

02-22-1999



100968286

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

MAR 2, 1999

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

Conveying Party

Mark if additional names of conveying parties attached

Name Execution Date
Month Day Year

Formerly

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

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKATA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

- 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

02/19/1999 DNGUYEN 00000176 2122889

FOR OFFICE USE ONLY

01 FC:481

40.00 DP

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="2,122,889"/>	<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.

James L. Godschalk, Jr.

Name of Person Signing



Signature

8-7-78

Date Signed

ASSET PURCHASE AGREEMENT

This Agreement is made and entered into this 7th day of August, 1998, by and between Covington Enterprises, Inc., an Indiana corporation ("Buyer") and Roach Busters, Inc., a Georgia corporation ("Seller"), and any successor entity.

RECITALS

A. The Seller is the owner of certain assets used in connection with the production and marketing of a trademarked product called Roachsnax (the "Product").

B. Buyer desires to purchase from Seller, and Seller desires to sell to Buyer, all of the assets used in connection with the production and marketing of the Product, on the terms and subject to the conditions set forth below.

AGREEMENT

NOW, THEREFORE, for and in consideration of the recitals, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Sale of Assets.

1.1 Included Assets. In consideration for the Purchase Price (as defined below), Seller sells, transfers, and conveys to Buyer all of its right, title, and interest in and to all assets associated with the production and marketing of the Product (collectively, the "Assets"), including but not limited to:

1.1.1 those assets and properties reflected on the books and records of Seller, together with the following assets and properties, whether or not so reflected:

- (i) all machinery, equipment, furniture, and other items of tangible personal property;
- (ii) all inventories, wherever located;
- (iii) goodwill; and
- (iv) general intangibles;

1.1.2 all names, tradenames (including, but not limited to the name "Roachsnax"), trademarks, servicemarks, labels, copyrights, patents (including applications or rights to acquire and other rights with respect to any of the foregoing), trade secrets, know how, and all other intellectual property held or used

by Seller, and all rights related thereto under the trademark and related laws of every jurisdiction, now or hereafter known, including, without limitation, all customer lists, product designs, style data, patterns, prototypes, technical data, production outlines, specifications, sales history, bills of materials, mailing lists, telemarketing programs and demographics ("Intellectual Property");

1.1.3 all permits, licenses, certificates, franchises and other authorizations, consents and approvals issued or applied for in connection with the sale of the Product;

1.1.4 all sales, advertising and promotional material, including literature, photography, audiovisual, and video materials;

1.1.5 all molds, tools, dies, assembly equipment and associated methodology necessary to manufacture the Product, including, without limitation, testing, inspection and quality control processes and techniques, material specification, technology, processes, other manufacturing and technical information, and other archived materials; and

1.1.6 any other equipment or information necessary or useful in connection with the production and marketing of the Product.

1.1.7 it is the intention of the parties that the Agreement covers only assets associated with the Product.

1.2 Excluded Assets. Notwithstanding the foregoing, the Assets shall not include:

1.2.1 the corporate seals, certificates of incorporation, minute books, stock books, tax returns, or other records having to do with the corporate organization of Seller;

1.2.2 the rights which accrue or will accrue to Seller under this Agreement; and

1.2.3 the rights to any of Seller's claims for any federal, state, or local tax refunds.

2. Purchase Price.

2.1 The Purchase Price for the Assets shall be the sum of

2.1.1

[REDACTED]

[REDACTED]

3. Continuing Payments.

3.1 Upon payment of the Purchase Price in full, Buyer shall pay to Seller continuing payments ("Continuing Payments") as follows:

[REDACTED]

[REDACTED]

3.4 All Continuing Payments provided under this section shall be paid quarterly, on the 15th day of the month following the calendar quarter for which any Continuing Payment is owed. Any payment not made when due shall accrue interest at the rate of 10% per annum until paid in full.

