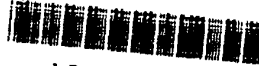
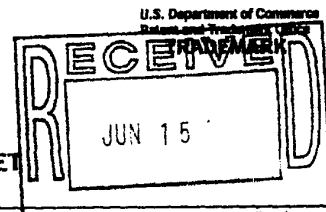


06-17-1998



100741430
RECORDATION FORM
TRADEMARKS ONLY



MRD 6/15/98

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID # _____
- Correction of PTO Error
Reel # _____ Frame # _____
- Corrective Document
Reel # _____ Frame # _____

Conveyance Type

- Assignment License
- Security Agreement Nunc Pro Tunc Assignment
Effective Date
Month Day Year _____
- Merger
- Change of Name
- Other Acquisition _____

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year
06091994

Name Hydron, Inc.

Formerly _____

- Individual General Partnership Limited Partnership Corporation Association
- Other _____
- Citizenship/State of Incorporation/Organization Alabama corporation

Receiving Party

Mark if additional names of receiving parties attached

Name Colloid Environmental Technologies Company

DBA/AKA _____

Composed of _____

Address (line 1) One North Arlington, 1500 W. Shure Dr.

Address (line 2) _____

Address (line 3) Arlington Heights City IL State/Country 60004 Zip Code

- Individual General Partnership Limited Partnership If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)
- Corporation Association
- Other _____
- Citizenship/State of Incorporation/Organization Delaware corporation

FOR OFFICE USE ONLY

06/16/1998 DCOATES 00000157 1695667

01 FC:481 40.00 OP

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0681-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0681-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

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

TRADEMARK
REEL: 1741 FRAME: 0773

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)			Registration Number(s)		
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1,695,667"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

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. Charges to deposit account are authorized, as indicated herein.

Laura A. Kane

Name of Person Signing

Laura A. Kane

Signature

June 9, 1998

Date Signed

EXHIBITS

- A. Items to be Covered by Opinion of Counsel to Seller
- B. Items to be Covered by Opinion of Counsel to Buyer
- C. Consulting Agreement

SCHEDULES

- 1.3 Certain Consents
- 2.2 Allocation of Purchase Price
- 4.1 Foreign Qualification of Seller
- 4.6 Consents Required
- 4.7 Financial Statements
- 4.8 Liabilities and Obligations
- 4.9 Certain Changes Since March 31, 1994
- 4.11 Title Encumbrances; Condition of Assets
- 4.12 Description of Real Estate and Leases
- 4.13 Contracts
- 4.15 Aged List of Receivables
- 4.16 No Default, Violation or Litigation
- 4.17 Bank Accounts, Guarantees and Powers
- 4.18 Insurance
- 4.19 Certain Labor Matters
- 4.20 Employee Benefits
- 4.21 Patents, Etc.
- 4.22 Approvals
- 4.23 Environmental Matters
- 4.24 Product Liability; Warranty Liability
- 4.25 Transactions With Affiliates

STOCK PURCHASE AGREEMENT

AGREEMENT, dated as of June 9, 1994, by and among COLLOID ENVIRONMENTAL TECHNOLOGIES COMPANY, a Delaware corporation ("Buyer"); and KENNETH L. MOSLEY ("Seller").

W I T N E S S E T H:

WHEREAS, Seller is the owner of 45 shares of the common stock of Hydron, Inc., an Alabama corporation (the "Company"), which represents all of the issued and outstanding stock of the Company; and

WHEREAS, Seller wishes to sell, transfer and assign to Buyer, and Buyer wishes to purchase and assume from Seller, all of the issued and outstanding stock of the Company (the "Stock") upon the terms and conditions herein set forth;

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants, warranties, representations and conditions contained in this Agreement, it is hereby agreed as follows:

1. SALE AND PURCHASE OF STOCK.

1.1 Purchased Stock. On the terms and subject to the conditions contained herein, Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller at the Closing and on the Closing Date (as each such term is defined in Section 3 hereof), free and clear of all liens, claims and encumbrances (except as otherwise disclosed in and permitted by this Agreement), all of Seller's right, title and interest in and to the Stock.

1.2 Conveyance of the Stock. At the Closing and on the Closing Date Seller shall delivery to Buyer a certificate or certificates representing the Stock, duly endorsed in blank or with duly executed stock powers attached.

1.3 Certain Consents. Seller agrees that after the execution of this Agreement, at the request of Buyer or the Company, it will use its reasonable efforts to obtain consents with respect to any and all contracts or agreements, which require consent upon change of control of the Company, whether or not Buyer has agreed to waive such consents as a condition to Closing, including but not limited to those consents described in Schedule 1.3.

2. PURCHASE PRICE; ALLOCATION.

2.1 Purchase Price; Payment. Subject to the terms and conditions contained herein, Buyer agrees to pay, and Seller agrees to accept, as the "Purchase Price" for the covenant not to

compete described in Section 10.1 hereof, and for the Stock the sum of \$30,000 payable in cash at Closing and the sum of \$150,000 payable in three equal payments of \$50,000 payable on May 31, 1995, 1996 and 1997.

2.2 Allocation of Purchase Price. The Purchase Price shall be allocated among the Stock and the covenant not to compete contained in Section 10.1 hereof, as set forth on Schedule 2.2 hereto. The parties agree that the allocation set forth in Schedule 2.2 shall be used by them and respected for all purposes, including income tax purposes, and that the parties shall follow such allocation for all reporting purposes.

3. CLOSING.

3.1 Time; Place. The consummation of the transactions contemplated by this Agreement (the "Closing") shall take place at the offices of Buyer, at the later of (i) 1:30 P.M. on June 9, 1994, or (ii) such other date and time as Buyer and Seller shall agree (the "Closing Date").

At the Closing on the Closing Date, Seller shall sell, transfer, assign, convey and deliver to Buyer the Stock; and the parties shall deliver the agreements, certificates, opinions and other documents required to be delivered pursuant to this Agreement.

3.2 Effective Date. Title to the Stock shall be deemed to have been transferred to Buyer at 11:59 P.M. on the Closing Date.

3.3 Further Assurances. If at any time after the Closing Date Buyer shall consider or be advised that any further deeds, assignments or assurances in law or any other acts are necessary, desirable or proper (i) to vest, perfect or confirm, of record or otherwise, in Buyer, the title to the Stock, or (ii) otherwise carry out the purposes of this Agreement, Seller agrees that it shall execute and deliver all such deeds, assignments and assurances in law and do all acts reasonably necessary, desirable or proper to vest, perfect and confirm title to such Stock in Buyer, and otherwise to carry out the purposes of this Agreement and the expense of the foregoing shall be borne as provided in Section 11.3 hereof.

