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08-19-1999



HEET
LY

To the Honorable Commissioner

101121774

are attached original documents or copy thereof.

1. Name of conveying party(ies):

Advanced Chemistry and Technology, Inc.

- Individual(s)
- General Partnership
- Corporation-State of Delaware
- Other

Association

Limited Partnership

Additional name(s) of conveying party(ies) attached?

Yes No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: August 2, 1999

2. Name and address of receiving party(ies):

Name: Permatex Acquisition Corp

Internal Address:

Street Address: 10 Columbus Blvd.

City: Hartford State: CT ZIP: 06106

Individual(s) citizenship

Association

General Partnership

Limited Partnership

Corporation-State Delaware

Other:

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

(Designations must be a separate document from Assignment)

Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

AC TECH 75/392,804 DESIGN 75/392,806
DESIGN 75/396,984 AC 75/392,805

B. Trademark Registration No.(s)

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Joan L. Long

Internal Address: Mayer, Brown & Platt

Street Address: P.O. Box 2828

City: Chicago State: IL ZIP: 60690-2828

6. Total number of applications and registrations involved: 4

7. Total fee (37 CFR 3.41) \$ 115.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

13-0019

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Joan L. Long

Name of Person Signing

Signature

August 13, 1999

Date

Total number of pages comprising cover sheet:

Do not detach this portion

Mail documents to be recorded with required cover sheet information to:

08/19/1999 MTHA11 00000080 75392804

01 FC:481
02 FC:482

(40.00 OP
75.00 OP)

Commissioner of Patents and Trademarks
Box Assignments
Washington, D.C. 20231

Public burden reporting for this sample sheet is estimated to average about 30 minutes per document to be recorded, including time for reviewing the document and gathering the data needed, and completing and reviewing the sample cover sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Office of Information Systems, PK2-1000C, Washington, D.C. 20231, and to the Office of Management and Budget, Paperwork Reduction Project (0651-0011), Washington D.C. 20503.

STOCK PURCHASE AGREEMENT

This Stock Purchase Agreement (the "Agreement"), dated as of August 2, 1999, is by and among Permatex Acquisition Corp., a Delaware corporation ("Buyer"), and the individuals named on the signature pages hereto (collectively, the "Sellers"). The Buyer, the Sellers and the Company are referred to collectively herein as the "Parties".

WHEREAS, the Sellers in the aggregate own all of the outstanding capital stock of Advanced Chemistry and Technology, Inc., a Delaware corporation (the "Company"); and

WHEREAS, the Buyer wishes to purchase all of the outstanding capital stock of the Company held by the Sellers; and

WHEREAS, to facilitate the transactions contemplated by this Agreement, the Board of Directors of the Company has authorized the redemption of the Preferred Stock currently held by the Sellers for the consideration set forth in Article II hereof and PBT Brands, Inc, a Delaware corporation and sole shareholder of Buyer ("PBT") has authorized the issuance of certain securities of PBT to certain Sellers; in consideration for the exchange of Shares; and

NOW, THEREFORE, in consideration of the premises and the mutual promises herein made, and in consideration of the representations, warranties, and covenants herein contained, the Parties agree as follows:

ARTICLE I DEFINITIONS

1.1 Definitions. The following terms shall have the following meanings for the purposes of this Agreement.

"Accountants" has the meaning specified in Section 2.5.

"Adverse Consequences" means all actions, suits, proceedings, hearings, investigations, charges, complaints, claims, demands, injunctions, judgments, orders, decrees, rulings, damages, dues, penalties, fines, costs, amounts paid in settlement, liabilities, obligations, taxes, liens, losses, expenses, and fees, including court costs and reasonable attorneys' fees and expenses.

"Affiliate" means, with respect to any specified Person (a) any other Person which, directly or indirectly, controls, is under common control with, or is controlled by, such specified Person, or (b) any director or executive officer with respect to such Person.

