contravention.** The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not result in a breach of any of the terms and provisions of, or will constitute a default under, or conflict with: (i) any judgment, decree, order or award of any court or tribunal in any jurisdiction or any federal, state, local, domestic, foreign or bureau or other governmental authority or instrumentality ("Governmental Authority") or arbitrator against Seller, (ii) any statute or law or any judgment, order, decree, rule or regulation of any court or Governmental Authority or arbitrator ("Applicable Law") to which Seller is subject or by which any of the Assets may be bound or affected. In addition, neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby will conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under any agreement, contract, lease, license, instrument, or other arrangement to which the Seller is a party or by which it is bound or to which any of the Assets are subject (or will result in the imposition of any Security Interest upon any of the Assets). As used in this Agreement the term "Security Interest" means any mortgage, pledge, lien, encumbrance, charge or other interest securing an obligation of any party.
- c. **Ownership and condition of Assets.** Seller is the owner of, and has good and marketable title to the Assets, free and clear of any lien or encumbrance. Seller makes no representations or warranties of any nature whatsoever, either expressed or implied, with respect to the condition of the Assets, which are being transferred in good and operating condition.
- d. **Consents and Approvals.** No filing with, notification to, nor material permit, consent, approval, authorization or action by any Governmental Authority or third party is required in connection with the execution, delivery and performance by Seller of this Agreement or any of the other agreements or instruments contemplated hereby, or the consummation by Seller of the transactions contemplated hereby or thereby.

- e. Compliance with Applicable Law. Seller is not in violation in any material respect of any Applicable Law which is applicable to Seller or the Assets including but not limited to all laws relating to public health and safety, or employee health and safety
- f. Litigation. There are no actions, suits, proceedings or governmental investigations pending or threatened against Seller, and there is no outstanding judgment, order, writ, injunction, decree or award affecting the Business or the Assets. Seller is not subject to any outstanding order of any federal, state, provincial, municipal or other governmental entity, or any arbitrator. Seller has not engaged in any Business or course of conduct, or committed any acts which constitute an unlawful trade Business or which would constitute a violation of federal or state anti-trust laws and related regulations. The details of all actions or proceedings which are threatened or pending against the Seller at any time during the term of this Agreement shall be disclosed to Purchaser in writing as soon as possible.
- g. Financial Records. Seller has provided Purchaser with access and opportunity to review the financial records of the Business including, but not limited to, tax returns, financial statements, monthly costs and collection reports. Seller represents and warrants that, to Seller's actual knowledge, all financial records are accurate, complete, and do not omit any material facts.
- h. Tax Matters. Seller has filed all tax returns related to the Business and the Assets that it was required to file, and as of the Closing Date will have filed all tax returns required to be filed on or prior to such date. All such Tax Returns were and as of the Closing Date will be correct and complete in all respects. All Taxes due and payable by Seller (whether or not shown on any Tax Return) related to the Business and the Assets have been paid and as of the Closing Date will be paid. Seller has withheld and paid all taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder, or other third party, and as of the Closing Date will have withheld and paid all taxes required to have been withheld and paid in connection with amount paid to the aforementioned parties.
- i. Event or Condition with Adverse Effect. There are no facts or circumstances known to Seller, or which in the exercise of reasonable care should have been known to Seller, not described in this Agreement or the exhibits to this Agreement, which such facts or circumstances has or might reasonably be expected to have a material adverse effect upon the Business or the Purchaser's operation thereof.
- j. Environmental Matters. Neither Seller, nor to Seller's actual knowledge without independent investigation, has any person ever caused or permitted any hazardous material to be generated, placed, held, located or disposed of, on, under or at the lease location nor any part thereof has ever been used by Seller nor to Seller's actual knowledge without independent investigation, by any other person as a treatment, storage or disposal sight for hazardous material. Seller's operations at the lease location have been and through closing will continue to be in compliance in all material respects with all environmental laws.
- k. Disclosure. No representation or warranty made to Purchaser contained in this Agreement or in any agreement or instrument contemplated hereby, and no statement contained in the Exhibits or Schedules hereto or any certificate, document or instruments delivered by Seller pursuant hereto or thereto contains any untrue statement of a material fact or omits to state a



material fact necessary in order to make the statements contained herein or therein, in light of the circumstances under which they were made, not misleading.

1. Reliance. The foregoing representations and warranties made by Seller are made with the knowledge and expectation of the Purchaser's placing reliance on them.

