

NIKOLAI, MERSEREAU & DIETZ, P.A.

D

THOMAS J. NIKOLAI
JAMES T. NIKOLAI
CHARLES G. MERSEREAU
PAUL T. DIETZ

International Centre
900 Second Avenue South, Suite 820
Minneapolis, Minnesota 55402-3813
Telephone (612) 339-7461
Facsimile (612) 349-6556

PATENTS
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UNFAIR COMPETITION

STEVEN E. KAHM
KEVIN W. CYP



03-16-2001

March 1, 2001

03-05-2001



RECORDATION FORM COVER SHEET

U.S. Patent & TMO/TM Mail Rcpt Dt. #58

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OUR FILE NO. 20010068 & 20010069

BOX ASSIGNMENTS/FEE
Assistant Commissioner for Trademarks
2900 Crystal Drive
Arlington, Virginia 22202-3513

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

1. Name of Party(ies) conveying an interest:
Edwards Manufacturing, Inc.

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

2. Name and Address of Party(ies) receiving an interest:

Name: Hypro Corporation
Street Address: 375 - 5th Avenue N.W.
City: St. Paul
State: MN Zip: 55112

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 designated is attached: Yes No
(Designation must be a separate document from Assignment)

3. Nature of Conveyance:

Assignment Merger
 Security Agreement Change of Name
 Other: STOCK PURCHASE AGREEMENT

Execution Date: January 6, 2000

4. Application number(s) or registration number(s):
A. Trademark Application No.(s)

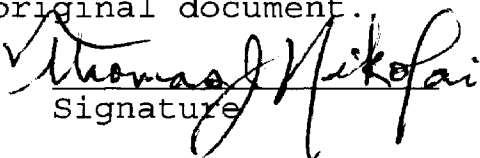
B. Trademark Registration No.(s):
1,881,877
1,888,217
5. Name and address of party of whom correspondence concerning document should be mailed:
Name: Thomas J. Nikolai, Esq.
NIKOLAI, MERSEREAU & DIETZ, P.A.
Street Address: 900 Second Avenue South, #820
City: Minneapolis State: MN Zip: 55402-3325
6. Number of applications and registrations involved: Two
7. Total Fee (37 CFR 3.41): \$80.00
X A check is enclosed.
8. The Commissioner is authorized to charge any fees or refund any overpayment under 37 CFR 2.6 which may be required by this paper to Deposit Account No. 08-1265.

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.

Thomas J. Nikolai

Name of Person Signing


Signature

Date: March 1, 2001

Total number of pages including cover sheet, attachments and document: 8

STOCK PURCHASE AGREEMENT (this "Agreement") dated January 6, 2000, by and among Hypro Corporation, a Delaware corporation ("Buyer"), Edwards Manufacturing, Inc., an Oregon corporation (the "Company"), and James Pentz, Thomas Reser and Rick Hinkes (individually "Shareholder" and together the "Shareholders").

RECITALS

A. The Company is engaged in the manufacture, sale and distribution of pumps and pumping systems to the industrial gear pump market, the stationary and mobile fire suppression markets, the semiconductor market, and the market for clean-room pump repair (the "Business"). Shareholders own all of the issued and outstanding shares (the "Shares") of capital stock of the Company.

B. The Company's facilities consist of administrative, warehouse and manufacturing space located at 2441 S.E. Stubb Street, Milwaukie, Oregon which is leased by the Company (the "Facilities").

C. Buyer desires to purchase the Shares from Shareholders and Shareholders desire to sell the Shares to Buyer, upon the terms and conditions herein set forth.

NOW THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants, agreements and conditions hereinafter set forth, and intending to be legally bound hereby, the parties hereto agree as follows.

1. PURCHASE AND SALE OF SHARES

Subject to the terms and conditions of this Agreement, on the Closing Date (as hereinafter defined) Shareholders shall sell to Buyer and Buyer shall purchase from Shareholders all the Shares.