4. Security Interest. Buyer hereby grants to Seller a security interest in all Assets acquired by Buyer pursuant to this Agreement, to secure the payment of the entire Purchase Price. Buyer further agrees to execute any and all necessary documents including, but not limited to, security agreements and U.C.C. Financing Statements reasonably required by Seller to perfect its security interest in all such Assets. Buyer shall not further encumber any such Assets without the prior written consent of Seller so long as any amounts of principal or interest are due and owing from Buyer to Seller. Upon payment of the Purchase Price, in full, Seller shall promptly release its security interest and any U.C.C. Financing Statements which have been filed to perfect its security interest.

5. Representations and Warranties of Seller. Seller represents and warrants to Buyer:

5.1 Due Organization. Seller is a corporation duly organized, validly existing, and in good standing under the laws of the State of Georgia.

5.2 Authorization of Agreement. Execution and delivery of this Agreement and consummation of the transaction contemplated by this Agreement have been duly and validly authorized by all necessary corporate action on the behalf of Seller, and this Agreement constitutes a valid and legally binding obligation of Seller enforceable according to its terms. The execution and delivery of this Agreement, consummation of the transaction contemplated by this Agreement, and compliance by Seller with all of the provisions of this Agreement will not (a) violate any provision or the terms of any applicable law, rule, or regulation of any governmental body having jurisdiction; (b) conflict with or result in a breach of any provisions of Seller's Articles of Incorporation or Bylaws or default under any of the terms, conditions, or provisions of, result in the breach of, or accelerate or permit the acceleration of the performance by, any note, bond, mortgage, indenture, license agreement, or other instrument or obligation of any nature whatsoever to which Seller is a party; or (c) violate any order, writ, injunction, decree, statute, rule, or regulation applicable to Seller or any of its properties or assets.

5.3 Payment of Taxes. Seller has filed all federal, state, and local tax returns required to be filed, and has made timely payment of all taxes shown by those returns to be due and payable, including any and all employment taxes of every kind and nature, and there exists no tax liens or other encumbrances on any Assets being sold pursuant to this Agreement.

5.4 Title to Assets. Seller has good and marketable title to all Assets which are being purchased and sold pursuant to this Agreement, free and clear of all mortgages, liens, pledges, charges, or encumbrances of any nature whatsoever.

5.5 Litigation and Claims. There are no legal, administrative, arbitration, or other proceedings pending against Seller; and, to the best of Seller's knowledge, there are no governmental investigations or proposed or threatened claims of any party not fully covered by insurance that would have an adverse effect upon Seller's ability to transfer the Assets to Buyer. Seller has substantially complied with, and is not in default in any material respect, under any law, ordinance requirements, engineering standards, regulations or orders applicable to the production of marketing of the Product including, without limitation, all applicable safety, pollution, equal opportunity (including Affirmative Action compliance and ERISA Laws or Regulations). Seller has complied with all applicable federal, state, and local laws and regulations relating to the employment of labor, including without limitation, federal, state and local withholding tax laws, federal labor laws, wage and hour laws and discrimination laws.

5.6 No Adverse Conditions. There are no adverse conditions or circumstances that may interfere with the Buyer's use and enjoyment of or opportunity to resell or encumber any Assets other than as otherwise specified in this Agreement, or that might otherwise impede Buyer's ability to produce and market the Product using the Assets.

5.7 No Omissions or Misrepresentations. No representation, warranty, or statement of Seller omits, or has omitted, to state any material fact necessary to make each representation, warranty, or statement in this Agreement accurate and not misleading in any material respect.

5.8 Conditions of Assets. All Assets being purchased are being sold "as is" and Seller makes no representations or warranties as to the existing condition of any such Assets.

5.9 Other Obligations. Seller is not a party to any written or oral:

5.9.1 distribution dealer, representative, or sales agency agreement, contract, or commitment relating to the Product; or

5.9.2 license, franchise, distributorship, or other agreement which relates in whole or in part to any patents, trademark, tradename, servicemark, or copyright, or to any ideas, technical assistance, or other know-how of or used by Seller in connection with the production and marketing of the Product.

6. Representations and Warranties of Buyer. Buyer represents and warrants to Seller:

6.1 Corporate Organization. Buyer is a corporation duly authorized, validly existing, and in good standing under the laws of the State of Indiana.

