

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
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NATURE OF CONVEYANCE:	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL
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CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
PCC Specialty Products, Inc.		12/31/2003	CORPORATION:

RECEIVING PARTY DATA	
Name:	Reed Machinery Inc.
Street Address:	10A New Bond Street
City:	Worcester
State/Country:	MASSACHUSETTS
Postal Code:	01606
Entity Type:	CORPORATION:

PROPERTY NUMBERS Total: 1		
Property Type	Number	Word Mark
Registration Number:	1369800	REED

CORRESPONDENCE DATA	
Fax Number:	(508)791-1201
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	508-798-8621
Email:	ahill@ftwlaw.com
Correspondent Name:	John E. Hodgson
Address Line 1:	370 Main Street
Address Line 4:	Worcester, MASSACHUSETTS 01608

NAME OF SUBMITTER:	John Hodgson
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Total Attachments: 5 source=Patent & Trademark License#page1.tif source=Patent & Trademark License_0002#page1.tif source=Patent & Trademark License_0003#page1.tif source=Patent & Trademark License_0004#page1.tif source=Patent & Trademark License_0005#page1.tif
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PATENT AND TRADEMARK LICENSE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the "Agreement"), effective as of the 30th day of December 2003, is by and among PCC Specialty Products, Inc., a Delaware corporation (the "Licensor"), and Reed Machinery, Inc., a Massachusetts corporation (the "Licensee").

RECITALS

A. Licensor and Licensee have entered into an Asset Purchase Agreement dated December 30, 2003 (the "Purchase Agreement") under which Licensor agreed to sell, and Licensee agreed to buy, certain assets of the Company.

B. Pursuant to Section 6.01 of the Purchase Agreement, Licensor and Licensee wish to enter into this Agreement to set forth the terms under which Licensor shall license to licensee certain intellectual property assets on an exclusive basis within a defined field of use.

AGREEMENT

In consideration of the covenants and mutually beneficial terms and conditions below, the parties agree as follows:

1. **Definitions.** As used in this Agreement, the following terms shall have the meanings set forth in this Section 1. Capitalized terms not defined herein shall have the meanings set forth in the Purchase Agreement.

1.1 "Licensed Field of Use" means business of manufacturing and selling Reed Machines.

1.2 "Affiliate" means, with respect to a party, (a) any person or entity directly or indirectly controlling, controlled by or under common control with such party; or (b) any person or entity in which such party owns or controls fifty percent (50%) or more of the outstanding voting interests of such person or entity. For purposes of this definition, the term "controls," "is controlled by," or "is under common control with" shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person or entity, whether through the ownership of voting securities, by contract or otherwise.

1.3 "Patent" means Licensor's Smart Machine Tool System patent application listed on Exhibit 1 and any patent issued therefrom, continuations, continuations-in-part, divisions, reissues, patents of addition, renewals, and foreign counterparts thereof.

1.4 "Trademarks" means Licensor's United States trademarks listed on Exhibit 2.

2. **Grant of Licenses.**

2.1 **Patent License.** Subject to the terms and conditions of this Agreement, Licensor hereby grants to Licensee a limited exclusive, worldwide, non-transferable fully-paid, royalty-free, perpetual license under the Patent to make, have made, use, sell and distribute products

covered by the Patent, solely within the Licensed Field of Use and solely in conjunction with either (i) dies and other consumable tools manufactured and sold by and on behalf of Licensor or its Affiliates, or (ii) with dies and other consumable tools manufactured and sold by others, but in the case of this subsection (ii), solely if and to the extent that Licensor or its Affiliates do not manufacture or sell dies and consumable tools of a type and size usable by Licensee or its customers for the intended purpose.

2.2 Trademark License. Subject to the terms and conditions of this Agreement, Licensor hereby grants to Licensee a limited exclusive, worldwide, non-transferable fully-paid, royalty-free, perpetual license to use and reproduce the Trademarks solely within the Licensed Field of Use.