"Affiliated Group" means any affiliated group within the meaning of Code Section 1504(a) or any similar group defined under a similar provision of state, local, or foreign law.

or wastes, chemical substances or mixtures, pesticides, pollutants, contaminants, toxic chemicals, petroleum products or byproducts, asbestos, polychlorinated biphenyls, noise or radiation.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“ERISA Affiliate” means each entity which is treated as a single employer with Seller for purposes of Code Section 414.

“Fiduciary” has the meaning set forth in ERISA Section 3(21).

“Final Determination” has the meaning specified in Section 2.5.

“Final Purchase Price” has the meaning specified in Section 2.5.

“Financial Statements” has the meaning set forth in Section 6.6 below.

“GAAP” means United States generally accepted accounting principles as in effect from time to time.

“Governmental Authority” means any domestic or foreign government or political subdivision thereof, whether on a federal, state or local level and whether executive, legislative or judicial in nature, including any agency, authority, board, bureau, commission, court, department or other instrumentality thereof.

“Incentive Stock Option” means the incentive stock options granted by the Company pursuant to the Company Equity Incentive Equity Plan and set forth on Schedule 6.2.

“Intellectual Property” means (a) all inventions (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all patents, patent applications, and patent disclosures, together with all reissuances, continuations, continuations-in-part, revisions, extensions, and reexaminations thereof, (b) all trademarks, service marks, trade dress, logos, trade names, and corporate names, together with all translations, adaptations, derivations, and combinations thereof and including all goodwill associated therewith, and all applications, registrations, and renewals in connection therewith, (c) all copyrightable works, all copyrights, and all applications, registrations, and renewals in connection therewith, (d) all mask works and all applications, registrations, and renewals in connection therewith, (e) all trade secrets and confidential business information (including ideas, research and development, know-how, formulas, compositions, manufacturing and production processes and techniques, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information, and business and marketing plans and proposals), (f) all computer software (including data and related documentation), (g) all other proprietary rights, and (h) all copies and tangible embodiments thereof (in whatever form or medium).

“Tax Returns” means any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including any Schedule or attachment thereto, and including any amendment thereof.

“Taxes” means any federal, state, local or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental (including taxes under Code § 59A), customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not.

“Temporary Holdback Agreement” means the Temporary Holdback Agreement, to be dated as of the Closing Date hereof, substantially in the form of Exhibit C attached hereto.

“Temporary Holdback Amount” has the meaning specified in Section 2.3.

“Third Party Claim” has the meaning set forth in Section 10.4 below.

“Working Capital” means the amount by which the aggregate current assets of the Company exceeds the aggregate current liabilities of the Company, calculated in accordance with GAAP, provided however that current liabilities shall exclude Interest Bearing Indebtedness.

ARTICLE II
PURCHASE AND SALE OF STOCK;
DELIVERY AND REVIEW OF SCHEDULES

2.1 Purchase and Sale of the Shares. On and subject to the terms and conditions of this Agreement, the Buyer agrees to purchase from each of the Sellers, and each of the Sellers agrees to sell to the Buyer, all of his or her Shares for the consideration specified below in this Article II on the Closing Date.

2.2 Purchase Price. As consideration for the sale to the Company of the Shares the Buyer shall pay to the Sellers an aggregate purchase price of up to \$7,797,542.15, as adjusted by Section 2.5 (the “Closing Purchase Price”).

of the leases and subleases listed in Schedule 6.11(b) (as amended to date). With respect to each material lease and sublease listed in Schedule 6.11(b):

(i) the lease or sublease is legal, valid, binding, enforceable, and in full force and effect in all material respects;

(ii) to the Company's Knowledge, no party to the lease or sublease is in material breach or default, and no event has occurred which, with notice or lapse of time, would constitute a material breach or default or permit termination, modification, or acceleration thereunder;

(iii) to the Knowledge of the Company, no party to the lease or sublease has repudiated any material provision thereof;

(iv) there are no material disputes, oral agreements, or forbearance programs in effect as to the lease or sublease;

(v) the Company has not assigned, transferred, conveyed, mortgaged, deeded in trust, or encumbered any interest in the leasehold or subleasehold; and

(vi) all facilities leased or subleased thereunder have received all approvals of governmental authorities (including material licenses and permits) required in connection with the operation thereof, and have been operated and maintained in accordance with applicable laws, rules, and regulations in all material respects.