5. Purchaser's Representations and Warranties Purchaser hereby represents and warrants to Seller as follows:

- a. Organization and Authority; Duly Licensed; Valid and - Binding Agreement. Tess Corporation \_\_\_\_\_ is a corporation validly existing and in good standing under the laws of the State of Wisconsin. Purchaser has full power and authority to conduct Purchaser's business as presently conducted, to own, lease and operate Purchaser's assets now owned, leased or used by it, to execute and deliver this Agreement and all of the other agreements and instruments contemplated hereby, to consummate the transactions contemplated hereby and thereby and to comply with the terms, conditions and provisions hereof and thereof. The execution, delivery and performance of this Agreement and all of the other agreements and instruments contemplated hereby and the consummation of the transactions contemplated hereby have been duly authorized by Purchaser and do not require any further corporate or other action on the part of Purchaser. This Agreement (and each any other agreement or instrument contemplated hereby), when executed and delivered by Purchaser, will be, the legal, valid and binding agreement of Purchaser, enforceable against Purchaser in accordance with its terms.
- b. Non-Contravention. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not result in a breach of any of the terms and provisions of, or will constitute a default under, or conflict with: (i) any judgment, decree, order or award of any court or tribunal in any jurisdiction or any federal, state, local, domestic, foreign or bureau or other governmental authority or instrumentality ("Governmental Authority") or arbitrator against Seller, (ii) any statute or law or any judgment, order, decree, rule or regulation of any court or Governmental Authority or arbitrator ("Applicable Law") to which Seller is subject or by which any of the Assets may be bound or affected. In addition, neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby will conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under any agreement, contract, lease, license, instrument, or other arrangement to which the Purchaser is a party.
- c. Consents and Approvals. No filing with, notification to, nor material permit, consent, approval, authorization or action by any Governmental Authority or third party is required in connection with the execution, delivery and performance by Purchaser of this Agreement or any of the other agreements or instruments contemplated hereby, or the consummation by Purchaser of the transactions contemplated hereby or thereby.
- d. Purchaser's Capacity. Purchaser hereby acknowledges, represents and agrees that: (a) he has reviewed this Agreement with legal counsel of his choosing; (b) he is under no disability which would render this Agreement invalid; (c) this Agreement is entered into freely and voluntarily and Purchaser is under no duress or compulsion whatsoever in executing this Agreement; and (d) Purchaser understands each and every term of this Agreement and the nature and scope of the provisions set forth in this Agreement



- e. Reliance. The foregoing representations and warranties made by Purchaser are made with the knowledge and expectation of the Seller's placing reliance on them.
6. Closing and Closing Date. The sale and purchase of the Business and the related assets (the "Closing") shall be consummated on or before September 26, 2007, after the conditions set forth herein have been satisfied or waived, at the offices of Seller or at such other date and time or such other place as may be agreed upon by Seller and Purchaser (such date and time being herein called the "Closing" or "Closing Date").
7. Actions prior to the Closing Date Purchaser and/or Seller covenant and agree to take the following actions between the date hereof and the Closing Date:
- a. Access. Until the Closing, Seller shall give Purchaser full access, after normal business hours and upon reasonable notice, to all of the historical records, the Office, properties and personnel of Seller relating directly to the Assets and Seller's business.
- b. Preserve Accuracy of Representations and Warranties. Purchaser and Seller shall each refrain from taking any action which would render any representation or warranty contained in Sections 4 and 5 or elsewhere in this Agreement inaccurate as of the Closing Date.
- c. Conduct of Business Pending the Closing. Seller hereby agrees to conduct its business through the Closing Date only in Seller's ordinary and usual course, to continue normal policies and Business regarding suppliers and end users, and to perform its obligations under all contracts, agreements and commitments to be assigned hereunder without material breach and consistent with past Business and sound business judgment.
- d. Risk of Loss. Seller hereby agrees that the risk of loss in connection with the Assets for the period from the date of this Agreement through and including the date on which Seller conveys title to the Assets to Purchaser shall be borne by Seller, and Seller further hereby agrees that Purchaser shall have the right, at Purchaser's sole discretion, to declare this Agreement null and void in the event all or any material portion of the Assets are lost, destroyed or damaged in any material way for whatever reason
- e. Lien Search. Seller acknowledges that Purchaser, at its own expense, shall obtain a tax lien and financing statement search, both certified as of a date immediately prior to the Closing. If, based upon the search provided, Purchaser has an objection to title based on a written opinion of Purchaser's attorney, Seller shall have ten days from the date Seller is notified in writing of the particular defects claim either to remedy the title or arrange to remedy the title at Closing. If unable to do so, Purchaser may either terminate this Agreement without any further liability to Seller or may elect to complete the purchase and reserve any right to recover damages arising out of the defective title.
8. Closing Deliveries.
- a. Deliveries by Seller. In order to effectuate the sale, assignment, transfer and conveyance of the Business and related Assets contemplated by this Agreement, on or before the Closing Seller shall execute and deliver, or cause to be executed and delivered, to Purchaser, all such bills of sale and other instruments and documents of assignment, transfer and conveyance as Purchaser shall reasonably deem necessary or appropriate to vest in and confirm to Purchaser good and marketable