6.2 Authorization of Agreement. The execution and delivery of this agreement and the consummation of the transaction contemplated by this Agreement have been duly and validly authorized by all necessary corporate action on the part of Buyer, and this Agreement constitutes a valid and legally binding obligation of Buyer enforceable according to its terms. Neither the execution and delivery of this Agreement, nor the consummation of the transaction contemplated by this Agreement, will violate any provisions or the terms of any applicable law, rule, or regulation of any governmental body having jurisdiction; or conflict or result in the breach of any provision of Buyer's Articles of Incorporation or Bylaws.

6.3 Confidentiality. Until such time as the Purchase Price and continuing payments are made in full, Buyer shall keep

the formula, production methods, and shelf life information confidential, unless such information is provided to a third party who agrees to hold the information in confidence.

6.4 No Omissions or Misrepresentations. No representation, warranty, or statement of Buyer omits, or has omitted, to state any material fact necessary to make each such representation, warranty, or statement in this Agreement accurate and not misleading in any material respect.

7. Covenants of Seller.

7.1 Change of Name. Seller shall take all action necessary to change Seller's name to another name bearing no similarity to Roach Busters, Roachsnax, or any name utilizing the word "roach" in any manner, including, but not limited to, filing a name change amendment with the Secretary of the State of Georgia, and an appropriate name change notice for each state where Seller is qualified to do business. Buyer will then make any payments or send notice to whoever Seller directs it to in writing.

7.2 Further assurances. Seller, from time to time and at Buyer's request, agrees to execute, acknowledge, and deliver to Buyer such other instruments of conveyance and transfer, and to take such other actions and execute and deliver such other documents, certifications, and further assurances as Buyer may reasonably require in order to vest more effectively in Buyer, or to put Buyer more fully in possession of, any of the Assets. Each of the parties agrees to cooperate with the other and execute and deliver to the other party such other instruments and documents, and take such other actions as may be reasonably requested from time to time by any other party as necessary to carry out, evidence, and confirm the intended purposes of this Agreement.

7.3 Indemnification. Seller shall indemnify and hold Buyer harmless from any and all claims, actions, and liabilities of any nature arising out of the manufacture and sale of the Product prior to the date of this Agreement.

7.3.1 In the event any claim for which Buyer is indemnified is brought against it, Buyer shall provide notice to Seller and provide Seller an opportunity to defend. Seller's failure to defend such an action within 10 days after notice by Buyer shall constitute an appointment of Buyer as Seller's attorney in fact for purposes of defending against the claim, and Seller shall have waived and relinquished any objection to Buyer's conduct in connection with the claim, including any voluntary settlement, either before or after initiation of litigation. If Seller fails or refuses to defend such an action, Buyer may offset all costs and expenses incurred in defending the matter, including attorney's fees, and the costs of any settlement or judgment against any payments owed to Seller.

8. Option to Purchase Product.

8.1 Seller agrees, at Buyer's request, to manufacture, in accordance with its current specifications, all of Buyer's requirements for the Product at its facility in Georgia (Easter Seal Plant in Dublin, Georgia) in accordance with the following terms and conditions:

8.1.1 Buyer will pay 50% of the selling price as set forth in 8.2.1 at the time of the order, and will pay the balance due within 30 days of shipment of the ordered inventory.

8.1.2 To the extent that Seller requires the use of equipment, machinery, or other Assets of the Buyer in order to manufacture the Product, Buyer grants permission to Seller to use said equipment, machinery or other assets (the "Equipment"). In the event additional equipment is needed, Seller shall make a request to Buyer to purchase new equipment and if, in the sole opinion of the Buyer, such additional equipment is necessary, Buyer will approve and pay for said equipment.

8.1.3 Buyer will be responsible for the insurance on the Equipment and shall have sole title and ownership of the Equipment.

8.1.4 Seller shall be responsible for the safekeeping of the Equipment, and shall be responsible for any maintenance, repairs, and costs associated with such maintenance and repairs. Seller shall be responsible for any damage to or repair costs to any of Buyer's Equipment, including Equipment that is lost, stolen or destroyed, but shall not be responsible for normal wear and tear or depreciation of the Equipment.

