

RECC  
TR

04-25-2003

Docket No.:

NM-131J



102430574

Tab settings

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

1 Name of conveying party(ies): Star met Corporation **4-23-03**

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

Additional names(s) of conveying party(ies)  Yes  No

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

Name: International Machine Design, LLC  
Internal Address: 132 Great Road, Suite 200  
Street Address: \_\_\_\_\_  
City: Stow State: MA ZIP: 01775

Individual(s) citizenship \_\_\_\_\_  
 Association \_\_\_\_\_  
 General Partnership \_\_\_\_\_  
 Limited Partnership \_\_\_\_\_  
 Corporation-State Massachusetts  
 Other \_\_\_\_\_

If assignee is not domiciled in the United States, a domestic designation is  Yes  N  
(Designations must be a separate document from Additional name(s) & address(es)  Yes  N

3 Nature of conveyance:

Assignment  Merger  
 Security Agreement  Change of Name  
 Other

Execution Date: December 13, 2002

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

A. Trademark Application No.(s)

Additional numbers  Yes  No

B. Trademark Registration No.(s)

0,945,061

Yes  No

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

Name: Jason D. Shanske  
Internal Address: Iandiorio & Teska  
Street Address: 260 Bear Hill Road  
City: Waltham State: MA ZIP: 02451

6. Total number of applications and registrations involved: **1**

7. Total fee (37 CFR 3.41):.....\$ \$40.00

Enclosed  
 Authorized to be charged to deposit account

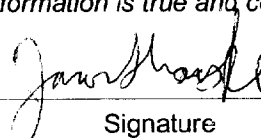
8. Deposit account number:  
09-0002

04/24/2003 BYRNE 00000117 0945061  
0 FC:8:21 40.00 DP

DO NOT USE THIS SPACE

OFFICE OF PUBLIC RECORDS  
APR 23 AM 8:41  
FINANCE SECTION

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.*

Jason D. Shanske  April 17, 2003  
Name of Person Signing Signature Date

## BILL OF SALE

KNOW ALL PERSONS BY THESE PRESENTS THAT:

STARMET CORPORATION, a Massachusetts corporation, for itself and its successors and assigns, (hereinafter, collectively, the "Seller") in consideration of Six Hundred Thousand dollars (\$600,000.00) and other good and valuable consideration paid by International Machine Design, LLC, a Massachusetts limited liability company, (hereinafter, "IMD"), the receipt and sufficiency whereof is hereby acknowledged by the Seller, does hereby grant, sell, assign, transfer, bargain, convey and deliver unto IMD and its successors, assigns and legal representatives (herein, collectively, the "Buyer") all of Seller's right, title and interest in and to the following assets (being referred to hereinafter collectively as the "Assets"):

ALL ASSETS LISTED IN THE OFFER TO PURCHASE ASSETS ATTACHED  
HERETO AS EXHIBIT A

To have and to hold all and singularly the said Assets to the said Buyer, for Buyer's own use and behoove forever.

The Seller hereby covenants to and agrees with Buyer and represents and warrants to Buyer that Seller is the lawful owner of the Assets and that its title to each of the Assets, which title is being conveyed to the Buyer pursuant to this instrument, is, as of the date hereof, good, clean and marketable and free and clear of, and subject to no, liens, security interests, mortgages, pledges, charges, consignments, bailments, security arrangements or other encumbrances of any kind. Seller further covenants to and agrees with Buyer that this sale is authorized by the United States Bankruptcy Court for the District of South Carolina, pursuant to the "Order Approving Sale of All or Substantially All of the Assets of Starmet Corporation Free and Clear of Liens, Claims, and Encumbrances" (the "Sale Order") dated October 25, 2002. A copy of the Sale Order is attached hereto as Exhibit B hereto.

Aside from the foregoing express covenant, representation and warranty, this sale is made without express or implied warranty, covenant or representation of any kind or nature, and is further made "AS IS" and "WHEREIS", THE SELLER EXPRESSLY DISCLAIMING AND EXCLUDING ANY AND ALL IMPLIED WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE.