6.12 Intellectual Property.

(a) The Company has not interfered with, infringed upon, misappropriated, or violated any material Intellectual Property rights of third parties in any material respect, and none of the directors and officers of the Company has ever received any charge, complaint, claim, demand, or notice alleging any such interference, infringement, misappropriation, or violation (including any claim that the Company must license or refrain from using any Intellectual Property rights of any third party). To the Knowledge of the Company, no third party has interfered with, infringed upon, misappropriated, or violated any material Intellectual Property rights of the Company in any material respect.

(b) Schedule 6.12(b) identifies each patent or registration which has been issued to the Company with respect to any of its Intellectual Property, identifies each pending patent application or application for registration which the Company has made with respect to any of its Intellectual Property, and identifies each material license, agreement, or other permission which the Company has granted to any third party with respect to any of its Intellectual Property (together with any exceptions). The Company has delivered to the Buyer correct and complete copies of all such patents, registrations, applications, licenses, agreements, and permissions (as amended to date). Schedule 6.12(b) also identifies each material trade name or unregistered

trademark used by the Company in connection with any of its businesses. With respect to each item of Intellectual Property required to be identified in Schedule 6.12(b):

(i) the Company possesses all right, title, and interest in and to the item, free and clear of any Security Interest, license, or other restriction;

(ii) the item is not subject to any outstanding injunction, judgment, order, decree, ruling, or charge;

(iii) no action, suit, proceeding, hearing, investigation, charge, complaint, claim, or demand is pending or, to the Knowledge of the Company, is threatened which challenges the legality, validity, enforceability, use, or ownership of the item; and

(iv) the Company has never agreed to indemnify any Person for or against any interference, infringement, misappropriation, or other conflict with respect to the item.

(c) Schedule 6.12(c) identifies each material item of Intellectual Property that any third party owns and that the Company uses pursuant to license, sublicense, agreement, or permission. The Company has delivered to the Buyer correct and complete copies of all such licenses, sublicenses, agreements, and permissions (as amended to date). With respect to each item of Intellectual Property required to be identified in Schedule 6.12(c):

(i) the license, sublicense, agreement, or permission covering the item is legal, valid, binding, enforceable, and in full force and effect in all material respects;

(ii) to the Knowledge of the Company, no party to the license, sublicense, agreement, or permission is in material breach or default, and no event has occurred which with notice or lapse of time would constitute a material breach or default or permit termination, modification, or acceleration thereunder;

(iii) to the Knowledge of the Company, no party to the license, sublicense, agreement, or permission has repudiated any material provision thereof; and

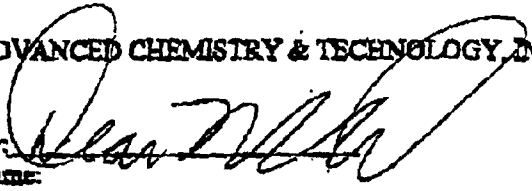
(iv) the Company has not granted any sublicense or similar right with respect to the license, sublicense, agreement, or permission.

6.13 Tangible Assets. The buildings, machinery, equipment, and other tangible assets that the Company owns and leases are free from material defects (patent and latent), have been maintained in accordance with normal industry practice, and are in good operating condition and repair (subject to normal wear and tear).

AUG. 5. 1999 11:44AM CTTECH
8/05/99 THU 11:23 FAX 413 322
AUG. 5. 1999 11:44AM FOR MACTECHRON & PLATT 212 254 2216 10 212-254-2216 NUNO.742 P.3

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date first above written.