2. PURCHASE PRICE - PAYMENT

2.1 Purchase Price.

The purchase price (the "Purchase Price") payable for the Shares shall be the sum of _____, plus any payments pursuant to the Earn-out Calculation (as defined in Section 2.2(b)). All payments of Purchase Price, including any adjustments thereto, are to be made pro rata distribution among the Shareholders in accordance with their respective shareholdings in the Company.

2.2 Payment of Purchase Price.

The Purchase Price shall be paid by Buyer as follows:

which is intended to qualify under Section 401 of the Code has received a favorable determination letter from the Internal Revenue Service with respect to such qualification, its related trust has been determined to be exempt from taxation under Section 501(a) of the Code, and nothing has occurred since the date of such letter that has or is likely to adversely affect such qualification or exemption; and (iv) there are no actions, suits or claims pending (other than routine claims for benefits) or threatened with respect to such Employee Plan or against the assets of such Employee Plan.

3.16.(e) Post-Retirement Benefits. No Employee Plan provides benefits, including, without limitation, death or medical benefits (whether or not insured) with respect to current or former Company employees beyond their retirement or other termination of service other than (i) coverage mandated by applicable law, (ii) death or retirement benefits under any Employee Plan that is an employee pension benefit plan, (iii) deferred compensation benefits accrued as liabilities on the books of Company (including the Recent Balance Sheet), (iv) disability benefits under any Employee Plan that is an employee welfare benefit plan and which have been fully provided for by insurance or otherwise or (v) benefits in the nature of severance pay.

3.16.(f) No Triggering of Obligations. The consummation of the transactions contemplated by this Agreement will not (i) entitle any current or former employee of Company to severance pay, unemployment compensation or any other payment, except as expressly provided in this Agreement, (ii) other than the bonuses payable to Rick Hinkes as disclosed on Schedule 3.8, accelerate the time of payment or vesting, or increase the amount of compensation due to any such employee or former employee or (iii) result in any prohibited transaction described in Section 406 of ERISA or Section 4975 of the Code for which an exemption is not available.

3.17 Employment Compensation.

Schedule 3.17 contains a true and correct list of all employees to whom the Company is paying compensation, including bonuses and incentives, at an annual rate in excess of _____ for services rendered or otherwise; and in the case of salaried employees such list identifies the current annual rate of compensation for each employee and in the case of hourly or commission employees identifies certain reasonable ranges of rates and the number of employees falling within each such range.

3.18 Trade Rights.

Schedule 3.18 lists all Trade Rights (as defined below) in which the Company now has any interest, specifying whether such Trade Rights are owned, controlled, used or held (under license or otherwise) by the Company, and also indicating which of such Trade Rights are registered. All Trade Rights shown as registered in Schedule 3.18 have been properly registered, all pending registrations and applications have been properly made and filed and all annuity, maintenance, renewal and other fees relating to registrations or applications are current. In order to conduct the business of the Company, as such is currently being conducted or proposed to be conducted, the Company does not require any Trade Rights

that it does not already have. The Company is not infringing and has not infringed any Trade Rights of another in the operation of the business of the Company, nor to the knowledge of the Company or the Shareholders is any other person infringing the Trade Rights of the Company. The Company has not granted any license or made any assignment of any Trade Right listed on Schedule 3.18, nor does the Company pay any royalties or other consideration for the right to use any Trade Rights of others. There is no Litigation pending or threatened to challenge the Company's right, title and interest with respect to its continued use and right to preclude others from using any Trade Rights of the Company. All Trade Rights of the Company are valid, enforceable and in good standing, and there are no equitable defenses to enforcement based on any act or omission of the Company. The consummation of the transactions contemplated hereby will not alter or impair any Trade Rights owned or used by the Company. As used herein, the term "Trade Rights" shall mean and include: (i) all trademark rights, business identifiers, trade dress, service marks, trade names and brand names, all registrations thereof and applications therefor, except to the extent that the Company only asserts common law trademark rights with respect to such; (ii) all copyrights, copyright registrations and copyright applications, and all other rights associated with the foregoing and the underlying works of authorship; and (iii) all patents and patent applications, and all international proprietary rights associated therewith.