Post-it <sup>®</sup> Fax Note	7671	Date	4/10/03	# of pages	17
To	JASON SHAWSKY	From	GARY MATTHEWS		
Co./Dept.		Co.			
Phone #		Phone #			
Fax #	781-890-1150	Fax #			

IN WITNESS WHEREOF, the Seller has caused this Bill of Sale to be executed to take effect as an instrument under seal this 13th day of December, 2002.

STARMET CORPORATION

Witnesses:

Janet C. Hamner  
Parula M. Lavette

By: Robert Quinn  
Robert Quinn, President

## OFFER TO PURCHASE ASSETS

This offer to purchase certain assets is made and delivered this \_\_\_\_ day of September, 2002 by Advanced Specialty Metals, LLC ("ASM"), Applied Materials Science, LLC ("AMS") or their nominee (hereinafter referred to collectively as "Purchaser") to Starmet Corporation (hereinafter referred to as "Starmet" or "Seller"). Subject only to the approval of the Bankruptcy Court (as defined below), upon acceptance by Seller it shall become a legally binding agreement (the "Agreement") subject to the terms and conditions set forth herein.

### RECITALS

**WHEREAS**, on March 26, 2002 Starmet CMI Corporation ("CMI") filed a petition to reorganize under Chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the District of South Carolina (the "Bankruptcy Court" or the "Court");

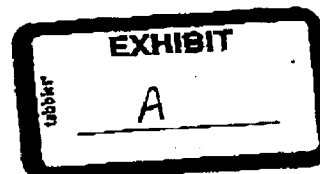
**WHEREAS**, on April 3, 2002 Starmet filed a petition to reorganize under Chapter 11 of the Bankruptcy Code with the Bankruptcy Court;

**WHEREAS**, the administration of the estates of Starmet and CMI has been administratively consolidated under Case Number 02-03759-B by the Bankruptcy Court;

**WHEREAS**, Starmet conducts its operations at a facility in Concord, Massachusetts (the "Concord Facility");

**WHEREAS**, Citizens Bank of Massachusetts ("Citizens") has claims against Starmet and CMI in the approximate amount of \$9,000,000 secured by substantially all of the assets of Starmet and CMI;

Page -1-



**WHEREAS**, Starmet and CMI have entered into a compromise and settlement agreement with Citizens requiring the approval of the Court and providing for the sale of substantially all of the assets of Starmet; and

**WHEREAS**, Purchaser desires to acquire the assets of Starmet;

**NOW, THEREFORE**, subject to the approval of the Bankruptcy Court, with the intent that this proposal, if accepted by Seller, shall become a binding agreement among Purchaser and Seller (sometimes collectively the "Parties"), subject to the terms and conditions set forth herein, Purchaser offers to purchase substantially all of the non-real estate assets of Seller as follows:

**I. DEFINITIONS AS USED HEREIN.** The following terms have the following meanings:

1. Except as otherwise provided below, "Assets" shall mean all machinery, equipment, furniture, inventories of raw materials, work in process, finished goods, parts and supplies, patents, licenses, copyrights, trademarks, trade names, and service marks, intellectual property of any and all description, technology and know how, including fluorine gas mining technology, claims, choses in action, manuals, pamphlets and engineering and other data relating to the use of the Assets being acquired hereunder, owned by Starmet. The term "Assets" includes, but is not limited to, the Assets located at the Concord Facility and the Assets located at CMI's facility in Barnwell, South Carolina. The term "Assets" does not include any real property, stocks, securities, cash, accounts receivable, deposits, the causes of action and choses in action set forth below, any equipment, technology, patents or know-how necessary to operate Starmet CMI or any asset owned by CMI. Notwithstanding anything to the contrary contained in this Agreement, the term "Assets" shall not include any causes of action or choses in action (a)

under Sections 544, 545, 546, 547, 548, 549, 550 and 553 of the Bankruptcy Code, (b) arising from or related to the contamination existing at the Concord Facility, (c) arising from or relating to any insurance policies, (d) against the United States Army, its agents, assigns or successors, (e) against current and former officers and directors, and (f) against Advanced Specialty Metals LLC, Applied Materials Science LLC and/or Applied Technology Management LLC.

