

TRADEMARKS ONLY

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Quantum Laser Corporation

- Individual(s) Association
- General Partnership Limited Partnership
- Corporation - State of **Delaware**
- Other _____

Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party (ies)

Name: **Honeywell International Inc.**
 Internal Address: _____
 Street Address: **101 Columbia Road**
 City: **Morristown** State: **NJ** ZIP: **07962**

- Individual(s) citizenship _____
- Association _____
- General Partnership _____
- Limited Partnership _____
- Corporation-State of **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

3. Nature of conveyance:

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

Execution Date: **December 17, 1999**

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

A. Trademark Application No.(s)

B. Trademark Registration No. (s)

1,484,622

QUANTUM LASER

1,287,466

QUANTUM LASER (stylized)

Additional numbers attached? Yes No

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

Name: **David A. Cohen, Esq.**
Internal Address: _____

Honeywell International Inc.

Street Address: **101 Columbia Road**

City: **Morristown** State: **NJ** ZIP: **07962**

6. Total number of applications and registrations involved**2**.....

7. Total fees (37 CFR 3.41).....\$ **65.00**

- Enclosed
- Authorized to be charged to deposit account

Deposit account number: **01-1125**

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

8. 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.

David A. Cohen
Name of Person Signing


Signature

3/8/2001
Date

Total number of pages including cover sheet, attachments, and document: **10**

Mail documents to be recorded with required cover sheet information to:
Assistant Commissioner for Trademarks
BOX ASSIGNMENTS
2900 Crystal Drive
Arlington, VA 22202-3513

ASSET PURCHASE AGREEMENT

This Agreement is made the 17th day of December, 1999

BETWEEN: **QUANTUM LASER CORPORATION**, a Delaware corporation,
(« **Seller** »)

AND: **HONEYWELL INTERNATIONAL INC.**, a Delaware corporation,
(« **Purchaser** »)

WITNESSETH

WHEREAS, Seller owns certain assets it has used heretofore in conducting an ongoing business of designing, developing, qualifying, and providing certain laser cladding and other related services.

WHEREAS, Seller desires to sell and Purchaser desires to purchase all assets of Seller used in or related to the Business as described herein.

NOW, THEREFORE, in consideration of the mutual covenants, agreements, representations and warranties contained herein, the parties agree as follows :

1. INTERPRETATION

1.1 Definitions. In this Agreement:

- 1.1.1 « **Accounts Receivable** » means all accounts receivable of whatsoever nature, kind or description;
- 1.1.2 « **Adjusted Purchase Price** » has the meaning ascribed thereto in Section 3.3.1 hereof;
- 1.1.3 « **Affiliate** » means any parent or subsidiary;
- 1.1.4 « **Agreement** » means this asset purchase agreement and all attached Schedules and Exhibits as supplemented, amended, restated or replaced from time to time;
- 1.1.5 « **Applicable Law** » means any domestic or foreign statute, law, ordinance, rule, regulation, restriction, regulatory policy or guideline, by-law (zoning or otherwise), or order, including any Environmental Law, that applies to the Seller, the Business or the Assets;
- 1.1.6 « **Assets** » has the meaning ascribed thereto in Section 2.1 hereof;

1.2 Generally Accepted Accounting Principles. All accounting and financial terms used herein, unless specifically provided to the contrary, shall be interpreted and applied in accordance with Generally Accepted Accounting Principles consistently applied.

1.3 Headings and References. The division of this Agreement into Sections, subsections, paragraphs and schedules and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. All uses of the words « hereto », « herein », « hereof », « hereby » and « hereunder » and similar expressions refer to this Agreement as a whole, unless otherwise specifically stated in this Agreement.

1.4 Number and Gender. In this Agreement, words in the singular include the plural and vice-versa and words in one gender include all genders.

1.5 Amendment. This Agreement may be amended, modified or supplemented only by written agreement signed by all of the Parties and with respect to Section 14, by the Parties and the Selling Parties.

1.6 Waiver of Rights. Any waiver of, or consent to depart from, the requirements of any provision of this Agreement shall be effective only if it is in writing and signed by the Party giving it, and only in the specific instance and for the specific purpose for which it has been given. No failure on the part of any Party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right. No single or partial exercise of any such right shall preclude any other or further exercise of such right or the exercise of any other right.

1.7 Applicable Law. This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the State of Georgia (excluding any conflict of laws rule or principle that might refer such interpretation to the laws of another jurisdiction).

1.8 Currency. Unless otherwise specifically specified, all statements of or references to dollar amounts in this Agreement are to the lawful currency of the United States of America.

1.9 Tender. Any tender of documents or money hereunder may be made upon the Parties or their respective counsel.

1.10 Performance on Holidays. If the date on which any action is required to be taken pursuant to this Agreement on or by a specified date is not a Business Day, such action shall be valid if taken on or by the next succeeding Business Day.