ADVANCED CHEMISTRY & TECHNOLOGY, INC.

By: 
Name:
Title:

SELLERS:

AMPERSAND SPECIALTY MATERIALS AND
CHEMICALS III LIMITED PARTNERSHIP

By: ASMC-III MANAGEMENT COMPANY LIMITED
PARTNERSHIP, General Partner

By: ASMC-III MCLP LLP, its General Partner

By: _____
Name:
Title:

AMPERSAND SPECIALTY MATERIALS AND
CHEMICALS III COMPANION FUND LIMITED
PARTNERSHIP

By: ASMC-III MANAGEMENT COMPANY LIMITED
PARTNERSHIP, General Partner

By: ASMC-III Management Company Limited Partnership,
its General Partner

By: _____
Name:
Title:

3677262

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date first above written.

ADVANCED CHEMISTRY & TECHNOLOGY, INC.

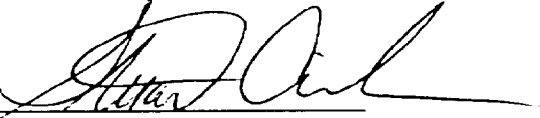
By: _____
Name:
Title:

SELLERS:

AMPERSAND SPECIALTY MATERIALS AND
CHEMICALS III LIMITED PARTNERSHIP

By: ASMC-III MANAGEMENT COMPANY LIMITED
PARTNERSHIP

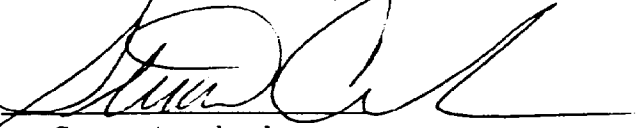
By: ASMC-III MCLP LLP, its General Partner

By: 
Name: Stuart Auerbach
Title: General Partner

AMPERSAND SPECIALTY MATERIALS AND
CHEMICALS III COMPANION FUND LIMITED
PARTNERSHIP

By: ASMC-III MANAGEMENT COMPANY LIMITED
PARTNERSHIP

By: ASMC-III MCLP LLP, its General Partner

By: 
Name: Stuart Auerbach
Title: General Partner

BENTON ASSOCIATES, LLC

By: Alan M Benton
Name: ALAN M BENTON
Title: MEMBER

1617282

*** TOTAL PAGE 04 ***

Elvira Barchet-Beierl
ELVIRA BARCHET-BEIERL

36377232.9 80399 1370E 99556292

8/15

Rebecca Bryant
REBECCA BRYANT

EMILY WILLARD

Kellie Welsh
KELLIE WELSH

Teresa Braden
TERESA BRADEN

Rhonda Broudy
RHONDA BROUDY

Paul Raybould
PAUL RAYBOULD

Michael A. Cosman
MICHAEL COSMAN

Nicholas H. Champlin
NICHOLAS CHAMPLIN

Frank Douthart
FRANK DOUTHART

Byron Hobbensiefken
BYRON HOBSENSIEFKEN

Bernabe Gutierrez
BERNABE GUTTIERREZ

Ron Cassayre
RON CASSAYRE

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AUG. 9. 1999 10:11 AM ACTECH NC. 842 D. S. F. 2 2