8.1.5 Seller shall indemnify and hold Buyer harmless from and against all losses, damages, injuries, claims, demands, and expenses arising out of Seller's negligent use, operation, or the condition of the Buyer's Equipment.

8.1.6 In the Event of Default, Buyer has the right at any time to enter the Seller's premises and repossess any and all equipment, machinery, or other assets owned by Buyer.

8.1.7 The Equipment is on consignment to Seller and Buyer shall be permitted or shall direct Seller to display notice of Buyer's ownership of the Equipment by affixing to each item of Equipment a stencil, plate, or any other means of identification.

8.1.8 Seller shall not use the Equipment for any purpose other than the manufacture of the Product for the Buyer.

8.1.9 Seller shall not, without Buyer's prior specific written consent, use for any purpose other than the implementation of this Agreement any portion of the Intellectual Property. Seller acknowledges that the damages sustainable by Buyer as a consequence of Seller's breach of this provision may be difficult to measure in monetary terms so Seller hereby agrees that Buyer shall in addition to any other rights under this Agreement or common law have the right to injunctive relief for such a breach.

8.1.10 Seller acknowledges that it has no right, title or interest in the Intellectual Property and that its use by Seller shall inure solely to the benefit of Buyer.

8.1.11 Seller agrees to cooperate with and assist Buyer, at Buyer's expense, in the protection of the Intellectual Property owned by Buyer and shall inform Buyer immediately of any infringements or other improper action with respect to such Intellectual Property that comes to the attention of Seller.

8.2 Seller agrees to provide Product at a cost of:

8.2.1 \$15 per case (as defined in section ?) (\$12 per case material, labor, overhead, plus contract packing cost of \$3.00 per case) FOB Dublin, Georgia, net 30 days.

8.2.2 The price per case shall be reviewed annually, based upon Seller's cost of production. In addition, in the event of a major (+ or - 7%) cost increase or decrease arising for any reason, pricing is subject to review by 30-day written notice from either party.

8.2.3 Buyer shall have the right, at any time, to make changes in the packaging, specifications, testing, design, or any other aspect of the Product (each, a "Modification".) In the event Buyer requests any Modification of the Product, the price to Buyer shall be subject to adjustment based on any changes in Seller's costs in producing the Product.

8.2.4 Buyer shall be entitled to a credit for any non-conforming or damaged Product. In addition, Seller shall indemnify Buyer for any injuries resulting from sale or use of the Product prior to this sale, but not subsequent to this sale.

8.3 Buyer shall provide notice to Seller of its intent to purchase Product. If Buyer elects to purchase Product from Seller, Buyer shall furnish Seller with 90-day rolling sales projections. Buyer acknowledges and agrees that Seller shall purchase raw materials and other goods based on the sales projections provided by Buyer, and commits to purchasing all inventories resulting from its sales forecast. Provided, however, that Buyer specifically reserves the right, at any time and without cause, to cancel any undelivered portion of the Product upon

written notice to Seller. In the event of such cancellation, Buyer shall be liable to Seller only for the Product made through the cancellation date plus the actual costs of unused raw materials.

8.3.1 In the event Buyer elects not to purchase Product from Seller or cancels any order, Seller agrees, for reasonable compensation for time and materials, to assist Buyer in establishing production of Product at another location.

9. Additional Agreements. For so long as Seller manufacturers at least 50% of the Product sold by Buyer:

9.1 Seller and Buyer shall evenly share all costs associated with federal and state environmental and pesticide registration and costs.

9.2 If Seller is producing less than 50% of the Product sold by Buyer, then Buyer will pay all costs associated with federal and state environmental and pesticide registration and costs.

9.3 Buyer shall pay all costs for product liability insurance for the Product.

10. Non-compete Agreements. All of Buyer's obligations under this Agreement are subject to the condition that it receive executed non-competition agreements from Roach Busters, Inc., and any successor entity and individually from Tim Hansford, Joe Yanken, David Childers, and Tony Gay, in substantially the form attached to this Agreement as Exhibit A.

