

M.R.D. 10/1/2003

10-22-2004

RE

Form PTO-1594 (Rev. 10/02) OMB No. 0651-0027 (exp. 6/30/2005) Tab settings  $\Rightarrow \Rightarrow \Rightarrow$  **REC T**

DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

102869001

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

1. Name of conveying party(ies):  
SI, Corporation

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

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

2. Name and address of receiving party(ies)  
Name: Fiber Reinforced Soils, L.L.C.  
Internal Address: \_\_\_\_\_  
Street Address: 201 Cornell Avenue  
City: Baton Rouge State: LA Zip: 70808

Individual(s) citizenship \_\_\_\_\_  
 Association \_\_\_\_\_  
 General Partnership \_\_\_\_\_  
 Limited Partnership \_\_\_\_\_  
 Corporation-State \_\_\_\_\_  
 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: ~~10/1/2003~~ On or before 1/31/2003

4. Application number(s) or registration number(s):  
 A. Trademark Application No.(s) \_\_\_\_\_  
 B. Trademark Registration No.(s) 1,762,911  
 2,116,968; and 2,006,649

Additional number(s) attached  Yes  No

5. Name and address of party to whom correspondence concerning document should be mailed:  
 Name: R. Bennett Ford, Jr.  
 Internal Address: P.O. Box 15928  
 Baton Rouge, Louisiana 70895-5928

Street Address: 2355 Drusilla Lane  
 City: Baton Rouge State: LA Zip: 70809

6. Total number of applications and registrations involved: 3

7. Total fee (37 CFR 3.41), .....\$ 90.00 *Fee pd*  
 Enclosed  
 Authorized to be charged to deposit account *DR.*

8. Deposit account number: \_\_\_\_\_

DO NOT USE THIS SPACE

9. Signature.

R. Bennett Ford, Jr.  9-30-03  
 Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and document: 34

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

SUB-LICENSE DISTRIBUTORSHIP AGREEMENT

THIS SUB-LICENSE DISTRIBUTORSHIP AGREEMENT is made and entered into as of the \_\_\_\_\_ day of January, 2003, by and between SI Corporation (hereinafter "SI"), a corporation organized and existing under the laws of the State of Delaware with its principal place of business at 309 Lafayette Road, Chickamauga, Georgia 30707, the Sub-licensor, and FIBER REINFORCED SOILS, a Limited Liability Company (L.L.C.) organized and existing under the laws of the State of Louisiana with its principal place of business at 201 Cornell Avenue, Baton Rouge, LA 70808, the Sub-licensee.

WITNESSETH:

WHEREAS, SI is the owner of that certain U.S. Patent No. 5,326,192 (the "Owned Patent"), as well as any and all extensions and/or reissues of the foregoing, including any presently pending or future continuations, continuations-in-part or substitute applications relating to the subject matter of the Owned Patent and applications;

WHEREAS, SI is also the exclusive licensee of certain other patents, in the United States and Canada, U.S. Patent No. 4,867,614; U.S. Patent No. 4,790,691, and Canadian Patent No. 1,267,275 (the "Licensee Patents"), as well as any and all extensions and/or reissues of the foregoing and including any presently pending or perspective future continuations, continuation-in-part or substitute applications relating to the subject matter of the Licensee Patents and applications;

WHEREAS, FIBER REINFORCED SOILS, L.L.C. ("FRS") desires to obtain an exclusive license to utilize the Owned Patent and an exclusive sublicense to utilize the Licensee Patents, and to otherwise practice the inventions as disclosed and claimed in the Owned and Licensee Patents, and any pending patents thereto; and

WHEREAS, SI is willing to grant such license and sub-license to FRS:

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS and undertakings hereinafter set forth, it is hereby agreed, by and between SI and FRS, that:

1. Warranty of Title

- 1.1. SI hereby represents and warrants that it is the owner of the entire right, title and interest in and to the Owned Patent, and has the right to grant the license herein, and has not made and will not make any commitments to others inconsistent with or in derogation of such right, title and interest. Furthermore, SI

1  
*Sub-license Agreement between SI, Inc. and FRS, L.L.C.*

**A TRUE COPY**  
  
**NOTARY PUBLIC**  
**My Commission is for Life.**  
La. Bar Roll No. 24,093

**TRADEMARK**  
**REEL: 003066 FRAME: 0238**

hereby represents and warrants that it is the exclusive licensee of the entire right, title and interest in and to the Licensee Patents, in the United States and Canada, and has the right to grant the within sublicense, and has not made and will not make any commitments to others inconsistent with or in derogation of such right, title and interest.