title to the Assets, including, without limitation, all right, title and interest therein of Seller, free and clear of any lien or encumbrance. From time to time and at Purchaser's request, whether at or after the Closing Date, Seller shall execute and deliver such further instruments of conveyance and transfer as may be necessary to convey and transfer title to the Assets to Purchaser as contemplated by the terms of this Agreement.

- b. Deliveries by Purchaser. At the Closing, Purchaser shall deliver or cause to be delivered to Seller (unless previously delivered) all instruments, documents, agreements, and certificates required to be delivered by Purchaser at or prior to the Closing pursuant to this Agreement or otherwise required in connection herewith or reasonably requested by Seller to be delivered by Purchaser at or prior to the Closing.

9. Indemnification

- a. Indemnification by Seller. Seller agrees to indemnify and hold harmless Purchaser and its subsidiaries, affiliates, successors and assigns from and against any and all (i) liabilities, losses, costs or damages ("Loss") and (ii) reasonable attorneys' fees and expenses, court costs and all other reasonable out-of-pocket expenses ("Expense") incurred in connection with or arising from: (a) any inaccuracy in or breach or nonperformance of any representation, warranty, covenant or agreement contained in this Agreement or in any certificate, document or instrument delivered pursuant to this Agreement; or (b) any liability or obligation of Seller; or (c) any action, suit, proceeding, demand or judgment arising out of or attributable to any of the foregoing.
- b. Indemnification by Purchaser. Except as otherwise set forth herein, Purchaser agrees to indemnify and hold harmless Seller and its affiliates, successors and assigns from and against any and all Loss and Expense incurred by Seller and its affiliates, successors and assigns in connection with or arising from: (a) any breach of or inaccuracy in any representation, warranty, covenant or agreement of Purchaser contained in this Agreement or in any certificate, document or instrument delivered pursuant to this Agreement; (b) any action, suit, proceeding, demand or judgment arising out of or attributable to any of the foregoing.

10. Termination of Agreement. This Agreement may be terminated at any time prior to or at the Closing: (a) By mutual written agreement of Purchaser and Seller; (b) by Purchaser, if any of the conditions set forth herein shall have become incapable of fulfillment or shall not have been fulfilled as of the Closing Date and shall not have been waived by Purchaser; (c) by Seller, if any of the conditions set forth in Article VII shall have become incapable of fulfillment or shall not have been fulfilled as of the Closing Date and shall not have been waived by Seller; (d) by either Purchaser or Seller if the Closing shall not have occurred on or before August 5, 2005, unless such failure to close shall be due to a breach of this Agreement by the party seeking to terminate the Agreement pursuant to this section; or (e) if a federal or state court of competent jurisdiction shall permanently enjoin the consummation of the transactions contemplated hereby and such injunction shall be final and non-appealable.

In the event of termination of this Agreement as provided above, this Agreement shall become null and void and there shall be no liability on the part of any party hereto (or any of their respective officers, directors or affiliates).