2. PURCHASE AND SALE

2.1 Purchase and Sale.

2.1.1 Subject to the terms and conditions of this Agreement and except as otherwise provided herein, at the Closing, Seller shall sell, convey, transfer, assign and deliver to Purchaser and Purchaser relying upon the representations, warranties and covenants of Seller and subject to the conditions set out herein, shall purchase and accept from Seller all of Seller's right, title and interest in and to all assets of Seller related to the Business on the date hereof (other than the Excluded Assets), together with such changes, deletions or additions occurring between the date hereof and the Closing Date as may occur in the ordinary course of business, including without limitation all right, title and interest of Seller in and to the following, to the extent related to the

Business or used by Seller in the conduct of the Business on the date hereof (the « **Assets** »);

2.1.1.1 Seller Equipment;

2.1.1.2 Seller Accounts Receivable;

2.1.1.3 Seller Inventory;

2.1.1.4 Seller Intellectual Property Rights;

2.1.1.5 Seller Contracts;

2.1.1.6 the Customer and Vendor lists;

2.1.1.7 to the extent assignable, the Permits and Licenses;

2.1.1.8 the Prepaid Expenses, to the extent such prepaid expenses shall benefit Purchaser after the Closing Date;

2.1.1.9 to the extent assignable, all rights of Seller pursuant to any express or implied warranties, representations or guarantees made by Suppliers to Seller;

2.1.1.10 the Goodwill;

2.1.1.11 the Unfilled Orders; and

2.1.1.12 Seller Books and Records.

2.1.2 A detailed list of all fixed assets having a book value of over \$10,000 is set out in Schedule 2.1 attached hereto.

2.2 Non-Assignable Assets.

Nothing in this Agreement shall be construed as an attempt to assign any agreement or other instrument that is by its terms nonassignable without the consent of the other party (a « **Non-Assignable Asset** »). If, with respect to any Non-Assignable Asset, a required assignment, consent or novation is not obtained prior to Closing, Seller shall, at Purchaser's reasonable expense, use its best efforts to give Purchaser the benefit of the Non-Assigned Asset to the same extent as such assignment, consent or novation had been obtained, and Purchaser shall perform Seller's obligations with respect to the Non-Assigned Assets. Purchaser shall be entitled to receive from the Seller, accept and retain any payments to which Seller would otherwise be entitled for Purchaser's performance with respect to or for the use of any Non-assigned Asset after the Closing. Any and all amounts paid to Seller relating to Purchaser's performance under or use of any Non-Assigned Asset shall be promptly remitted to Purchaser.

2.3 Excluded Assets.

Notwithstanding anything to the contrary contained in this Agreement, cash, cash equivalents, cash deposits and overdrafts and the other assets described on Schedule 2.3 are not intended to be sold, assigned, transferred or conveyed to Purchaser hereunder (the « **Excluded Assets** »).

- create agency or distributorship relationships relating to the Business; or
- are proposed to be transferred hereunder and will require consent to assign by any third party; or
- involve confidentiality or secrecy relating to the Business.

6.12 Except as otherwise indicated in Schedule 6.12:

6.12.1 each of the Material Contracts is legal, valid and binding upon the Seller, and to the best of Seller's Knowledge, all parties thereto and enforceable against all parties thereto in accordance with its terms;

6.12.2 Seller is not in default in any material respect under any Material Contract and to the best of Seller's Knowledge, no party to any of the Material Contracts is in default thereunder, or has given notice of default to any other party thereunder;

6.12.3 to the best of Seller's Knowledge, no condition exists which with notice or lapse of time or both would constitute a default under any Material Contract or cause any waiver of rights thereunder.

6.12.4 the transfer of the Business and the Assets to Purchaser pursuant to this Agreement will not cause a violation of or default under, and, except as set forth in Schedule 6.12, does not require the consent of any party to, any Material Contract.

6.13 Schedule 6.13 attached hereto lists with respect to the Business:

6.13.1 all Patents used or held for use by, or related to, the Business;

6.13.2 all licenses, releases, discharges, immunities from suit and non-assertion rights granted to the Business by others for the practice of a patented invention and/or for the use of proprietary technology;

6.13.3 all licenses, releases, discharges, immunities from suit and non-assertion rights granted to others by the Business for the practice of a patented invention and/or for the use of proprietary technology;

6.13.4 all orders, decrees, judgments, claims, proceedings (including, for example, opposition, nullity, revocation, re-examinations or conflict proceedings), mortgages, liens or encumbrances or demands of any other person, pertaining to patents, trademarks, copyrights, and/or other intellectual property and/or proprietary technology of Seller;

6.13.5 all confidentiality, non-competition, secrecy and screening agreements;

6.13.6 all Patents and/or technology shared by the Business and its affiliates;

6.13.7 all material potentially patentable inventions owned by Seller and known to Seller for which patent applications have not been filed;

6.13.8 all interferences pending before the United States Patent and Trademark office;

- 6.13.9 all patent and/or technology settlement agreements in effect;
- 6.13.10 all joint or sponsored research or technology or development agreements having current obligations;
- 6.13.11 all consulting agreements relating to technical or business matters having current obligations; and
- 6.13.12 all other contracts relating to intellectual property in effect or currently being negotiated.