3.19 Major Customers and Suppliers.

3.19.(a) Major Customers. Schedule 3.19.(a) contains a list of the twenty (20) largest customers, including distributors, of the Company for each of the two (2) most recent fiscal years (determined on the basis of the total dollar amount of net sales) showing the total dollar amount of net sales to each such customer during each such year. None of the customers listed on Schedule 3.19.(a) has informed the Company or Shareholders, either in writing or orally, that it will not continue to be a customer of the business of the Company after the Closing.

3.19.(b) Major Suppliers. Schedule 3.19.(b) contains a list of the twenty (20) largest suppliers to the Company for the fifteen months ended November 30, 1999 (determined on the basis of the total dollar amount of purchases) showing the total dollar amount of purchases from each such supplier during such period. Neither the Company nor any Shareholder has any knowledge or information of any facts indicating, nor any other reason to believe, that any of the suppliers listed on Schedule 3.19.(b) will not continue to be suppliers to the business of the Company after the Closing and will not continue to supply the business with substantially the same quantity and quality of goods at competitive prices.

3.19.(c) Dealers and Distributors. Schedule 3.19.(c) contains a list by product line of all sales representatives, dealers, distributors and franchisees of the Company, together with representative copies of all sales representative, dealer, distributor and franchise contracts and policy statements, and a description of all substantial modifications or exceptions.

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

EDWARDS MANUFACTURING, INC.

HYPRO CORPORATION

By: _____
Name: James P. Pentz
Title: President

By: Joseph P. Wenzler
Name: Joseph P. Wenzler
Title: Treasurer and Secretary

JAMES P. PENTZ


THOMAS W. RESER

RICK HINKES

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

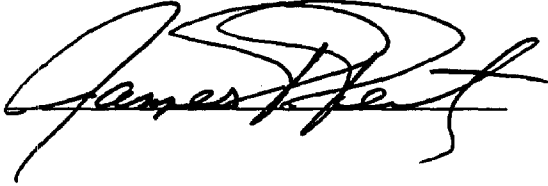
EDWARDS MANUFACTURING, INC.

HYPRO CORPORATION

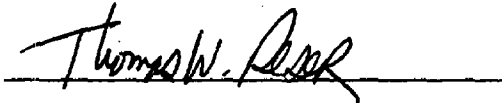
By: 
Name: James P. Pentz
Title: President

By: _____
Name: _____
Title: _____

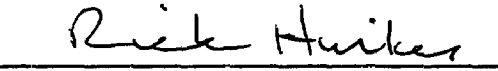
JAMES P. PENTZ



THOMAS W. RESER



RICK HINKES



SCHEDULE 3.18
Trade Rights

Trademarks (Other than Common Law Rights)

1. "Edwards" owned by the Company and registered on March 7, 1995 with the United States Patent and Trademark office.
2. "EMI EDWARDS MANUFACTURING INC. and design" owned by the Company and registered on April 11, 1995 with the United States Patent and Trademark office.

Copyrights, Copyright Registrations and Copyright Applications

NONE

Patents, Patent Applications and International Patent Rights

NONE

Licenses of Trade Rights from Others

1. _____s. The Company has a license agreement with _____ (presently being renegotiated) for rights under a patent and with respect to confidential information relating to use of the _____ in fire fighting equipment. The agreement calls for an annual license fee, a royalty based upon sales and an imputed royalty if certain sales minimums are not met. The annual license fee paid at the beginning of each calendar year is credited against royalties and imputed royalties during such year.
2. _____ The Company has a license agreement with P- - D- - for its Millennium III accounting, inventory and operations management software package. The license calls for an annual license fee.
3. Other Software Licenses. All other software licenses only require a license fee at the time of purchase or in connection with an update or upgrade of the software.