11. Miscellaneous

- a. Survival of Representations and Warranties. All representations, warranties and agreements of Seller and Purchaser contained in this Agreement or in any agreement or instrument contemplated hereby or in any certificate delivered pursuant hereto or thereto shall survive the execution and delivery hereof and the Closing except as otherwise provided herein.
- b. Further Assurances; Access to documents. From time to time, at the request of any party hereto and without further consideration, the other party will execute and deliver to such requesting party such documents and take such other action (but without incurring any material financial obligation) as such requesting party may reasonably request in order to consummate more effectively the transactions contemplated hereby. Subsequent to the Closing, the Seller shall have the right, upon notice and at reasonable times, to examine the books, records and customer files being transferred to Purchaser hereunder for the limited purposes of concluding its involvement in the Business and for complying with its obligations under applicable laws and regulations. Prior to disposing of or destroying any such books, records or customer files relating to the pre-Closing period, Purchaser shall provide Seller with written notice and the opportunity to retain such documents as Seller deems reasonable.
- c. Expenses of Sale. Seller and Purchaser shall each bear its own direct and indirect expenses incurred in connection with the negotiation and preparation of this Agreement and the consummation and performance of the transactions contemplated hereby
- d. Broker. Purchaser and Seller each represent and warrant to the other that no broker, finder, agent or similar intermediary has acted on its behalf in connection with this Agreement or the transactions contemplated hereby, and that there are no brokerage commissions, finders' fees or similar fees or commissions payable in connection therewith based on any agreement, arrangement or understanding or any action taken. Purchaser and Seller each agree to indemnify and save the other harmless from any claim or demand for commissions or other compensation by any broker, finder, agent or similar intermediary claiming to have been employed by or on behalf of Purchaser or Seller, and to bear the cost of legal fees and expenses incurred in defending against any such claim
- e. Binding Effect; Assignment. This Agreement and all the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Nothing in this Agreement, expressed or implied is intended or shall be construed to confer upon any person other than the parties and their respective successors and permitted assigns any right, remedy or claim under or by reason of this Agreement. Neither this Agreement nor any right or obligation hereunder may be assigned by Seller without the prior written consent of Purchaser.
- f. Entire Agreement; Cross-default. Except as set forth in Section 3(k), this Agreement and the Schedules and Exhibits and the other agreements, instruments and writings referred to herein or delivered pursuant hereto (collectively the "Agreements, including, without limitation, the Assignment and Assumption of Lease, the Covenant not to Compete, and the Assignment of Personal Goodwill") contain the entire understanding of the parties with respect to its subject matter. This Agreement supersedes all prior agreements and understandings between the parties with respect to its subject matter.
- g. Amendment, Extension and Waiver. The parties may amend this Agreement at any time by an instrument in writing signed on behalf of such parties. Any agreement on the part of a party hereto to any waiver of compliance with any of the agreements or conditions contained herein



shall be valid only if set forth in an instrument in writing signed on behalf of such party. No delay on the part of either party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of either party of any such right, power or privilege, or any single or partial exercise of any such right, power or privilege, preclude any further exercise thereof or the exercise of any other such right, power or privilege.

- h. Headings. The Article and Section headings contained in this Agreement are for reference purposes only and will not affect in any way the meaning or interpretation of this Agreement.

Notices. All notices, claims, certificates, requests, demands and other communications hereunder shall be in writing (whether by letter, telecopy, telex or other commercially reasonable means of written communication) and will be deemed to have been duly given upon receipt or to such other address as the person to whom notice is to be given may have previously furnished to the other in writing in the manner set forth above

- i. Governing Law. This Agreement will be governed by, and construed and enforced in accordance with, the laws of the State of Wisconsin.

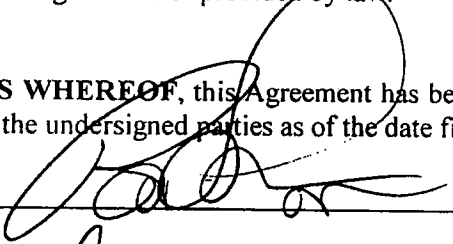
- j. Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the provision(s) so affected shall be enforced to the greatest extent permitted by law and consistent with the terms hereof.

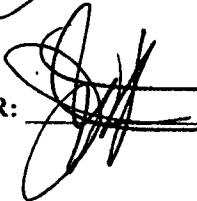
- k. Exhibits and Schedules. All Schedules referred to herein, are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any matter disclosed on any Schedule referred to herein shall be deemed to also have been disclosed on any other applicable Schedule referred to herein.

- l. Counterpart. This Agreement made be executed in one or more counterparts, each of which shall be deemed an original Agreement, but all of which shall be consider one (1) instrument and shall become a binding Agreement when one (1) or more counterparts have been signed by each of the parties and delivered to the other.

- m. Injunctive Relief. The parties acknowledge that irreparable injury will result from the failure of Seller to comply with the terms of this Agreement. In the event of any actual or threatened default or breach of any of the provisions of this Agreement, Purchaser shall have the right to specific performance or injunctive relief as well as the remedies otherwise set forth in this Agreement or provided by law.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the duly authorized signatories of the undersigned parties as of the date first above written.

SELLER:  (Brian Sholder, DDS, President – AIT Dental, Inc.

PURCHASER:  (John V. Wenum, President Tess Corp.

9/19/2007

Confidential  
~~Discussion draft~~



AIT Dental  
Intangible Property – Exhibit C

1. U.S. Patent No. 5,775,346
  - a. For: Inter-proximal Dental Appliances – Next Maintenance fee (12 years) is due 7-7-2009
2. Trademarks
  - a. Implant-Prophy+ – Registration No. 2,298,224
  - b. Proxi-Tip – Registration No. 2,298,225
  - c. Proxi-Pik – Registration No. 2,507,489
3. Website – Rights to domain name, source code, keywords, anything related to website development, usage or content.