2. Exclusive License Grant

2.1. SI hereby grants to FRS and FRS accepts from SI, on the terms and conditions specified in this Agreement, an exclusive irrevocable license to act as the authorized distributor of any and all products within the scope of the Owned Patent, and an exclusive and irrevocable sublicense to act as the authorized distributor in the United States and Canada of any and all products within the scope of the Licensee Patents, until the expiration, as relevant, of the Owned Patent and/or Licensee Patents.

2.2. SI hereby assigns to FRS the trade names, service marks, and trademarks (hereinafter the "Trademarks") identified on Exhibit A hereto together with the goodwill of the business associated with the Trademarks, which goodwill shall inure solely to the benefit of FRS. FRS agrees that it will not market or sell other products that are competitive with or utilize trademarks or names confusingly similar to those employed by SI.

2.3 FRS agrees to use its best efforts to purchase from SI no less than 500,000 pounds of products within the scope of Section 2.2 per year pursuant to this Agreement.

3. Pricing

3.1. In consideration of the rights granted by SI to FRS under Paragraph 2 of this Agreement, FRS agrees to purchase exclusively from SI, at the prices and on the terms set forth in Exhibit C hereto, any products within the scope of the Patent Rights.

3.2. SI warrants that the products purchased by FRS hereunder will at all times be free and clear of all liens encumbrances, will be free from defects in materials and workmanship, and will conform to SI's applicable specifications, which SI may from time to time change by notifying FRS. SI's obligation and liability hereunder shall be limited to refunding the purchase price or replacing the non-conforming products. Any recommendations made by SI concerning uses or applications of the products are

believed reliable; however, because SI has no control over the design, manufacture, use or testing of the projects which incorporate the products, SI makes no warranty of results to be obtained, and the ultimate customer and user of the products should assume sole responsibility for the final determination or suitability of any such information and products for the contemplated and actual use. **The foregoing limited warranty is in lieu of and excludes all other warranties whether express or implied, by operation of law or otherwise, including but not limited to, any implied warranties of merchantability or fitness for a particular purpose, and including but not limited to any oral or written description of products supplied hereunder, in character or properties.**

3.3 In no event shall SI or FRS be liable to each other for indirect, special or consequential damages or for loss of anticipated profits on any claim of any kind resulting from any order hereunder, or from any performance, non-performance or breach of this agreement.

4. Term

4.1. Unless sooner terminated in accordance with its terms, this Agreement shall continue until the date of expiration of the last issue of any patents licensed and/or subscribed herein; provided, however, if any U.S. Patent is held to be invalid by a court having jurisdiction and decision which has become final, and cannot be appealed, this Agreement may be terminated by either party with respect to the remaining patents.

5. Sub-license

5.1. FRS must obtain the prior written consent of SI to sub-license to third parties the right to perform any act or acts which FRS is authorized to perform under this Sub-license Agreement. In the event of any sub-license to a third party, FRS shall remain primarily liable to SI for the performance of all of FRS's obligations hereunder.

6. Patent Marking

6.1. FRS shall mark, where practical, all products sold by it under this Agreement in accordance with the requirements of applicable United States Patent Statutes and commonly accepted procedures and practices. When required or otherwise appropriate, prescribed marking requirements and practices of other countries shall be observed and complied with to the extent deemed practical or

feasible by FRS.

7. Termination

7.1. FRS may terminate this Sub-license Agreement for any reason by giving SI ninety (90) days prior written notice of FRS' s intent to terminate.

7.2. Should either SI or FRS fail to comply with any of the terms, conditions, warranties or covenants of this Sub-license Agreement, notice of such failure may be given to the failing party in writing, specifying the nature of such failure. It is agreed that the failing party shall be given thirty (30) days to cure such failure. Should the failing party not cure the failure as specified, this Sub-license Agreement may be terminated by the non-failing party following the provision of ten (10) days prior written notice of its intent to so terminate.