6.14 Except as disclosed in Schedule 6.14, to Seller's Knowledge, the current conduct of the Business does not infringe (directly, indirectly, or contributorily), violate, conflict with or result in a misappropriation or unauthorized use of the intellectual property of any other person or entity and, to Seller's Knowledge, there are no United States or other foreign patents or patent applications the claims of which prevent or would prevent Purchaser from operating the Business or the Assets as currently operated.

6.15 Seller is the sole and exclusive owner of each of the Patents listed in Schedule 6.13, all of which are free and clear of any mortgages, liens, and encumbrances. Except as set forth in Schedule 6.15, Seller has not received any claims or demands of any other Person pertaining to any of the Seller's Patents, Technology or Patent and Technology Licenses, and no proceedings have been instituted by or against Seller, or are pending or, to Seller's Knowledge, threatened that challenge any of Seller's rights in respect thereto, and none of Seller's Intellectual Property Rights is subject to any outstanding order, decree, judgment or stipulation.

6.16 Schedule 6.16 sets forth all Trademarks, and Copyrights used, held for use, or related to the Business, all Trademark Licenses or rights as licensee under trademark agreements used in the Business, in each case where appropriate duly noted as registered, or pending registration in the countries listed and any limitations on ownership, liens, encumbrances, or obligations and claims, demands, infringements or proceedings which challenge these rights. Seller is the sole and exclusive owner, except to the extent disclosed in Schedule 6.16, of each of the Trademarks and registered Copyrights listed in Schedule 6.16, and the holder of the full record title to the Trademark and Copymark registrations listed in Schedule 6.16, and all the aforesaid are free and clear of any mortgages, liens, and encumbrances. Except as disclosed in Schedule 6.16, Seller has not received any claims or demands of any other Person pertaining to the aforesaid, and no proceedings have been instituted, or are pending or, to Seller's Knowledge, threatened that challenge Seller's rights in respect thereto and none is subject to any outstanding order, decree, judgment or stipulation.

6.17 Litigation, Claims and Proceedings. Schedule 6.17 attached hereto lists all material civil fines, penalties, claims, actions, suits, administrative or arbitration proceedings or investigations known to Seller and any final order, writ, judgment, injunction, decree, determination or other award of any court or any governmental agency, which is related to the Business or the Assets, from January 1, 1994 to the date hereof. Except as set forth in the Schedule 6.17, there are no judgments, orders, writs, or injunctions of any foreign, federal, state or local court or governmental authority, lawsuits, arbitrations, claims, governmental proceedings or notices of violation presently pending or to Seller's knowledge threatened against Seller, or by which Seller is bound and which is related to the Business or the Assets.

IN WITNESS WHEREOF, Seller and Purchaser have duly executed and delivered this Agreement as of the day and year first above written.

HONEYWELL INTERNATIONAL INC.

By: James D. Taiclet Jr.
Name: James D. Taiclet, Jr.
Title: President, Aerospace Services

QUANTUM LASER CORPORATION

By: _____
Name: _____
Title: _____

SELLING PARTY (for purposes of Section 14 only)

AZAD SHIVDASANI

::ODMA\PCDOCS\ATL\33884\11

IN WITNESS WHEREOF, Seller and Purchaser have duly executed and delivered this Agreement as of the day and year first above written.

HONEYWELL INTERNATIONAL INC.

By: _____

Name: _____

Title: _____

QUANTUM LASER CORPORATION

By: Ronald A. Minardi

Ronald A. Minardi

Name: Vice President, Chief Financial Officer

Title: _____

SELLING PARTY (for purposes of Section 14 only)

AZAD SHIVDASANI

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IN WITNESS WHEREOF, Seller and Purchaser have duly executed and delivered this Agreement as of the day and year first above written.

HONEYWELL INTERNATIONAL INC.

By: _____

Name: _____

Title: _____

QUANTUM LASER CORPORATION

By: _____

Name: _____

Title: _____

SELLING PARTY (for purposes of Section 14 only)

AZAD SHIVDASANI

Azad Shivdasani

COMMUNICATIONS

SCHEDULE B

TRADEMARKS

REGISTERED TRADEMARKS

Mark	US Registration No.	International Class(es)	US Registration Date
Quantum Laser	1,484,622	37 and 40	April 12, 1988
Quantum Laser (Stylized)	1,287,466	42	July 24, 1984

COMMON LAW TRADEMARKS

Dynamic Powder Feeder
DPF

INTERNET DOMAIN NAMES

quantumlaser.com