4. REPRESENTATIONS AND WARRANTIES OF SELLER.

Seller represents and warrants to Buyer as follows:

4.1 Organization, Power and Qualification. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Alabama, and has all requisite corporate power and authority to own or hold under lease its properties and assets and to carry on its business as now conducted. The Company is duly qualified to do business and

is in good standing as a foreign corporation in which the nature of its activities or properties owned or leased makes qualifications as a foreign corporation necessary and such jurisdictions are listed on Schedule 4.1.

4.2 Subsidiaries. The Company has no subsidiaries or other investments of any kind.

4.3 Capitalization. The authorized capital stock of Seller consists of: (a) 200 shares of Common Stock, of which 45 shares are currently issued and outstanding and 55 are issued and not outstanding, being held as treasury stock. All of the currently issued and outstanding shares of the capital stock of the Company are duly authorized, validly issued and outstanding, fully paid and nonassessable and have not been issued in violation of any stockholder rights under applicable law, or of the Company's certificate of incorporation or by-laws (or other organic documents) or the terms of any agreement to which the Company is a party or by which the Company is bound.

4.4 Seller's Authority; Binding Agreement. The Seller has all requisite power and authority to enter into this Agreement to consummate the transactions contemplated hereby and otherwise to carry out his respective obligations hereunder. This Agreement constitutes, and all other agreements and documents to be executed and delivered by the Seller will constitute, the valid and binding agreements of the Seller, enforceable in accordance with their respective terms (subject, as to the enforcement of remedies, to general equitable principals and to bankruptcy, insolvency and similar laws affecting creditors' rights generally).

4.5 Share Ownership. The Seller is the lawful beneficial and record owner of, and has good and valid title to, the Stock which is to be delivered by the Seller pursuant to Section 1.2 hereof, free and clear of all mortgages, liens, pledges, security interests, encumbrances or other third party interests of any nature whatsoever, including, without limitation, subscriptions, options, warrants, rights or other agreements granting to any person, firm or corporation any interest in or right to acquire at any time, or upon the happening of any stated event, any of the common stock of the Company (or interests therein).

4.6 No Violation. Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby will constitute a violation of, or be in conflict with, or result in a cancellation of, or constitute a default under, or create (or cause the acceleration of the maturity of) any debt, obligation or liability affecting, or result in the creation or imposition of any security interest, lien, or other encumbrance upon any of the assets owned or used by, or any of the capital stock of, the Company under: (a) any term or provision of the certificate of incorporation or by-laws

of the Company; (b) any judgment, decree, order, regulation or rule of any court or governmental authority; (c) any statute or law; (d) any contract, agreement, indenture, lease or other commitment to which Seller or the Company is a party or by which either is bound; or (e) cause any material change in the rights or obligations of any party under any such contract, agreement, indenture, lease or commitment. Except as disclosed in Schedule 4.6, no consent of, or notice to, any federal, state or local authority, or any private person or entity, is required to be obtained or given by Seller or the Company in connection with the execution, delivery or performance of this Agreement or any other agreement or document to be executed, delivered or performed hereunder by Seller; or to enable the Company to continue to conduct its business after the Closing in the manner in which it is currently conducted.

4.7 Financial Statements. Schedule 4.7 hereto contains true and correct copies of the following financial statements:

(i) The audited balance sheets of the Company, together with the related statements of income and retained earnings and changes in financial position at and for each of the five (5) consecutive fiscal years ended December 31, 1993, constituting all of the audited financial statements of any of the Company and its predecessors that were prepared with respect to its last five (5) fiscal years;

(ii) The balance sheets of the Company, together with the related statements of income and retained earnings and changes in financial position at and for the 3 month period ended March 31, 1994;

The term "Financial Statements" as used herein shall include the financial statements described in subparagraphs (i) and (ii) above.

Each of the balance sheets and the notes thereto included in the Financial Statements are complete and accurate and fairly present the assets, liabilities and financial condition of the Company as at the respective dates thereof, and such statements of income and retained earnings and changes in financial position and the notes thereto included in the Financial Statements are complete and accurate and fairly present the results of operations for the periods therein referred to; all in accordance with United States generally accepted accounting principles consistently applied throughout the periods involved.

4.8 Liabilities and Obligations. The Company does not have any liabilities or obligations (direct or indirect, contingent or absolute, matured or unmatured) of any nature whatsoever, whether arising out of contract, tort, statute or otherwise, which are not reflected, reserved against or given

effect to in the Financial Statements except: (a) liabilities and obligations which are specifically disclosed in Schedule 4.8; or (b) liabilities and obligations incurred in the ordinary course of business since the respective dates of the Financial Statements, which are of the same nature as those set forth on such Financial Statements, and which are not, individually or in the aggregate, material to the Company.

4.9 Absence of Certain Changes. Except as disclosed in Schedule 4.9, since March 31, 1994, there has not been: (a) any adverse change in the condition (financial or otherwise) of the properties, assets, liabilities, results of operation or business prospects of the Company; (b) any damage, destruction or loss (whether or not covered by insurance) adversely affecting the properties, assets, liabilities, financial condition, results of operations or business prospects of the Company; (c) any declaration, setting aside, or payment of any dividend or other distribution in respect of the capital stock of the Company, or any direct or indirect redemption, retirement, purchase or other acquisition of any of such stock, or any issuance of shares of stock or the granting, issuance or exercise of any right, warrant, option or similar commitment relating to the Company's authorized or issued capital stock, except as set forth in the Stock Option Agreement dated as of March 1994 by and between Hans E. Lundgren and Kenneth L. Mosley; (d) any increase in the compensation, commissions or perquisites payable or to become payable by the Company to any director, officer, employee, or agent of the Company, or any payment of any bonus, profit sharing or other extraordinary compensation to any employee of the Company (other than any such increase or payment paid or to become payable in the ordinary course of business consistent with past practices and to persons other than officers, directors and stockholders of the Company); (e) except as disclosed in Schedule 4.9, any change in the accounting methods or practices followed by the Company or any change in depreciation or amortization policies or rates theretofore adopted; (f) any cancellation of any debts owed to or claims held by the Company; (g) any sale, lease, abandonment or other disposition by the Company of any real property, or, other than in the ordinary course of business, of any machinery, equipment or other operating properties, or any intangible assets utilized in the business of the Company.

4.10 Tax Returns and Reports. All federal, state, local and foreign income, excise, property, sales, use, information, payroll and other tax returns and reports required to be filed by the Company (the "Tax Returns") have been timely filed with the appropriate governmental agencies in all jurisdictions in which such returns and reports are required to be filed, and all such returns and reports properly reflect the taxes of Seller for the periods covered thereby. All federal, state, local and foreign taxes, assessments, interest, penalties, deficiencies, fees and other governmental charges or impositions which are called for as due by the Tax Returns, or which are claimed to be due, or which are otherwise due to any taxing

authority from the Company (the "Taxes"), have been properly accrued or paid.