7.3 SI shall have the right to terminate this Agreement instanter in the event that the License Agreement by and between SI and Wayne Freed is terminated for any reason.

7.4. Upon termination of this Sub-license Agreement for any reasons, FRS and SI shall be relieved of all duties and obligations under this Sub-license Agreement, except those that had accrued as of the date of termination.

8. Infringement of the Patent by Third Parties

8.1. SI hereby retains the right to enforce the patents included within said Patent Rights against third party infringers.

8.2. In the event a third party infringer is identified, FRS agrees to reasonably participate and cooperate with SI as necessary in pursuing any suit. SI agrees: (1) to issue a Cease & Desist letter to the infringer, (2) if the infringement relates to a Licensee Patent, to use its best efforts, if requested by FRS, to obtain an amendment to the Third Modification to Exclusive License Agreement to remove any impediment to SI granting to FRS the right to pursue the infringer, (3) if the infringement related to a Licensee Patent and in the event the rights under (2) above cannot be granted to FRS, to enforce the Licensee Patents in its own name or in the owner's name at the expense of FRS, and (4) in any event to cooperate in any reasonable manner with the efforts of FRS to cause the infringement to cease and to recover any damages which resulted from the infringement.

8.3. It is further agreed that all recoveries resulting from enforcement of rights against third-party infringers, if any, whether by judgment, award, decree, settlement or otherwise, shall be apportioned and first used to reimburse FRS for any and all legal fees and expenses and other similar costs incurred in the suit for infringement; should any recovery remain, it is agreed that with respect to the (i) Owned Patent, SI shall receive a fifty percent (50%) share and FRS shall receive a fifty percent (50%) share of the remaining proceeds, and (ii) Licensee Patents, SI shall receive a fifty percent (50%) share of any such remaining recoveries, including twenty-five percent (25%) to be provided to the Patent Owner, and FRS shall receive fifty percent (50%) share of such remaining recoveries within thirty (30) days after receipt of payment by SI.

9. Warranties and Indemnification

9.1. SI warrants that it is a corporation duly organized, validly existing and in good standing under the laws of the State of its incorporation and has full corporate power and authority to carry on its business as it is now being conducted and to own the assets it now owns. SI has full corporate power and authority to execute, deliver and carry out the terms of this Sub-license Agreement. This Sub-license Agreement constitutes a valid and binding agreement of SI enforceable in accordance with its terms.

9.2. FRS warrants that it is a limited liability company duly organized, validly existing and in good standing under the laws of the State of its organization and has full organizational power and authority to carry on its business as it is now being conducted and to own the assets it now owns. FRS has full organizational power and authority to execute, deliver and carry out the terms of this Sub-license Agreement. This Sub-license Agreement constitutes a valid and binding agreement of FRS enforceable in accordance with its terms.

9.3. FRS does hereby agree to indemnify and hold harmless SI for and from any and all claims asserted against SI by third parties which arise (with no fault of SI) out of the sale or distribution of the products by FRS. During the term of this Agreement, FRS agrees to maintain adequate liability insurance.

10. Assignment

10.1. FRS shall not assign its rights under this Sub-license Agreement to any third party without the prior approval of SI, which shall not be unreasonably withheld. In the event of such an Assignment, Assignee shall expressly assume all of the

obligations and liabilities of and under this Sub-license Agreement and shall further agree to be bound by all the terms and conditions herein.

11. Waiver

11.1. No waiver or variation by either SI or FRS of any of the provisions of this Sub-license Agreement shall be deemed to have been duly made unless in writing, executed and signed by the appropriate party(ies). The failure of either party to insist upon the performance of the terms, conditions and provisions of this Sub-license Agreement shall not thereby act as a waiver of such breach or an acceptance of any variation of the terms of this Sub-license Agreement.

12. Governing Law

12.1. This Agreement shall be for all purposes governed by, construed, enforced and performed according to the laws of the State of Louisiana.