2. "Bankruptcy Court" shall mean United States Bankruptcy Court for the District of South Carolina.

3. "Lien" shall mean any security interest, mortgage, statutory or common law lien, claim, right, or encumbrance, matured or unmatured in any way affecting, limiting, or impairing the right of Purchaser to own, possess, or use the Assets.

4. "Sale Order" shall mean an order of the Bankruptcy Court, reasonably acceptable to Starnet and Purchaser, which shall provide, among other things and without limitation, that:

- (i) the sale of the Assets to Purchaser in accordance with the terms and conditions of this Agreement and pursuant to, among others, Sections 363 of the Bankruptcy Code are approved;
- (ii) the consideration provided by Purchaser pursuant to this Agreement constitutes reasonably equivalent value and fair consideration for the Assets;
- (iii) Purchaser is a good faith purchaser of the Assets, as that term is used in Section 363(m) of the Bankruptcy Code, and is entitled to the protections provided by such section; and
- (iv) the sale and transfer of the Assets to Purchaser shall vest the Buyer with all right, title and interest to the Assets free and clear of liens;

5. "Final Order" shall mean an order or judgment which has not been reversed, stayed, modified or amended and, as to which (i) the time to appeal or seek review or rehearing has expired and as to which no appeal or petition for certiorari, review or rehearing is pending, or

(ii) if appeal, review, re-argument or certiorari of the order has been sought, the order is affirmed or the request for review, re-argument or certiorari has been denied and all the time to seek a further appeal, review, re-argument or certiorari has expired, and as a result of which such order shall have become final and non-appealable in accordance with applicable law; provided, however, that the possibility that a motion under Federal Rules of Bankruptcy Procedure 9024 may be filed with respect to such order shall not cause such order not to be a Final Order.

## II. PURCHASE PRICE.

Subject to the terms and conditions contained herein, Purchaser offers to purchase the Assets for the sum of Six Hundred Thousand Dollars and No Cents, (\$600,000.00).

## III. TERMS AND CONDITIONS.

This Offer to Purchase is expressly conditioned upon satisfaction of the following terms and conditions which, upon acceptance, shall constitute essential terms of the purchase and sale agreement.

1. *Purchase of Assets.* Subject to the terms of this Agreement, at closing Purchaser shall purchase and Seller will sell, transfer, assign and convey to Purchaser all of the Assets pursuant to a Sale Order.

2. *Sale As Is, Where Is - No Warranty.* Purchaser shall acquire the Assets on an as-is, where-is basis with no warranty being given by Seller as to the quality or condition of the Assets or their fitness for any particular purpose for which Purchaser intends to use them. Seller makes no representation or warranty regarding the existence or absence of any hazardous, radioactive or other environmental contamination. Seller makes no representation or warranty that the Assets can be decontaminated, removed, or utilized without special licenses or

environmental regulatory clearances. Seller makes no representation or warranty as to whether patents or other intellectual property have been maintained or are otherwise free from assignment in whole or part to third parties. The Parties acknowledge that some or all of the Assets being purchased may be contaminated with environmental pollutants, including depleted uranium, beryllium, and other toxic materials, and may require environmental remediation before they can be moved from Seller's premises or operated, and that removal and/or decontamination may require licenses and administrative approval.

3. *Governmental Approvals.* Purchaser acknowledges that it is assuming all responsibility to obtain, or for any failure (by Purchaser or Seller) to obtain, any consent or approval of any Government or other person to remove, operate, use and/or decontaminate the Assets and that the failure to obtain such consents or approvals shall not be a condition to Closing.

4. *Sale Free and Clear of Liens; Approval of Bankruptcy Court.* The sale contemplated herein shall be such that Purchaser acquires the Assets free and clear of any liabilities, obligations, liens, security interests and encumbrances pursuant to Section 363 of the Bankruptcy Code. The Parties recognize that consummation of this Agreement requires approval of the Bankruptcy Court. Upon acceptance of this Agreement, Seller agrees to file the pleadings required by the applicable provisions of the Bankruptcy Code sufficient to convey the Assets to Purchaser free and clear of all liens under Section 363 of the Bankruptcy Code.