4.11 Title to and Condition of Assets. The Company is the owner of and has good and marketable title to all of its properties and assets, including those assets and properties reflected in the Financial Statements in the amounts and categories reflected therein, and to all properties and assets acquired by the Company after the dates thereof, free and clear of all mortgages, liens, pledges, charges, security interests, encumbrances or other third party interests of any nature whatsoever, except as disclosed in Schedule 4.11, the properties and assets of the Company that are utilized in the operation of their respective businesses (including all buildings) are in good operating conditions and repair, ordinary wear and tear excepted, are usable in the ordinary course of their respective businesses, conform in all respects to all applicable statutes, ordinances and regulations relating to their construction, use and operation.

4.12 Real Estate and Leases. There is disclosed in Schedule 4.12 a description of all real estate (including buildings and improvements) owned or leased by the Company. There is disclosed in Schedule 4.12 a brief description (including in each case the annual rental payable, the expiration date, a brief description of the property covered and the name of the lessor) of every lease or agreement (written or oral) under which the Company is lessee of, or holds or operates, any real property. Each of such leases and agreements is in full force and effect and constitutes a legal, valid and binding obligation of the respective parties thereto. The real property and the buildings thereon owned or utilized by the Company in the conduct of its businesses do not violate any building, zoning or other laws or ordinances, or any agreements, applicable thereto, and no notice of any such violation or claimed violation has been received by the Company.

4.13 Contracts. Except as set forth in Schedule 4.13, the Company is not a party to, or bound by, any oral or written contracts, agreements, commitments or understandings ("Contracts").

All of the Contracts constitute legal, valid and binding obligations of the respective parties thereto, are in full force and effect. Correct and complete copies of all written Contracts disclosed on Schedule 4.13 have been made available to Buyer.

4.14 Inventory. The inventory of the Company, including all raw materials, work-in-process and finished goods, reflected in the Financial Statements, and the inventory acquired since the date thereof, net, in each case, of provisions for shrinkage and obsolescence, if any, reflected on such Financial Statements and the Company's books and records, are and will at

the Closing Date consist of items of a quantity and quality which are usable and salable in the ordinary course of the business of the Company consistent with past practice.

4.15 Receivables. All accounts receivable of the Company shown on the Financial Statements, and any such receivables which arose since the respective dates thereof, were and are good and collectible in the ordinary course of business of the Company in amounts equal to those at which such receivables were or are reflected on such Financial Statements, net of provisions for bad debts reflected on such Financial Statements, or, in the case of currently existing receivables, on the Company's current books and records, net of provisions for bad debts reflected on such books and records, and have arisen in the ordinary course of the Company's business. An aged list of Receivables outstanding at May 19, 1994 is included as Schedule 4.15.

4.16 No Default, Violation or Litigation. Except as disclosed in Schedule 4.16, the Company is not in violation of any law, regulation or order of any court or federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality (including, without limitation, laws, regulations, orders, restrictions and compliance schedules applicable to environmental standards and controls, wages and hours, civil rights and occupational health and safety) and Seller has not received any notice of claimed noncompliance. Except as disclosed in Schedule 4.16, (i) there are no lawsuits, proceedings, claims or governmental investigations pending or, to the knowledge of Seller, threatened against or involving, the Company or against or involving its properties or businesses, or against or involving any officers or directors of such corporations and which could materially affect the Company; and (ii) there are no judgments, consents, decrees, injunctions, or any other judicial or administrative mandates outstanding against the Company which materially and adversely affect the properties, assets, liabilities, financial condition, results of operations or business prospects of the Company or their right to conduct its business as presently conducted.

4.17 Bank Accounts, Guarantees and Powers. Schedule 4.17 sets forth: (a) a list of all accounts, borrowing resolutions and deposit boxes maintained on behalf of the Company at any bank or other financial institution in the names of the persons authorized to effect transactions in such accounts or with access to such boxes; (b) all agreements or commitments of the Seller guaranteeing the payment of money or the performance of other obligations by the Company; and (c) the names of all persons, firms, associations, corporations or business organizations holding general or special powers of attorney with respect to the Company together with a summary of the terms thereof.

4.18 Insurance. Schedule 4.18 contains a list of all insurance policies (specifying (a) the insurer, (b) the amount of the coverage, (c) the type of insurance, (d) the policy number, and (e) any currently pending claims thereunder or any claims asserted thereunder or under similar policies since January 1, 1991) maintained by or on behalf of the Company on the properties, assets, business or personnel of the Company. All such policies are (and pending Closing will continue to be) in full force and effect, and neither the Seller or the Company is in default in any material respect with respect to any provision contained in any insurance policies, nor has the Seller or the Company failed to give any notice or present any claim thereunder in due and timely fashion. The insurance policies listed in Schedule 4.18 are adequate and customary in scope and amount for the business conducted by the Company. All premiums due and payable on such policies covering all periods through the date hereof have been, and through the Closing Date will be, paid in full or accrued on the books and records of the Company. The Company is insured in amounts and pursuant to insurance policies satisfying all requirements of applicable laws. Also set forth in Schedule 4.18 is a list of all types of liabilities against which the Company is self-insured.

Except as described in Schedule 4.18, the insurance coverage provided by the policies therein will not terminate or lapse or otherwise be affected by the transactions contemplated by this Agreement. At no time has the Company been denied any insurance or indemnity bond coverage which it has requested, or received any written notice from or on behalf of any insurance carrier presently providing insurance relating to it (i) that insurance rates may or will be substantially increased; (ii) that policies presently in effect will be cancelled or will not be renewed; or (iii) that material alterations to any of the properties or business operations of the Company are necessary or required by such carrier. None of the insurance policies are subject to retroactive premium adjustment in respect of prior periods.

4.19 Employment, Labor and Other Relations. Except as disclosed in Schedule 4.19, the Company is not a party to or otherwise bound by any contract, agreement or collective bargaining agreement with any labor union or organization or other commitment respecting employment or compensation of any of its officers, directors, agents or employees, and no employees of the Company are represented by any labor union or similar organization. Seller is not aware of any existing or threatened labor disturbance by the Company's employees.

The Company is and has heretofore been in compliance in all material respects with all laws, rules and regulations respecting employment and employment practices, terms and conditions of employment and wages and hours, the sponsorship, maintenance, administration and operation of (or the participation of its employees in) employee benefit plans and arrangements and occupational safety and health programs, and the

Company is not engaged in any violation of any law, rule or regulation related to employment, including unfair labor practices or acts of employment discrimination, which could materially and adversely affect the business of the Company.