11. Termination.

11.1 Notwithstanding anything herein to the contrary, in the event the Purchase Price has not been paid on or before two years after the date of this Agreement, Buyer shall have the option of:

11.1.1 terminating this Agreement, and any obligation for payment of the Purchase Price, the Continuing Payment, or any obligation to purchase Product from Seller except that Buyer shall still be responsible for paying such portion of the purchase price that is due as of the date of termination; or

11.1.2 paying the Purchase Price, in full, on or before two years after the date of this Agreement.

11.2 In the event Buyer elects to terminate the Agreement pursuant to this section, Buyer shall, at no cost to Seller, return to Seller all of the Assets, including the formula and inventory and shall retain no rights to manufacture or sell the Product. Notwithstanding termination of the Agreement pursuant to this

section, Seller shall be entitled to retain all payments made by Buyer pursuant to this Agreement.

11.3 If the Purchase Price has not otherwise been paid in full, Buyer shall provide notice to Seller of its intention 30 days prior to two years after the date of this Agreement.

11.4 No earlier than two and ½ years after the date of this Agreement, the Seller shall have the right to terminate this Agreement in the event the purchase price is not paid in full and the Seller is dissatisfied with the Buyer's marketing efforts.

12. Event of Default. The following shall each constitute an Event of Default for purposes of this Agreement:

12.1 The making of any material false or inaccurate representation in this Agreement;

12.2 The breach of any material warranty made in this Agreement; or

12.3 The failure to materially observe or comply with any provision or covenant in this Agreement, and the failure of any of Roach Busters, Inc., and any successor entity, Tim Hansford, Joe Yanken, David Childers, or Tony Gay to comply with the non-competition agreements referenced in section ?, and such default is not cured to the reasonable satisfaction of the non-defaulting party within 15 days of Notice of such default is given, which Notice shall specify with reasonable particularity the basis for the default claimed.

13. Remedies.

13.1 If an Event of Default occurs, the party not in default may seek the following remedies, which shall be cumulative and are not mutually exclusive:

13.1.1 All remedies specifically provided in this Agreement.

13.1.2 All other legal and equitable remedies available.

13.1.3 The reasonable attorney fees, expenses and costs incurred in connection with an Event of Default.

13.2 The failure to enforce a breach of this Agreement shall not be construed as a waiver of the right to enforce such breach at a later time or to enforce any other breach.

14. Notices.

14.1 Notice. "Notice" means any notice, designation, consent, approval, offer, acceptance, statement, request, or other communication required or allowed under this Agreement.

14.2 Written Notice. Any Notice shall be in writing. Any action required under this Agreement that is a term within the definition of "Notice" also shall be in writing.

14.3 Place of Notice. Notice to a party shall be given at the party's address stated below, or at such other address as a party may designate in a Notice to the other party:

If to Buyer: Covington Enterprises, Inc.
Attn: James L. Godschalk, Jr.
405 Lower Huntington Road
Fort Wayne, IN 46804

with copy to:
Howard B. Sandler, Esq.
Beckman Lawson, LLP
P.O. Box 800
Fort Wayne, IN 46801-0800

If to Seller: Roach Busters, Inc. (or successor
entity to be provided by Seller)
376 Evergreen Road
Dublin, GA 31021

14.4 Manner of Giving Notice. Notice shall be deemed given when:

14.4.1 Personal service of the Notice is made on the party to be notified (but the party need not be at the address designated under section 14);

14.4.2 The Notice is mailed to the party to be notified by means of certified or registered U.S. mail, return receipt requested, postage prepaid; or

14.4.3 The Notice is sent to the party to be notified by express courier such as "Federal Express", "Purolator", or such other similar carrier guaranteeing next day delivery.

14.5 Refusal To Accept Notice. Refusal by a party to accept a Notice shall not affect the giving of the Notice.

15. Miscellaneous.

15.1 Broker or Finder. Each of the parties represents that no person is entitled to any brokerage commission, finder's fee, or any other like payment in connection with any transaction contemplated by this Agreement by reason of the action of any party to this Agreement.