ANGELA HARRIS

ALPHONSO WATTS

MICHAEL MOORE

ROSANNE SPINALE

JOSEPH KIEFFER

Michael West
MICHAEL WEST

JOHN ROBERTSON

LISA POWERS-SEVERSON

GERARD J. GRAGNANI

MICHAEL RAY HOPPER

04/99
UG. 4.1999

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ANGELA HARRIS

ALPHONSO WATTS

MICHAEL MOORE

ROSANNE SPINALE


JOSEPH KIEFFER

MICHAEL WEST

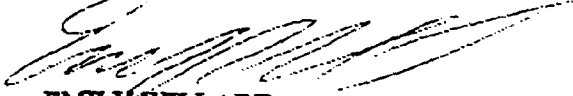
JOHN ROBERTSON


LISA POWERS-SEVERSON


GERARD J. GRAGNANI


MICHAEL RAY HOPPER

REBECCA BRYANT



EMILY WILLARD

KELLIE WELSH

TERESA BRADEN

RHONDA BROUDY

PAUL RAYBOULD

MICHAEL COSMAN

NICHOLAS CHAMPLIN

FRANK DOUTHART

BYRON HOBSENSIEFKEN

BERNABE GUTTIERREZ

RON CASSAYRE

Stephen E. Pyrek
STEPHEN PYREK

Jerald Becton
JERALD BECTON

Steven Wiebel
STEVEN WIEBEL

Oscar Martinez
OSCAR MARTINEZ

Armando Navarro
ARMANDO NAVARRO

BRENDA GAYHART

VICTOR VAUGH

RANDY WILT

DANA HOLSTON

SHARON SPECER

TIMOTHY BLACK

NANCY CORBIN

AUG-24-1993 12:57 FROM

TO

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STEPHEN FYREE

JERALD HECTON

STEVEN WIEHEL

OSCAR MARTINEZ

ARMANDO NAVARRO

Brenda Gayhart
BRENDA GAYHART

Victor M. Vaughn
VICTOR VAUGHN

Randy Wilt
RANDY WILT

Diana Holston
DIANA HOLSTON

Sharon Spicer
SHARON SPICER

Timothy Black
TIMOTHY BLACK

Nancy Corbin
NANCY CORBIN

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12:51 FROM

DOWNING PRODUCTS LTD
TO

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P. 02

Angela Harris
ANGELA HARRIS

Alfonso Watts
ALFONSO WATTS

Michael Moore
MICHAEL MOORE

Rozanne Spinale
ROZANNE SPINALE

JOSEPH KIEPPE

MICHAEL WEST

John Robertson
JOHN ROBERTSON

LILA POWERS SEVERSON

GERARD J. GRAGNANI

MICHAEL RAY HOSPER

BUYER:

PERMATEK ACQUISITION CORP.

By: 

Name: Jonathan Boucher

Title: Vice President

4-377282

TRADEMARK
REEL: 001945 FRAME: 0148

Schedule 6.12(b)

Owned Intellectual Property

Patents: No patents are owned by ACTech.

Trademarks: Status of AC Tech trademarks and trade names is set forth on the attached exhibit.

No material common law trademarks or trade names are owned or used by ACTech.

Security Interest: On September 8, 1998 Greyrock Business Credit recorded a security interest in 3 marks as follows: AC TECH, DESIGN 2 (Color Square Design) and AC-UCC-3 terminations have been filed.

Schedule to ACT Sale Agreement

ADVANCED CHEMISTRY & TECHNOLOGY
TRADEMARK STATUS REPORT

Client No. 001171
Mark
ACTECH

Matter
T001

Country
United States

Good/Services/Class
Aerospace sealants in International
Class 17

Filing Date
11/19/97

Reg. No.
75792,804

Serial No.
882,895

Status/Remarks
PENDING.
Notice of Allowance issued: 05/04/99.
Statement of Use due: 1/04/99.