4.20 Employee Benefits. As used herein, the term "Employee Plan" includes any pension, retirement, savings, disability, medical, dental, health, life (including any individual life insurance policy relating to an employee of the Company for which the Seller or the Company makes premium payments, whether or not the Seller or the Company is the owner, beneficiary or both of such policy), death benefit, group insurance, profit sharing, deferred compensation, stock option, bonus, incentive, vacation pay, severance pay, or other employee benefit plan, trust, arrangement, contract, agreement, policy or commitment (including without limitation, any pension plan "Pension Plan") as defined in §3(2) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and any welfare plan as defined in §3(1) of ERISA "Welfare Plan"), whether any of the foregoing is funded, insured or self-funded, written or oral, (i) to which the Company is a party or by which the Company (or any of the rights, properties or assets of the Company) is bound or (ii) with respect to which the Seller, in his operation of the Company, or the Company has made any payments, contributions or commitments or may otherwise have any liability (whether or not the Seller or Company still maintain such Employee Plan). With respect to the Employee Plans:

(a) there are no Employee Plans not disclosed in Schedule 4.20. Except as disclosed in Schedule 4.20, employees of the Company are not entitled to any retiree benefits under any of the Welfare Plans.

(b) each Employee Plan, the administrator and fiduciaries of each Employee Plan, the Seller, in his operation of the Company, and the Company have at all times complied in all material respects with the applicable requirements of ERISA, including without limitation the fiduciary responsibilities imposed by Part 4 of Title I, Subtitle B of ERISA, the Internal Revenue Code of 1986 as amended, and the rules and regulations thereunder ("IRC"), in any other applicable law governing each Employee Plan, and each Employee Plan has at all times been properly administered in all material respects in accordance with all such requirements of law, and in accordance with its terms and the terms of any applicable collective bargaining agreement to the extent consistent with all such requirements of law. Each Pension Plan is qualified under IRC §401(a), has received a favorable determination letter from the IRS stating that such Plan meets the requirements of IRC §401(a) and that the trust associated with such plan is tax-exempt under IRC §501(a). No lawsuits, claims (other than routine claims for benefits) or complaints to, or by, any person or governmental entity have been filed or are

pending and to the best knowledge of the Seller there are no facts or contemplated events which could be expected to give rise to any such lawsuit, claim (other than routine claims for benefits) or complaint with respect to any Employee Plan. Without limiting the foregoing, the following are true with respect to each Employee Plan:

(i) the Seller or the Company, as appropriate, has filed or caused to be filed every material return, report, statement, notice, declaration and other document required by any law or government agency, federal, state and local (including without limitation the IRS, the Department of Labor, and the Securities and Exchange Commission) with respect to each such Employee Plan, and neither the Seller nor the Company has incurred any liability in connection with untimeliness of such filings.

(ii) the Seller or the Company, as appropriate, has delivered or caused to be delivered to every purchaser, beneficiary and other party entitled to such material, all material plan descriptions, returns, reports, schedules, notices, statements and similar material, including, without limitation, summary plan descriptions and summary annual reports, as required under Title I of ERISA, the IRC or both, and neither the Seller nor the Company has incurred any material liability in connection with the untimeliness of such deliveries.

(iii) except as disclosed in Schedule 4.20, neither the Seller nor the Company has made, or has committed to make, any payment, contribution or award into or under any Employee Plan except as required by the terms of such Employee Plan.

(iv) neither the Seller nor the Company is delinquent in making contributions or payments to or in respect of any Employee Plan to which the Seller or the Company is in any way obligated to make contributions or payments, nor has the Seller or the Company failed to pay any assessments made with respect to any such Employee Plan. All contributions and payments with respect to Employee Plans that are required to or have been made by the Seller or the Company with respect to periods ending on or before the respective dates of the balance sheets included in the Financial Statements (including periods from the first day of the current plan or policy year to such dates) are properly accrued thereon and have been properly made, and such payments with respect to periods ending on or before the Closing Date have been or will be made or accrued before the Closing Date on the books and records of the Company, all in accordance with the appropriate plan, actuarial

report, collective bargaining agreements or insurance contracts or arrangements or as otherwise required by ERISA or the IRC.

(v) neither the Seller nor the Company is now, or has at any time been a "substantial employer" (as defined in §4001(a)(2) of ERISA) with respect to any "multi-employer pension plan", as defined in §4001(a)(3) of ERISA.

(vi) with respect to each such Employee Plan, to the extent applicable, the Seller has delivered to Buyer true and complete copies of (a) plan documents, or any and all other documents that establish the existence of the plan, trust, arrangement, contract, policy or commitment, (b) the most recent determination letter, if any, received from the IRS, (c) the most recent Form 5500 annual report (and all schedules and reports relating thereto) and actuarial reports, and (d) all related trust agreements, insurance contracts or other funding agreements that implement each such Employee Plan.

(vii) excluding plans which were multi-employer plans, no Pension Plan has an accumulated or waived funding deficiency within the meaning of IRC §412, neither the Seller nor the Company has incurred any material liability to or on account of a Pension Plan pursuant to §§4062, 4063, 4064 or 4068 (f) of ERISA which has not been satisfied or expects to incur any liability under any of the foregoing sections on account of termination of participation in or contributions to such Pension Plan and no proceedings have been instituted to terminate any Pension Plan other than pursuant to §4041(b) or ERISA.

(viii) the Company has not incurred any material liability in respect of a failure to comply with IRC §89.

(c) there is no Employee Plan that is a Welfare Plan, the benefits under which are not provided exclusively from the assets of the Company or through insurance contracts purchased by the Company or with participants in such plan.

(d) with respect to each Employee Plan, there has not occurred, and no personal entity is contractually bound to enter into, any non exempt "prohibited transaction" within the meaning of §4975 of the IRC or §406 of ERISA.

(e) except as disclosed in Schedule 4.20, neither the Seller on behalf of any of the Company nor the Company contributes, or is required to contribute, to any "multi-employer plans". Neither the Seller nor the Company has

incurred, or has taken actions that would cause to occur, a "complete withdrawal" or "partial withdrawal", as defined in §§4203(a) and 4205(a), respectively of ERISA from any multi employer pension plan as to which the Seller or the Company contributes, has contributed or has or had an obligation to contribute. Except as disclosed in Schedule 4.20, neither the Seller nor the Company has received from the sponsor of a multi employer pension plan any notice of, or any notice relating to, withdrawal liability under Part 1 of Subtitle E of Title IV of ERISA relating to such plan.