2.3 Limitations and Restrictions. Licensee obtains no rights to any intellectual property of Licensor except as expressly stated in Sections 2.1 and 2.2 above. Specifically, Licensee shall have no right to exploit the Patent or Trademarks in any manner outside of the Licensed Field of Use. Licensee acknowledges that the Trademarks are the sole property of Licensor and that all use by Licensee of any Trademarks shall inure solely to the benefit of Licensor. Licensee shall do such acts and execute such documents as Licensor may reasonably request to enable Licensor to maintain, protect, and perfect its ownership rights in the Trademarks. Licensee shall comply with any usage guidelines provided to it by Licensor from time to time.

3. Limitation of Liability. LICENSOR MAKES NO REPRESENTATIONS OR WARRANTIES WHATSOEVER WITH RESPECT TO THE RIGHTS LICENSED TO LICENSEE HEREUNDER, INCLUDING WITHOUT LIMITATION ANY REPRESENTATION OR WARRANTY THAT LICENSEE'S USE OF THE PATENT OR TRADEMARKS WILL NOT INFRINGE OR VIOLATE ANY INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY. THE LICENSE GRANTED UNDER THIS AGREEMENT IS LIMITED TO WHATEVER RIGHTS LICENSOR HAS, AND COMPANY ACCEPTS SUCH RIGHTS "AS IS" AND WITH ALL FAULTS. LICENSOR SHALL NOT BE LIABLE TO LICENSEE FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, OR PUNITIVE DAMAGES OF ANY KIND OR NATURE, INCLUDING, WITHOUT LIMITATION.

4. Term and Termination.

4.1 Commencement and Expiration of Term. The term of this Agreement shall commence on the Effective Date and shall continue, unless terminated earlier, until the first to occur of the date the Patent is assigned to Licensee and the date the Patent expires.

4.2 Termination. Licensor may terminate this Agreement, including the license under Section 2, Licensee's breach of this Agreement.

5. Miscellaneous.

5.1 Expenses. Except as otherwise expressly provided herein, each party will pay all of its expenses in connection with the negotiation of this Agreement, the performance of its

obligations hereunder and the consummation of the transactions contemplated by this Agreement.

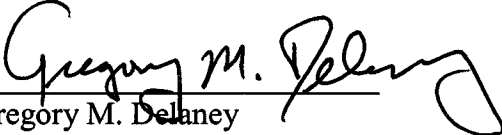
5.2 Assignment. This Agreement and all of the provisions hereof will be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Either party may assign its rights under this Agreement to an Affiliate of that party, provided that the assigning party retains all liability and obligation for its performance under this Agreement.

5.3 Complete Agreement. Together with the Purchase Agreement, this document and the documents referred to herein contain the complete agreement between the parties and supersede any prior understandings, agreements or representations by or between the parties, written or oral, which may have related to the subject matter hereof in any way.

5.4 Governing Law. The law of the Commonwealth of Massachusetts will govern all questions concerning the construction, validity, and interpretation of this Agreement and the performances of the obligations imposed by this Agreement.

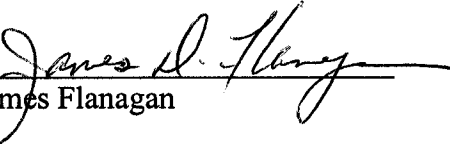
IN WITNESS WHEREOF, the parties have executed this Patent and Trademark License Agreement as of the date set forth above.

PCC SPECIALTY PRODUCTS, INC.

By: 
Gregory M. Delaney

Its: President
11676 Perry Highway
Building 2, Suite 2102
Wexford, PA 15090

REED MACHINERY, INC.

By: 
James Flanagan

Its: President
10A New Bond Street
Worcester, MA 01606 USA

Exhibit 1

Patent

Smart machine tool system
Application Number 10/203,956, filed 8-14-02
and any patent issued therefrom

Exhibit 2

Trademarks

REED RTD CO. and Design In Class 23

REED In Class 7

REED-RICO In Class 7

REED-RICO (Stylized) In Class 7