13. Arbitration

13.1. Any controversy or dispute between the parties with respect to the terms or conditions of this Sub-license Agreement or with respect to the performance by the parties under this Sub-license Agreement, including their successors, assigns, heirs, representatives, parent companies, divisions, subsidiaries, affiliates, officers, directors, employees, agents and contractors (including any dispute, controversy or claim relating to the validity of this arbitration clause) shall be governed by the Louisiana Arbitration Code and shall be settled by arbitration in East Baton Rouge Parish, Louisiana. Judgment upon the award rendered by the arbitrator may be entered in the District Court in Baton Rouge, or the U.S. Federal District Court for the district encompassing Baton Rouge, Louisiana.

13.2. Either party may initiate arbitration proceedings by giving the other party written notice. Both parties shall attempt to agree on an arbitrator. If the parties have not agreed on an arbitrator within ten (10) days from the date of the written notice of arbitration, then one arbitrator will be appointed in accordance with the provisions of the Louisiana Arbitration Code to hear and decide the dispute.

13.3. Notwithstanding any other provisions to the contrary, nothing in this Sub-license agreement will prevent either party from making a claim in a legal proceeding against the other party for indemnity or contribution in the event that a

claim is made against either party by a person or entity which is not a party to this Sub-license Agreement.

13.4. The parties understand and agree that, except as otherwise provided herein, the arbitrator shall have all powers provided by law, and may award any legal or equitable relief, including, without limitation, money damages, declaratory relief and injunctive relief. The arbitrator will have no power to award punitive damages or other damages or fees not measured by the prevailing party's actual damages.

13.5. Each party will pay its own legal fees and expenses, and the arbitrator will have no power to award legal fees or expenses to either party. Each party will pay one-half of the arbitrator's fees and other administrative expenses which relate to the arbitration, and the arbitrator will have no power to order either party to pay the other parties' share of those fees.

#### 14. Notice

14.1. Any notice required or provided for by the terms of the Sub-license Agreement shall be in writing, and any notices, reports, statements and payments provided for hereunder may be sent by certified mail, return receipt requested, to the party to be served therewith at the following respective addresses:

SI Corporation:  
SI Corporation  
309 Lafayette Road  
Chickamauga, GA 30707

FIBER REINFORCED SOILS, L.L.C.:  
Fiber Reinforced Soils, L.L.C.  
201 Cornell Avenue  
Baton Rouge, LA 70808

A change in the mailing address for the foregoing purposes may be made by either party hereto by giving written notice thereof of the other party.

#### 15. Modification

15.1. This Sub-license Agreement constitutes the full understanding of the parties thereto and incorporates any prior discussions between them. Any changes or modifications in this Sub-license agreement shall be effective if, and only if, made in writing and executed by SI and by a duly authorized officer of FRS.

15.2. If any provision of this Sub-license Agreement does not comply with any



law, rule or regulation of any governmental authority, now existing or hereinafter enacted, such provision shall, to the extent possible, be interpreted in a manner so as to comply with such law, rule or regulation, or, if such interpretation is not possible, the parties shall amend it to satisfy the minimum requirements thereof. In any event, this Sub-license Agreement shall continue to be valid as to the other provisions thereof, and the remainder of the affected provision.

IN WITNESS WHEREOF, SI and FRS have caused this Sub-license Agreement to be executed in duplicate on the date and day first above written.

Witness:

Judy Freeman

Jane Askew

Sub-licensor:

SI Corporation

By: Joe Dana, President

Joe Dana

Witness:

James P. Hill, Jr.

[Signature]

Sub-licensee:

Fiber Reinforced Soils, L.L.C.

By: James P. Hill, Jr., Member

James P. Hill, Jr.

**EXHIBIT "A"**

**U.S. Patent No. 4,867,614**

**U.S. Patent No. 4,790,691**

**U.S. Patent No. 5,326,192**

**Canadian Patent No. 1,267,275**

EXHIBIT "B"

Trademarks

**GEOFIBERS** - discrete, fibrillated polypropylene fibers for reinforcement of soils on civil engineering projects.

**TURFGRIDS** - discrete, fibrillated polypropylene fibers for reinforcement of athletic surfaces and grassed areas.

**SPORTGRIDS** - discrete, fibrillated polypropylene fibers for reinforcement of athletic surfaces and grassed areas.