(f) none of the Pension Plans maintained by the Seller or the Company that are subject to Title IV of ERISA has been completely or partially terminated or has been the subject of a "reportable event" as that term is defined in §4043 of ERISA as to which notices will be required to be filed with the Pension Benefit Guaranty Corporation (the "PBGC"), other than events reportable of Form 5310; no proceeding by the PBGC to terminate any Pension Plan pursuant to Subtitle 1 of Title IV of ERISA has been instituted or threatened.

(g) the Company has, and following the Closing will have, no liability for any contributions, penalties, funds, assessments or other liabilities as a result of having been a member of a controlled group with the Seller under ERISA or the IRC.

4.21 Patents, Trademarks and Licenses. Except as disclosed in Schedule 4.21, the Company owns, possesses or has licenses or similar rights to utilize all patents, trademarks, trade names, service marks, franchises, and technology necessary for the conduct of its business as presently conducted without any infringement of or conflict with the rights of others. All such patents, trademarks, trade names, service marks and franchises, or applications therefor, are disclosed in Schedule 4.21. The consummation of the transactions contemplated by this Agreement will not terminate or alter Buyer's ability to utilize the above described rights or the terms of such use.

4.22 Approvals. The Company possesses or has applied for all governmental and other permits, licenses, consents, certificates, orders, authorizations and approvals (the "Approvals") to own or hold under lease and operate its properties and assets and to carry on its business as now conducted. The Company has not received any notice of proceedings relating to the revocation or modification of any such Approvals which, singly or in the aggregate, if the subject of an unfavorable ruling or finding, could adversely affect the properties, assets, financial condition, results of operation or business prospects of the Company considered as a whole. The Approvals are identified in Schedule 4.22. The Company is operating in compliance with the provisions, terms and conditions of the Approvals.

4.23 Environmental Matters.

(a) Except as disclosed in Schedule 4.23, all facilities owned, leased, used or operated by the Company or any predecessor in interest has been, and continue to be, owned, leased, used or operated in compliance in all material respects with all applicable federal, state, local and foreign environmental laws, regulations and guidelines as enacted, amended or reauthorized, promulgated, published or proposed.

(b) Schedule 4.23 identifies (i) all environmental audits, assessments or occupational health studies undertaken by, or at the direction of, governmental agencies, the Company, or any predecessor in interest; (ii) the results of the most recent analyses of water (including groundwater analyses), soil, air or asbestos samples where non-compliance or contamination is indicated; (iii) the most recent inspection of each operating facility by the Environmental Protection Agency or other relevant environmental authority; (iv) written communications with environmental agencies relating to issues of noncompliance or continuation; and (v) any claim or complaint concerning environmental matters of the Company.

(c) Except as disclosed in Schedule 4.23, the Company has reported promptly to appropriate authorities each unauthorized "Release" of any "Hazardous Substance" at any facility leased, owned, used or operated by the Company or any predecessor in interest. Each such reported unauthorized "Release" of any "Hazardous Substance" is also disclosed in Schedule 4.23. For purposes hereof, "Release" shall have the meanings assigned to it in the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended ("CERCLA"). "Hazardous Substance" shall have the meanings assigned to it in CERCLA and, in addition, shall include fuel oil and petroleum and any constituent thereof and any petroleum-based product.

(d) Except as disclosed in Schedule 4.23, the Company nor, to Seller's knowledge, any predecessor in interest has disposed, treated, or arranged for the storage, disposal or treatment of, any "Hazardous Substance" or other waste at a site or location, or has leased, used, owned a site or location including but not limited to any site which, pursuant to CERCLA or other similar state law: (i) has been placed on the National Priorities List or its state equivalent; (ii) the Environmental Protection Agency or relevant state authority has proposed, or is proposing, to place on the National Priorities List or state equivalent; (iii) is on notice of, or subject to a claim, administrative order or other demand either to take "removal" or "remedial" action as those terms are defined by CERCLA, RCRA or other

federal or state environmental law or to reimburse any person who has taken "removal" or "remedial" action in connection with that site; (iv) has filed (or has had filed with respect to it) notification of hazardous waste activities; or (v) is on any state Comprehensive Environmental Response Compensation Liability Information System List.

(e) Schedule 4.23 sets forth the age, contents or former contents of any storage tanks located on the premises owned or operated by the Company. Except as set forth in Schedule 4.23 the Company has not owned or operated, or presently owns or operates, any underground storage tanks as defined in RCRA. Except as set forth in Schedule 4.23, all tanks and pipes pertinent thereto are presently and have been in the past in good condition and do not leak.

(f) There are no wastes, drums or containers disposed of or buried on, in or under the ground or any surface waters located on the premises owned or operated by the Company. The Company, has not disposed of or buried any wastes, drums or containers on, in or under the ground or any surface waters located on the premises owned or operated by the Company.

(g) Except as set forth in Schedule 4.23, there are no polychlorinated biphenyls, asbestos or urea formaldehyde in or on premises owned or operated by the Company.

4.24 Product Liability; Warranty Liability.

(a) Except as disclosed in Schedule 4.24, there are no actions, suits, inquiries, proceedings or investigations by or before any court or governmental or other regulatory or administrative agency or commission pending or, to the knowledge of Seller, threatened, against or involving the Company relating to any product alleged to have been manufactured or sold by the Company and alleged to have been defective or improperly designed or manufactured, which, if adversely decided, could have, either individually or in the aggregate, an adverse effect upon the properties, assets, financial condition, results of operation or business prospects of the Company.

(b) The reserves for product warranty liabilities reflected on the Financial Statements were adequate as of their respective dates for the payment of all product warranty, product recall or any similar claims respecting the repair or replacement of products manufactured by the Company through the respective dates of such Financial Statements, and the reserves of the Company on its books and records as of the date hereof and on the Closing Date are

and will be similarly adequate as of the date hereof and on the Closing Date.

The method of calculating such reserves is described in Schedule 4.24.

4.25 Transactions With Affiliates. Except as set forth in Schedule 4.25, there are no contracts or arrangements (formal or informal, written or oral), directly or indirectly, between the Company, on the one hand, and any person controlling, under common control with or controlled by the Company, on the other hand.

4.26 Disclosure. No representation or warranty of Seller made hereunder or in the Schedules or in any certificate, statement or other document delivered by or on behalf of Seller hereunder 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 not misleading. Copies of all documents referred to herein or in the Schedules have been delivered or made available to Buyer, are true, correct and complete copies thereof, and include all amendments, supplements or modifications thereto or waivers thereunder.

Except as expressly set forth in this Agreement and the Schedules, or in the Financial Statements, or in the certificates or other documents delivered pursuant hereto, Seller has no knowledge of any facts which will or may reasonably be expected to have any material adverse effect on the value of the assets, properties, business or goodwill of the Company, or upon any of their prospects or earning power.