5. *Expiration of Purchaser's Obligations Hereunder.* This offer shall expire without any further action on the part of Purchaser if it is not accepted within ten (10) days of its execution and delivery to Seller. If accepted, Purchaser's obligations hereunder shall expire if



Seller's motion for sale of Assets free and clear of liens is not approved by the Court by October 10, 2002.

6. *Consideration for Purchase of Assets; Terms of Payment.* In full consideration for the purchase of the Assets, Purchaser shall pay Seller the sum of Six Hundred Thousand Dollars and No Cents, (\$600,000.00) (the "Purchase Price"). Fifty percent (50%) of the Purchase Price offered herein (the "Deposit") has been placed in escrow with Seller's counsel. The Deposit is refundable only if the Seller fails to close the sale of the Assets through no fault of the Purchaser. Upon the entry of a Final Order approving the sale of the Assets to the Purchaser consistent with the terms of this Agreement, the remaining fifty percent (50%) of the Purchase Price shall be paid to counsel for Citizens, and Seller's counsel shall pay the Deposit to counsel for Citizens.

7. *Authorization of Agreement.* The execution, delivery and performance by Seller of this Agreement and all other agreements contemplated by this Agreement, have been duly and validly authorized and approved by all necessary corporate action.

8. *Ownership of Assets.* Seller has good and marketable title to all of the Assets. Seller represents that no delinquent taxes will become a charge against the assets.

9. *Transaction.* If Seller maintains insurance on the Assets, Seller shall continue to do so until consummation of the transaction contemplated in this Agreement and for any period thereafter during which Seller may retain possession and/or use of the Assets.

10. *Representations of Purchaser.* Purchaser is a duly organized and validly existing limited liability company in good standing under the laws of Massachusetts and has the legal power and right to enter into and perform this agreement. The consummation of the transaction

contemplated by this Agreement in accordance with its terms will not cause Purchaser to be in breach of any provision or constitute a default under any indenture, agreement, or any instrument to which Purchaser is a party or by which it may be bound. The execution, delivery and performance by Purchaser of this Agreement has been duly and validly authorized and approved by all necessary action of its members. Purchaser shall not take any action which shall cause it to be in breach of any representations, warranties, covenants or agreements contained in this Agreement. The Purchaser shall use commercially reasonable efforts to perform and satisfy all conditions to Closing (as defined below) to be performed or satisfied by the Purchaser under this Agreement as soon as possible, but in no event later than the Closing.

11. *Other Conditions.* This Offer is subject to the following additional terms and conditions:

11.1 *Starmet Right of First Refusal for Decontamination Work.* Starmet shall have the right of first refusal to do any of the work necessary for the decontamination of the Assets upon the same terms and at the same price as any bonafide offer made by a third party. Any offer for environmental remediation or decontamination of the Assets shall be made to Purchaser in writing and a copy of such writing shall be delivered to Starmet forthwith and prior to acceptance of the proposal by Purchaser. Starmet shall have five (5) days following delivery of the third party proposal to notify Purchaser that it will perform the environmental remediation and/or decontamination upon the terms set forth in the third party proposal. If Starmet has not so notified Purchaser, Purchaser shall be free to engage in the third party proposal at the expiration of five (5) days following delivery of the

proposal to Starmet. Notwithstanding the foregoing, Purchaser may negotiate with Starmet to the exclusion of any third party for the decontamination of equipment.

- 11.2 *Transfer of Assets to CMI.* All Assets acquired by Purchaser which are not now, but may become necessary for the continued operation of CMI during its Chapter 11 proceeding, will be sold or licensed to CMI for \$10.00. This provision shall survive closing and will continue to be effective for two (2) years following this transaction. This provision shall become null and void in the event of (a) the dismissal of CMI's bankruptcy proceeding; or (b) the conversion of CMI's bankruptcy proceeding to a case under Chapter 7 of the Bankruptcy Code.
- 11.3 *Lease to Starmet.* Any Assets necessary for the continued operation of Starmet, including the license or sub-licensing of any intellectual property associated with the business conducted at Starmet shall be leased to Starmet for the sum of \$10.00 per month (the "Lease"). The Lease shall continue until Starmet ceases operations at the Concord Facility as a debtor in possession or reorganized debtor in charge of its own assets and operations. Purchaser agrees not to remove assets acquired from Starmet until at least May 31, 2003 under the above stated terms. Purchaser shall be responsible for the maintenance of the equipment during the term of the Lease, including the defense of all intellectual property from interference or unauthorized use.
- 11.4 *Non-Saleable Assets.* Any Asset which cannot be removed from Starmet's facility or decontaminated at a reasonable cost to Purchaser, shall be excluded from the