15.2 Applicable Law. This Agreement shall be construed in accordance with the laws of the State of Indiana.

15.3 Binding Agreement. This Agreement shall be binding upon and shall enure to the benefit of the parties to this Agreement and their respective heirs, executors, successors, and assigns.

15.4 Assignment. Buyer may at any time assign its rights and obligations under this Agreement to any corporation or association owned or controlled by it. Seller may not assign its obligations under this Agreement, and in particular its obligations under paragraph ? of this Agreement, without Buyer's written approval.

15.5 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which counterparts collectively shall constitute one instrument representing the agreement among the parties.

15.6 Expenses. Each party to this Agreement shall bear all costs, charges, and expenses incurred by the party in connection with this Agreement and the consummation of the transaction contemplated by this Agreement, including, but not limited to, the fees of the respective counsel.

15.7 Survival of Representations. Representations, covenants, warranties and agreement of Seller and Buyer contained in this Agreement shall survive the closing.

15.8 Amendment. Any proposed amendment, waiver, or change to this Agreement shall be in writing and signed by the party against whom such amendment, waiver, or change is sought.

15.9 Right to Audit. In the event a dispute arises over the payments or sales associated with this Agreement, Seller, at its expense, shall have the right upon reasonable notice to Buyer to conduct an audit and have reasonable access to any of Buyer's sales records related to the Product.

15.10 Headings. The section headings in this Agreement are included solely for convenience, and shall in no event affect or be used in connection with the interpretation of this Agreement.

15.11 Security Interest. Seller shall provide whatever information is needed and shall execute whatever documents Buyer deems necessary in order for Buyer to perfect its security interest in the Assets.

16. Severability. In the case one or more of the provisions of this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision, or part of a provision, of this Agreement, but this Agreement shall be reformed and construed as if such invalid, illegal, or unenforceable provision, or part of a provision, had never been contained herein, and said provision or part of a provision, shall be reformed so that it would be valid, legal, and enforceable to the maximum extent permitted.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

SELLER

BUYER

Roach Busters, Inc.

Covington Enterprises, Inc.

By: *Tony Gay - President*
Tim Hansford

By: *James L. Godschalk, Jr.*
James L. Godschalk, Jr.

Its: *Vice-President*

Its: *Secretary Treasurer*

And individually by:

Tim Hansford
Tim Hansford

Joe Yanken
Joe Yanken

David Childers
David Childers

Tony Gay
Tony Gay

EXHIBIT A

NON-DISCLOSURE AND RESTRICTIVE COVENANT AGREEMENT

THIS AGREEMENT is made this 7th day of August 19 ,
by Covington Enterprises, Inc., ("Buyer") and Roach Busters Inc., ("Seller"), or any successor
entity and Tim Hansford, Joe Yanken, David Childers and Tony Gay, in their individual
capacities.

NOW, THEREFORE, in consideration of the mutual covenants and promises as
specified, and for other good and valuable consideration, the receipt and sufficiency of which
is acknowledged, the parties agree as follows:

1. **ASSET PURCHASE AGREEMENT.** Seller acknowledges that Buyer's
execution of the Asset Purchase Agreement is preconditioned upon the execution of this
Agreement. Seller further acknowledges that Buyer has a substantial investment in the matters
protected herein. Seller acknowledges that Seller has carefully reviewed all of the terms and
conditions of this Agreement, and has been advised to seek independent legal counsel prior to
its execution. Seller further acknowledges that breach of this Agreement by Seller will cause
Buyer substantial and irreparable harm which may not be adequately compensated by damages.

2. **NON-DISCLOSURE OF INFORMATION.** Seller acknowledges his position
with Buyer will expose Seller to certain confidential and proprietary information, including but
not limited to financial data, pricing, customer lists, business plans or other ("Confidential
Information") of Buyer, and such Confidential Information is valuable, special and unique
asset of Buyer's business. Seller will not, during or at any time after the term of the Asset
Purchase Agreement, disclose Confidential Information or any part thereof, to any person,
firm, corporation, association, or other entity for any reason or purpose whatsoever. In the
event of a breach or threatened breach by Seller of the provisions of this section, Buyer shall
be entitled to an injunction restraining Seller from disclosing, in whole or in part, Buyer's
Confidential Information, or from rendering any services to any person, firm, corporation,
association, or other entity to whom such Confidential Information, in whole or in part, has
been disclosed or is threatened to be disclosed. Nothing in this section shall be construed as
prohibiting Buyer from pursuing any other remedies available to Buyer for such breach or
threatened breach, including this recovery from Seller of damages.