5. REPRESENTATIONS AND WARRANTIES OF BUYER.

Buyer represents and warrants to each Seller as follows:

5.1 Organization and Good Standing. Buyer is a corporation duly organized and existing under the laws of the State of Delaware, and has all requisite corporate and authority to own or hold under lease its properties and assets and to carry on its business as now conducted.

5.2 Authority. Buyer has all necessary power and authority, corporate and otherwise, to make, execute and deliver this Agreement and all other agreements and documents to be executed and delivered by it pursuant hereto; and Buyer has taken all necessary actions required to be taken to authorize it to execute and deliver this Agreement and such other agreements, and to perform all of its obligations, undertakings and agreements to be observed and performed by it hereunder and thereunder. This Agreement has been duly executed and delivered by Buyer, and constitutes the valid and binding agreement of Buyer enforceable in accordance with its terms.

6. COVENANTS OF SELLER.

Seller covenants and agrees with Buyer that from the date hereof until the Closing or other termination of this Agreement, without the prior written consent of Buyer:

6.1 Conduct of Business; No Material Change. Seller will cause the Company to conduct the business of the Company only in the ordinary course and will make no change in the business or operations of the Company, will make no cash or other payment or distribution to the stockholders of the Company, and will not enter into any contract or commitment, waive any rights, or enter into any other transaction affecting the business of the Company other than in the ordinary course of business and in conformity with past practices.

6.2 Maintain Business as Going Concern. Seller will preserve the business organization of the Company and keep available the services of the present officers, employees, and agents thereof and will use its best efforts to preserve the goodwill of Seller suppliers, customers and others having business relations therewith. Buyer acknowledges that as of the Closing Date Mr. Lundgren will not be employed by the Company and will only provide services pursuant to the Option Agreement.

6.3 Investigation. Seller shall allow Buyer and its representatives full access during normal business hours to all plants, warehouses, operations, machinery, equipment, inventories, property, offices, books, contracts, commitments, records and affairs of the Company for the purpose of familiarizing themselves with the operation and conduct of all aspects of the business of the Company and for the purpose of reasonable inspection, examination, audit, counting and copying; such access shall not unreasonably interfere with the operation and conduct of the business of the Company.

6.4 Preserve Accuracy of Representations and Warranties. Seller will refrain, and will cause the Company to refrain, from taking any action which would render any representation and/or warranty contained in Section 4 of this Agreement inaccurate as of the Closing Date, except for changes therein specified in, permitted or contemplated by this Agreement.

6.5 Consents. Seller will use its best efforts and will cause the Company to use its best efforts, to obtain all other approvals, consents and authorizations which are conditions to the Closing, and it shall take all other action as shall be necessary or appropriate in order to effectuate the transactions provided for or contemplated herein.

7. CONDITIONS TO CLOSING.

7.1 Mutual Conditions. The respective obligations of each party to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment at or prior to Closing of each of the following conditions:

7.1.1 No Suit. No suit, action or other proceeding or investigation shall to the knowledge of any party hereto be threatened or pending before or by any governmental agency or by any third party questioning the legality of this Agreement or the consummation of the transactions contemplated hereby in whole or in part.

7.1.2 Closing. The Closing shall have occurred by May 31, 1994, or such later date as may be agreed to by Buyer and Seller.

7.2 Conditions to Buyer's Obligations. The obligations of Buyer to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment at or prior to Closing of each of the following conditions:

7.2.1 Representations and Warranties. All representations and warranties made by Seller contained in this Agreement shall be true and correct on the date hereof and as of the Closing Date as though such representations and warranties were made as of the Closing Date, and Seller shall have duly performed or complied with all of the obligations to be performed or complied with by it under the terms of this Agreement on or prior to Closing.

7.2.2 Certificate. Seller shall have delivered to Buyer a certificate dated as of the Closing Date certifying that: (a) all of the representations and warranties made by it under this Agreement and the Schedules hereto, and in all other documents given or delivered by or on behalf of them to Buyer pursuant hereto, are accurate, true and complete, and (b) all of the covenants, obligations and conditions to be performed as of the Closing on its part under this Agreement have been duly performed.

7.2.3 Opinion. Buyer shall have received from Robert M. Pears, counsel to Seller, an opinion of such counsel, dated the Closing Date, in the form attached hereto as Exhibit A.

7.2.4 Consents and Approvals. All material authorizations, consents, waivers, approvals or other action required in connection with the execution, delivery and performance of this Agreement by Buyer and Seller and the consummation by such parties of the transactions contemplated hereby, shall have been obtained, and the Company shall have obtained any authorizations, consents, waivers, approvals or other action required in connection with the execution, delivery and performance of this Agreement to prevent a material breach or

default by the Company under any contract to which the Company, is a party and for the continuation of any agreement to which the Company is a party and which relates .

7.2.5 Instruments of Assignment, Transfer and Conveyance. Seller shall have delivered to Buyer all instruments of assignment, transfer and conveyance of the Stock, and such other Closing documents as shall have been reasonably requested by Buyer, all in form and substance reasonably acceptable to Buyer's counsel.

7.2.6 No Material Change. There shall have occurred no material adverse change (whether or not covered by insurance) in the assets, financial condition or prospects of the business of the Company since March 31, 1994, as reflected in the balance sheet of the Company dated March 31, 1994, which balance sheet is included in the Financial Statements.

7.2.7 Consulting Agreement. Seller shall have executed and delivered the Consulting Agreement set forth in Exhibit C hereto.

7.2.8 Stock Option Agreement. Seller or his assignee shall have exercised and closed the purchase options under the Stock Option Agreement dated March, 1994 between Seller and Hans Lundgren and received the Option Shares and Patent provided for thereunder.

7.3 Conditions to Seller's Obligations. The obligations of Seller to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment at or prior to the Closing of each of the following conditions:

7.3.1 Representations and Warranties. The representations and warranties of Buyer contained in this Agreement shall be true and correct on the date hereof and as of the Closing Date as though such representations and warranties were made as of the Closing Date, and Buyer shall have duly performed or complied with all of the obligations to be performed or complied with by it under the terms of this Agreement on or prior to Closing.

7.3.2 Certificate. Buyer shall have delivered to Seller a certificate of its duly authorized officer, dated as of the Closing Date certifying that: (a) all of the representations and warranties made by Buyer, under this Agreement, the Schedules and Exhibits hereto, and in all other documents given or delivered by Buyer to Seller pursuant hereto are accurate, true and complete, and (b) all of the covenants, obligations and conditions to be performed as of the Closing on the part of Buyer under this Agreement have been duly performed.

7.3.3 Opinion. Seller shall have received from Keck, Mahin & Cate counsel to Buyer, an opinion of such counsel, dated the Closing Date, in the form attached hereto as Exhibit B.