sale of Assets at the sole discretion of the Purchaser. As soon as practicable, Purchaser shall notify Seller in writing which Assets shall be excluded.

11.5 *Purchaser's Right of First Refusal.* The Parties acknowledge that Starmet is obligated under the Bankruptcy Code to provide notice of the sale of the Assets and an opportunity to submit counteroffers to creditors and parties in interest. Starmet agrees to request overbid protection for the Purchaser in an amount of not less than sixty thousand (\$60,000). It is expressly acknowledged that if a counter-offer is submitted for the Assets, Starmet will provide immediate notice of such counter-offer to Purchaser and Purchaser shall have the right to submit one or more competing offers.

11.6 *Starmet Option to Repurchase.* Upon confirmation of a Chapter 11 plan by Starmet, Starmet shall have the right to repurchase any or all of the Assets acquired by Purchaser hereunder at the then appraised auction value, provided that such purchase price shall be not less than sixty percent (60%) nor greater than One Hundred Twenty Five Percent (125%) of the Purchase Price, as allocated to any particular Asset if necessary. This option shall remain open until the earlier to occur of: (a) sixty (60) days after confirmation of a Chapter 11 plan by Starmet; (b) Starmet's bankruptcy proceeding is dismissed; or (c) Starmet's bankruptcy proceeding is converted to another Chapter under the Bankruptcy Code or a trustee is appointed for Starmet pursuant to Section 1104 of the Bankruptcy Code.

11.7 *Closing Documents from Seller.* Seller agrees to deliver to Purchaser within ten (10) days of the entry of a Final Order from the Court approving this transaction the following:

- (a) *Certified Copy of Final Order.* A certified copy of the Final Order approving this transaction.
- (b) *Transfers.* Good and sufficient bills of sale, assignments, and other instruments of transfer as shall be necessary, in the reasonable opinion of Purchaser's counsel to convey and transfer to and vest in Purchaser all of Seller's right, title, and interest in and to the Assets.
- (c) *Officer's Certificate.* A certificate of Seller's president dated after entry of the Final Order, certifying that to the best of his or her knowledge and belief the representations made by Seller herein remain true and correct in all material respects, and that any conditions precedent required to be fulfilled by Seller have been fulfilled in all material respects.

12. *Closing Documents from Purchaser.* Upon tender of the closing documents by Seller, pursuant to the preceding paragraph, Purchaser shall issue its instruction to Seller's counsel, confirming that it has received transfer of the Assets and instructing Seller's counsel to disburse the Deposit directly to Citizens or its counsel.

13. *No Liability on Termination.* In the event of the termination of this Agreement, damages under this Agreement shall be limited to the amount of the Deposit, provided that this subsection shall not preclude liability for a willful act, or a willful failure to act, in violation of

the terms and provisions of this Agreement, or for the failure of either party to use its best efforts to attempt to consummate the transactions contemplated hereby.

13.1 *Termination.* Notwithstanding anything to the contrary contained herein, this Agreement may be terminated at any time before the Closing:

- (a) By mutual consent of the Seller and the Purchaser;
- (b) By the Purchaser, on the date that is forty-five (45) days after the date hereof, if the closing of the sale contemplated in this Agreement (the "Closing") has not occurred; provided, however, that the right to terminate this Agreement under this paragraph (b) shall not be available to the Purchaser if (i) its failure to fulfill any of its obligations under this Agreement shall have been the reason that the Closing shall not have been consummated on or before said date; and (ii) the Bankruptcy Court has continued any hearing on the sale of the Assets to a date after forty-five days from the date of this Agreement;
- (c) By the Seller, on the date that is sixty (60) days after the date hereof, if the Closing has not occurred; provided, however, that the right to terminate this Agreement under this paragraph (c) shall not be available to the Seller if its failure to fulfill any of its obligations under this Agreement shall have been the reason that the Closing shall not have been consummated on or before said date; or

(d) By the Purchaser, upon approval by the Bankruptcy Court of the sale of the Assets to any other party based upon a higher or better offer.