3. **RESTRICTIVE COVENANT.**

3.1 For a period of five (5) years after the Asset Purchase Agreement is terminated, and for the duration of the Asset Purchase Agreement, Seller will not, within the United States of America or any other area where Buyer markets the Product, directly or indirectly own, manage, operate, control, be controlled by, participate in, be employed by, or be connected in any manner with the ownership, management, operation or control of any business similar to the type of business conducted by Buyer, and which competes or later competes with Buyer in those types of business which are conducted by Buyer. Seller further covenants that for the same period he will not either directly or indirectly, contact or cause to be contacted any of Buyer's customers as they may exist at the time the Asset Purchase Agreement is effective for any purpose related to Buyer's business or competition with Buyer's business. Notwithstanding the foregoing, Seller is specifically allowed to develop, market and sell during the term of the Asset Purchase Agreement unrelated products for pests other than roaches. It will be a breach of this agreement, however, for Seller to develop, market, or sell any product which competes with the Product being purchased by Buyer in the Asset Purchase Agreement.

3.2 In the event of Seller's actual or threatened breach of the provisions of this section, Buyer shall be entitled to obtain an injunction enjoining Seller from committing such actual or threatened breach. Buyer shall also be permitted to pursue any other available remedies available for such breach or threatened breach, including the recovery of damages from Seller. If a court of competent jurisdiction determines that any provision or restriction in this section is unreasonable or unenforceable, said court shall modify such restriction or provision so that the agreement then becomes an enforceable restriction of the activities by Seller that are competitive with Buyer.

4. **EXTENSION OF NONCOMPETE PERIOD.** The periods of time during which Seller is prohibited from engaging in competition pursuant to paragraph 3 shall be extended by any length of time during which Seller is in breach of any of such covenants.

5. **ATTORNEY'S FEES.** In the event of Seller's breach of any term or provision of this Agreement, in addition to all other remedies to which Buyer might be entitled, Buyer shall be entitled to recover from Seller its attorney's fees incurred in enforcing this Agreement, together with all costs and expenses associated therewith.

6. **ASSIGNABILITY.** All of Buyer's rights in this Agreement may be assigned by Buyer, and any assignee shall have all of Buyer's rights to enforce the terms and provisions of this Agreement as if assignee were Buyer and the assignment had never taken place.


IN WITNESS WHEREOF, the parties have entered into this Agreement the date first written above.


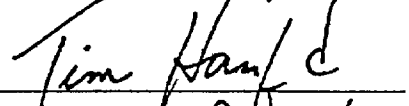
Buyer

Seller

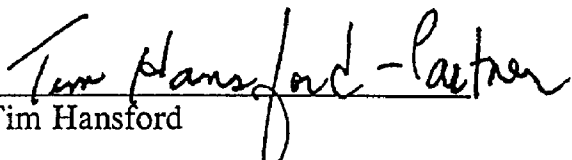
Covington Enterprises, Inc.

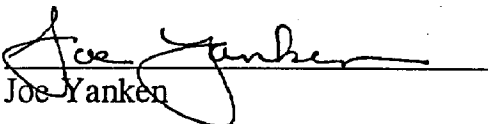
Roach Busters, Inc.

By: 
James L. Godschalk, Jr.
Its: Secretary Treasurer

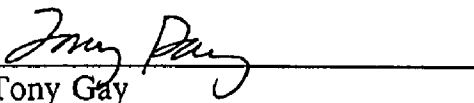
 - president
By: 
Its: Vice-President

And individually by:


Tim Hansford


Joe Yanken


David Childers


Tony Gay