7.3.4 Approvals. All material authorizations or approvals or other action required in connection with the execution, delivery and performance of this Agreement by Buyer, and the consummation by Buyer of the transactions contemplated hereby, shall have been obtained.

7.3.5 Consulting Agreement. Buyer shall have executed and delivered the Consulting Agreement set forth in Exhibit C hereto.

8. TERMINATION.

8.1 Termination of Agreement. This Agreement and the transactions contemplated hereby may be terminated at any time prior to Closing, as follows:

8.1.1 Mutual Consent. By mutual consent of all of the parties hereto.

8.1.2 Breach. By Buyer on the one hand or by Seller on the other hand by reason of the breach by the other of any of its representations, warranties, covenants or agreements contained in this Agreement.

8.1.3 Respective Conditions. By Buyer on the one hand or by Seller on the other hand if the conditions precedent to their respective obligations contained in Sections 7.2 or 7.3 hereof have not been met through no fault of the terminating party.

8.1.4 Mutual Conditions. By Buyer on the one hand or by Seller on the other hand if any of the conditions described in Section 7.1 shall not have been fulfilled through no fault of the terminating party.

9. INDEMNIFICATION.

From and after the Closing, subject to the time period set forth in Section 9.3 hereof with respect to survival of representations and warranties, Buyer shall be indemnified as set forth below.

9.1 Indemnification of Buyer. Seller covenants and agrees with Buyer that it shall reimburse and indemnify and hold Buyer harmless from, against and in respect of the following ("Claim(s)"):

(a) any and all damage, loss, liability, claim or deficiency incurred by Buyer or Company resulting from, or which exists or arises due to, any untruth, inaccuracy, breach or omission of, from or in, the representations and warranties made to Buyer herein; or any nonfulfillment of any covenant or agreement of Seller under this Agreement; or

from any untruth, inaccuracy, breach or omission of, from or in, any representation or warranty, or any nonfulfillment of any covenant or agreement made by Seller in the Schedules or any other written statement, list, certificate or other instrument furnished to Buyer by or on behalf of Seller pursuant to this Agreement; and

(b) any fees, expenses or other payments incurred or owed by the Company or Seller to any brokers or comparable third parties retained or employed by it in connection with the transactions contemplated by the Agreement;

(c) any severance benefits payable to the employees of the Company by reason of the consummation of the transactions contemplated by this Agreement;

(d) any claim, damage, loss, expense or deficiency relating to the operation of the Company prior to Closing;

(e) any claim, damage, loss or expense relating to the Stock Option Agreement described in paragraph 7.2.8;

(f) any claim made by a third party alleging facts which, if true, would entitle Buyer to indemnification pursuant to the above;

(g) any and all actions, suits, claims, proceedings, investigations, audits, demands, assessments, fines, judgments, costs and other expenses (including, without limitation, reasonable audit and legal fees) incurred by Buyer or Company resulting from the circumstances described in paragraph 9.1(a) through (f) above.

9.2 Method of Asserting Claims. Subject to the time period set forth in Section 9.3 hereof with respect to survival of representations and warranties, Buyer will give prompt written notice to Seller of any Claim which it discovers or of which it receives notice after the Closing and which might give rise to a Claim by it against Seller under Section 9 hereof, stating the nature, basis and (to the extent known) amount thereof; provided that failure to give prompt notice shall not jeopardize Buyer's right to indemnification unless such failure shall have materially prejudiced the ability of Seller to defend such Claim.

In case of any Claim or suit by a third party or by any governmental body, or any legal, administrative or arbitration proceeding with respect to which Seller may have liability under the indemnity agreement contained in this Section 9, Seller shall be entitled to participate therein, and, to the extent desired by it, to assume the defense thereof, and after notice from Seller to Buyer of the election so to assume the defense thereof, Seller

will not be liable to Buyer for any legal or other expenses subsequently incurred by Buyer in connection with the defense thereof, other than reasonable costs of investigation, unless Seller does not actually assume the defense thereof following notice of such election. The parties will render to each other such assistance as may reasonably be required of each other at Seller's expense in order to insure proper and adequate defense of any such suit, Claim or proceeding. If Seller actually assumes the defense of Buyer, Buyer will not make any settlement of any Claim which might give rise to liability of Seller under the indemnity agreements contained in this Section without the written consent of Seller, which consent shall not be unreasonably withheld. Seller will not agree to a compromise or settlement of any such suit, Claim or proceeding that would require the payment of any amounts by Buyer, or would affect the manner in which Buyer may conduct the Business, without the written consent of Buyer.

9.3 Nature and Survival of Representations. The representations and warranties made by Seller under this Agreement shall survive the Closing until, in the absence of fraud or intentional misrepresentation, the third anniversary of the Closing Date, except that representations and warranties contained in paragraphs 4.1, 4.2, 4.3, 4.4, 4.5, 4.8, 4.10, 4.11, 4.23 and 4.25 shall survive the Closing indefinitely. Representations and warranties shall not terminate for purposes of any Claim made by Buyer prior to the expiration of the respective representation or warranty. All statements made by or on behalf of Seller herein or in the Schedules, or in any other document, instrument, certificate, schedule or list delivered to Buyer hereunder shall be deemed representations and warranties of Seller relied upon by Buyer regardless of any investigation made by or on behalf of Buyer, and shall not be affected in any respect by such investigation.

9.4 Payments. Buyer and its affiliates shall have the right to offset against all Claims hereunder any amounts due and owing to Seller from Buyer and its affiliates.

10. OTHER AGREEMENTS.

10.1 Noncompete; Confidentiality; Nonsolicitation. To protect the goodwill of the Company in connection with the transfer of the Stock from Seller to Buyer, for a period ending three (3) years after the Closing Date, Seller shall not, without the prior written consent of Buyer, engage in a business which competes with the business of the Company, directly or indirectly, personally or as an employee, owner, consultant, manager, associate, partner, agent or otherwise, or by means of any corporate or other device within the United States of America ("U.S.A") (such geographic area is hereafter referred to as the "Territory") (Seller acknowledges that the Company has had sales in various parts of the Territory and that the entire Territory in the market in which the Company sells its products and

competes); nor shall Seller for such period and in the Territory solicit orders, directly or indirectly from any customer of the Company, for any product substantially similar to those sold, manufactured or distributed by the Company, personally or as an employee, owner, consultant, manager, associate, partner, agent or otherwise, or by means of any corporate or other device; nor shall Seller for such period and in the Territory solicit for employment any employee of the Company who accepted employment with Buyer after the Closing Date.