13.2 Termination of this Agreement pursuant to the terms of this Agreement shall be effected by written notice to the other party specifying the provision pursuant to which such termination is made. The representations and warranties and covenants of the Seller contained in this Agreement or in any document delivered pursuant hereto shall terminate as of the Closing Date.

14. *Brokers and Finders Fees.* Each of the parties represents and warrants that it has dealt with no broker or finder in connection with any of the transactions contemplated by this Agreement, and, insofar as such party knows, no other broker or other person is entitled to any commission or finder's fee in connection with any of these transactions.

15. *Further Assurance and Assistance.* Each of Purchaser and Seller agrees that after entry of the Final Order approving this transaction, and transfer of the Assets as contemplated by this Agreement, it will, from time to time, upon the reasonable request of the other, execute, acknowledge and deliver in proper form any instrument or further assurance necessary for the consummation of the transaction contemplated herein.

16. *Notices.* All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if delivered, telegraphed or mailed, charges prepaid, addressed:

If to Purchaser to: Donald T King  
132 Great Road, Suite 200  
Stow, MA 01775

And: Gary Mattheson

Page -12-

132 Great Road, Suite 200  
Stow, MA 01775

If to Seller to: Mr. Gerald Hoolahan  
2229 Main Street  
Concord, MA 01742

And: Mr. Robert Quinn  
2229 Main Street  
Concord, MA 01742

or to such other address or addresses as either Purchaser or Seller may  
communicate in writing to the other.

17. *Entire Agreement.* This Agreement and other documents referred to herein contain all the terms and conditions agreed upon by the parties hereto, and no other agreements regarding the subject matter hereof shall be deemed to exist or bind the Parties hereto unless they are in writing, specifically refer to this Agreement, and are executed by Seller and Purchaser.

18. *Captions.* The captions used in this Agreement are for convenience only, shall not be deemed to constitute a part of this Agreement, and shall not be deemed to limit, characterize, or in any way affect any provision of this Agreement.

19. *Governing Law and Severability.* Subject to such approval as is required by the Bankruptcy Code for consummation of the transaction contemplated herein, this Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts excepting its choice of law provisions. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.



20. *Benefit of the Agreement.* This Agreement shall be binding upon and inure to the benefit of the Parties. The rights and obligations of Seller hereunder shall not be assignable without the written consent of Purchaser and the rights and obligations of Purchaser hereunder shall not be assignable without the written consent of Seller.

21. *Expenses.* Purchaser and Seller will each pay all of their expenses, including attorneys fees, in connection with the negotiation and preparation of this Agreement, the documents and instruments referred to herein, the performance of their respective obligations under this Agreement, and the consummation of the transactions contemplated by this Agreement.

22. *Amendment or Modification.* This Agreement may be amended or modified, and any of the terms, covenants, representations, warranties or conditions hereof may be waived, only by a written instrument executed by the parties hereto, or in the case of a waiver, by the party waiving compliance. Any waiver by any party of any condition, or of the breach of any provision, term, covenant, representation or warranty contained in this Agreement, in any one or more instances, shall not be deemed to be nor construed as a furthering or continuing waiver of any such condition, or of the breach of any other provision, term, covenant, representation or warranty of this Agreement.

IN WITNESS WHEREOF, the Parties have signed this Agreement as of the date set forth above.

WITNESSES:

SELLER

STARMET CORPORATION

Leticia K. Hunter By: Catherine E. Pether

[Signature]

Purchaser:

Advanced Specialty Metals, LLC

Leticia K. Hunter By: Catherine E. Pether

[Signature]

Applied Materials Science, LLC

Leticia K. Hunter By: Catherine E. Pether

[Signature]

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