Client No.	Mark	Matter	Country	Good/Services/Class	Filing Date	Reg. No.	Serial No.	Status/Remarks
001171	ACTECH	T001	United States	Aerospace sealants in International Class 17	11/19/97	75792,804	882,895	PENDING. Notice of Allowance issued: 05/04/99. Statement of Use due: 1/04/99.
		T001CAN	United States	Aerospace sealants in International Class 17	06/30/98		882,895	PENDING. Response to Office Action timely filed. Awaiting new Office Action.
		T002	United States	Aerospace sealants in International Class 17				NOT PUBLISHED. Design not chosen per client instructions 10/31/97
		T003A	United States	Polyamide sealant for use in the aerospace industry; silicon sealant for use in the aerospace industry; polyurethane sealant for use in the aerospace industry in International Class 1.	Filed 11/19/97		75797,806	PENDING. Notice of Allowance issued: 03/18/99. Statement of Use due: 09/09/99.
		T003B	Canada	Aerospace sealants	Filed 06/30/98		882,894	PENDING. Application allowed. Government registration fee paid. Awaiting certificate of registration.
		T003C	United States	Polyamide sealant for use in the aerospace industry; silicon sealant for use in the aerospace industry; polyurethane sealant for use in the aerospace industry in International Class 1.	Filed 11/28/97		75796,984	PENDING. Notice of Allowance issued: 03/16/99. Statement of Use due: 09/16/99.
		T003CAN	Canada	Aerospace sealants	Filed 06/30/98		882,893	PENDING. Application allowed. Government registration fee paid. Awaiting certificate of registration.
		T004	United States	Aerospace sealants in International Class 17.	Filed 11/19/97		75792,805	PENDING. Notice of Allowance issued: 05/04/99. Statement of Use due: 1/04/99.

Received 07/29/1999 22:42 in 03:48 on Line (5) for FILE # 7733
7:47 PM ACTECH
No. 425 P. 7

DEPOSTRO, HESTRO-DODDORU FAX: 310-472-0123
19 99 05:18 PM BOSTON, MA 02111
11 23 99 05:18 PM BOSTON, MA 02111

ADVANCED CHEMISTRY & TECHNOLOGY
TRADEMARK STATUS REPORT

CLIENT NO. 003122

Mark AC
Filing Date 06/30/98

Country Canada

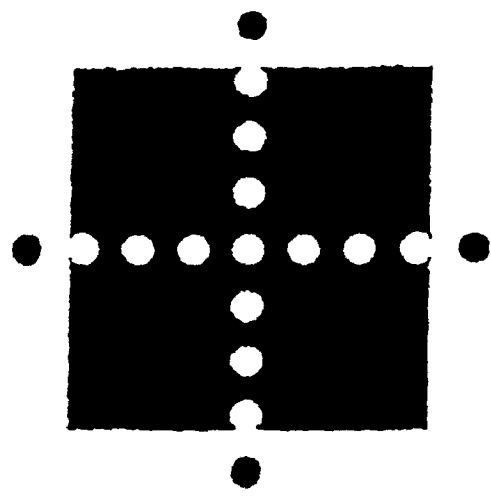
Goods/Services/Class
Aerospace sealants, namely,
polymeric materials providing
environmental isolation.

Serial No. 882,892

Status/Remarks
PENDING.

Response to Office Action timely filed.
Awaiting next Office Action.

Design #2 Black and White Square Design



*Also filed in color.

... & ZAFMAN

Page 2 of 2

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NO. 425 P. 8

Received 07/29/1999 22:42 on line [5] for TLW * Pg 8/15
7:47PM ACTECH

JUL 29 1999

DECASTRD, WESTRCHDOROW FAX: 310-473-0123
JUL 23 '99 05:19PM EST&-LS (318) BCO JCC

Schedule 6.12(c)

Licensed Intellectual Property

Patents: No patents are licensed to ACTech.

Trademarks: No trademarks or trade names are licensed to AC Tech.

Other: See Agreement effective April 1, 1998 among AC Tech and Chemetal GmbH and Morton International, Inc. attached as exhibit to Schedule 6.14.

W (S) +

Schedule to ACT Sale Agreement

STOCK PURCHASE AGREEMENT

AMONG

PERMATEX ACQUISITION CORP.

AND

THE SHAREHOLDERS OF ADVANCED CHEMISTRY AND TECHNOLOGY, INC.

August 2, 1999

36377282

TRADEMARK
REEL: 001945 FRAME: 0153

RECORDED: 08/13/1999