Seller acknowledges it has had access to confidential information of the Company transferred to Buyer hereunder. Seller covenants and agrees that it shall not, within three (3) years after the Closing Date, directly or indirectly, in the Territory, use for its own behalf or divulge to any third party any confidential information or trade secrets of the Company. As used herein, confidential information shall consist of all information, knowledge or data relating to the business of the Company (including without limitation all information relating to inventions, production methods, customer and prospective customer lists, prices and trade practices) which is not in the public domain or otherwise published or publicly available. Seller agree to deliver to Buyer at the Closing all material (and all copies thereof) which contains or relates to confidential information.

Seller acknowledges that the restrictions contained in this Section 10 are reasonable and necessary to protect the legitimate interests of Buyer in the goodwill of the Company, do not cause Seller any hardship, and that any violations of any provision of this Section 10.1 will result in irreparable injury to Buyer and that, therefore, Buyer shall be entitled to preliminary and permanent injunctive relief in any court of competent jurisdiction and to an equitable accounting of all earnings, profits and other benefits arising from such violation, which rights shall be cumulative and in addition to any other rights or remedies to which Buyer may be entitled.

10.2 Collection of Proceeds from Contracts-In-Progress. Fourteen days prior to the Closing Date Seller will provide to Buyer a statement of contracts-in-progress, equipment quotations, purchase orders of the Company and equipment purchase orders received which statement shall be updated as of Closing ("Contracts-In-Progress"). Buyer and Seller shall review all such Contracts-In-Progress to determine the costs and expenses related to each such contract. After Closing Seller shall reimburse Buyer for the amount by which Buyer's total actual costs on the Contracts in Progress exceed the total amount Buyer receives on the Contracts in Progress.

11. GENERAL PROVISIONS.

The parties further covenant and agree as follows:

11.1 Waiver of Terms. Any of the terms or conditions of this Agreement may be waived at any time by the party or parties entitled to the benefit thereof but only by a written notice signed by the party or parties waiving such terms or conditions.

11.2 Amendment of Agreement. This Agreement may be amended, supplemented or interpreted at any time only by written instrument duly executed by each of the parties hereto.

11.3 Payment of Expenses. Except as set forth in Section 2 above, the parties shall each pay its or their own expenses, including, without limitation, the expenses of its or their own counsel, investment bankers and accountants, incurred in connection with the preparation, execution and delivery of this Agreement and the other agreements and documents referred to herein and the consummation of the transactions contemplated hereby and thereby; provided that none of the expenses so incurred by Seller shall be charged against or paid by the Company.

All expenses of the parties in enforcing any of the provisions of this Agreement and the other agreements and documents referred to herein, including reasonable attorneys' fees, shall be borne by the party who may be found in default or noncompliance with the provisions of this Agreement and the other agreements and documents referred to herein.

11.4 Contents of Agreement, Parties in Interest, Assignment. This Agreement and the other agreements and documents referred to herein set forth the entire understanding of the parties with respect to the subject matter hereof. Any previous agreements or understandings between the parties regarding the subject matter hereof are merged into and superseded by this Agreement. All representations, warranties, covenants, terms and conditions of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective heirs, legal representatives, successors and permitted assigns of the parties hereto; provided, however, that none of the rights or obligations of any of the parties hereto may be assigned without the prior written consent of, in the case of assignment by Seller, Buyer, or, in the case of assignment by Buyer, Seller, which consent shall not unreasonably be withheld; provided however, that Buyer may assign all or part of its rights under this Agreement and may delegate all or part of its obligations under this Agreement to one or more corporations all or substantially all of the capital stock or equity interest of which is owned, directly or indirectly, by Buyer, in which event all the rights and powers of Buyer and the remedies available to it under this Agreement shall extend to and be enforceable by

11.8 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

11.9 Headings. The headings of the Sections and the subsections of this Agreement are inserted for convenience of reference only and shall not constitute a part hereof.

11.10 Governing Law; Jurisdiction. This Agreement shall be governed, construed and enforced in accordance with the internal laws of the State of Illinois, excluding any choice of law rules which may direct the application of the laws of another jurisdiction. The parties hereby covenant and agree that any and all actions arising out of or related to this Agreement shall be brought and maintained in the federal and state courts sitting in Cook County, Illinois. Each party hereto hereby irrevocably consents and submits to the jurisdiction of and the service of process from such courts for any and all such actions.

11.11 Instruments of Further Assurance. Each of the parties hereto agrees, upon the request of any of the other parties hereto, from time to time to execute and deliver to such other party or parties all such instruments and documents of further assurance or otherwise as shall be reasonable under the circumstances, and to do any and all such acts and things as may reasonably be required to carry out the obligations of such requested party hereunder.

11.12 Publicity. No notices to third parties or other publicity, including press releases, concerning any of the transactions provided for herein shall be made by any party hereto unless planned and coordinated jointly among the parties hereto, except to the extent otherwise required by law.

11.13 No Third Party Beneficiaries. Nothing in this Agreement is intended nor shall it be construed to give any person, firm, corporation or other entity, other than the parties hereto and their respective successors and permitted assigns, any right, remedy or claim under or in respect of this Agreement or any provisions hereof.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto on the day and year first above written.

KENNETH L. MOSLEY

Kenneth L. Mosley

COLLOID ENVIRONMENTAL
TECHNOLOGIES COMPANY

By:
Its:

Raymond R. Palmer
Vice President

(500262E6.AGR)

POWER OF ATTORNEY AT LAW

Mark: ALTAFLOC
Registration Number: 1,695,667
Registered Owner's Name: Colloid Environmental Technologies Company
Date: June 11, 1998

The Registered Owner of the mark listed above hereby terminates all powers of attorney previously granted with respect to the prosecution of this matter and hereby appoints Clarence O. Redman, James W. Ashley, Sean C. Fifield and Laura A. Kane of Lord, Bissell & Brook, located at 115 S. LaSalle Street, Chicago, Illinois, 60603, as its attorneys, with full power of substitution and revocation, to prosecute this matter, to transact all business in the Patent and Trademark Office in connection therewith, and to receive all documents from the Patent and Trademark Office, and it requests that all correspondence from the Patent and Trademark Office concerning this trademark be addressed to:

Laura A. Kane
Lord, Bissell & Brook
115 S. LaSalle Street
Chicago, Illinois 60603
Telephone: (312) 443-0396
Facsimile: (312) 443-0336

IN WITNESS WHEREOF, the Registered Owner has caused this Power of Attorney to be executed as of the day and year first above written.

**COLLOID ENVIRONMENTAL TECHNOLOGIES
COMPANY**

By: Clarence O. Redman
Clarence O. Redman
Corporate Secretary

RECORDED: 06/11/1998

TRADEMARK
REEL: 1741 FRAME: 0802