

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	Asset Purchase Agreement		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Zy-Tech Global Industries, Inc.		07/01/2011	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	Forum US, Inc.		
Street Address:	920 Memorial City Way		
Internal Address:	Suite 800		
City:	Houston		
State/Country:	TEXAS		
Postal Code:	77024		
Entity Type:	CORPORATION: DELAWARE		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Registration Number:	1410135	P.B.V.	
CORRESPONDENCE DATA			
Fax Number:	7136234846		
	<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.</i>		
Phone:	713-623-4844		
Email:	psdocketing@pattersonsheridan.com, acollins@pattersonsheridan.com		
Correspondent Name:	PATTERSON & SHERIDAN, L.L.P.		
Address Line 1:	3040 Post Oak Blvd.		
Address Line 2:	Suite 1500		
Address Line 4:	Houston, TEXAS 77056		
ATTORNEY DOCKET NUMBER:	FETI/T032US		
NAME OF SUBMITTER:	Keith Jaasma		

Signature:	/Keith Jaasma/
Date:	01/15/2013
Total Attachments: 14 source=FETIT032us_PBV_Logo_Asset_Purchase_Agreement#page1.tif source=FETIT032us_PBV_Logo_Asset_Purchase_Agreement#page2.tif source=FETIT032us_PBV_Logo_Asset_Purchase_Agreement#page3.tif source=FETIT032us_PBV_Logo_Asset_Purchase_Agreement#page4.tif source=FETIT032us_PBV_Logo_Asset_Purchase_Agreement#page5.tif source=FETIT032us_PBV_Logo_Asset_Purchase_Agreement#page6.tif source=FETIT032us_PBV_Logo_Asset_Purchase_Agreement#page7.tif source=FETIT032us_PBV_Logo_Asset_Purchase_Agreement#page8.tif source=FETIT032us_PBV_Logo_Asset_Purchase_Agreement#page9.tif source=FETIT032us_PBV_Logo_Asset_Purchase_Agreement#page10.tif source=FETIT032us_PBV_Logo_Asset_Purchase_Agreement#page11.tif source=FETIT032us_PBV_Logo_Asset_Purchase_Agreement#page12.tif source=FETIT032us_PBV_Logo_Asset_Purchase_Agreement#page13.tif source=FETIT032us_PBV_Logo_Asset_Purchase_Agreement#page14.tif	

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement ("Agreement") is made and entered into as of the 1st day of July, 2011, by and among Zy-Tech Global Industries, Inc., a Delaware corporation ("Seller"), and Forum US, Inc., a Delaware corporation ("Buyer").

RECITALS:

WHEREAS, Seller is engaged in a variety of business lines, including design, manufacture, sale or service of PBV brand valves which includes but is not limited to API 6D Trunnion Mounted Ball Valves, Flanged Floating Ball Valves, Full Opening Check Valves, Threaded and Socketweld Valves, Severe Service Ball Valves, Gear Operators and Special Service Ball Valves (the "Business"). The Business has been operated by Seller through its PBV division located at 10600 Corporate Drive, Stafford, Texas, USA. The Business shall not include the design, manufacture, sale or service of products that are marketed or sold by Seller through any of its other operations; and

WHEREAS, upon the terms and conditions hereinafter set forth, Seller desires to sell to Buyer, and Buyer desires to acquire from Seller the assets used in the Business as described herein;

NOW, THEREFORE, in consideration of the premises and the mutual agreements and undertakings hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE 1 - PURCHASE AND SALE OF ASSETS

For the consideration and upon and subject to the terms, covenants, conditions, warranties and representations hereinafter set forth, Seller hereby agrees to sell, assign, transfer and convey to Buyer, and Buyer hereby agrees to purchase from Seller, all of Seller's right, title and interest in and to the assets of the Seller used in the Business (the "Assets"). For the avoidance of doubt, if any assets are primarily used in the Business but used in another business line, such assets will be considered Assets but any other assets of the Seller that are used occasionally in the Business but generally used in connection with other business lines shall not be considered to be Assets. The Buyer and Seller agree that the foregoing accurately reflects their agreement and desire to enter into this Agreement without further definition.

ARTICLE 2 - PURCHASE PRICE AND OTHER MATTERS

2.1 The purchase price for the Assets (the "Purchase Price") shall be the sum of \$20,000,000, and shall be payable in the form of a promissory note executed at Closing by Buyer and payable to the order of Seller, bearing interest at the rate of 8.0% per annum, and being in the form attached hereto as Exhibit "A".

2.2 Buyer assumes no liabilities or obligations of Seller, including without limitation, indebtedness owing on or secured by the Assets (which shall be satisfied in full at closing by Seller), as well as liabilities, obligations, claims or actions alleging or relating to any tort, product liability, environmental

liability, taxes, notes or accounts payable, breach of contract or otherwise seeking damages and relating to Seller or to the operation of the Seller's Business prior to the Closing.

ARTICLE 3 - CLOSING

3.1 Closing. The closing of the purchase and sale of the Assets and all other matters set forth herein (the "Closing") shall be held at the offices of Buyer on July 1, 2011, or at such other date, place and time as may mutually be agreed upon by the parties hereto. The date on which Closing occurs is referred to herein as the "Closing Date".

3.2 Closing Documents. At the Closing:

(a) Items to be Delivered by Seller. Seller shall deliver or cause to be delivered to Buyer:

- (1) bills of sale, assignments and/or other instruments of transfer and conveyance duly executed by Seller in such form and substance acceptable to Buyer in order to transfer the Assets to Buyer, free and clear of all liens, claims and encumbrances whatsoever; and
- (2) such other documents as may be required to be delivered by Seller at Closing under other provisions of this Agreement or as Buyer may reasonably request in order to effectuate any of the transactions contemplated by this Agreement.

(b) Items to be Delivered by Buyer. Buyer shall deliver or cause to be delivered to Seller:

- (1) the Purchase Price;
- (2) a certificate of resolutions, in form reasonably satisfactory to Seller, reflecting that this Agreement and the transactions contemplated herein have been approved and authorized by all proper action on the part of Buyer and the incumbency of Buyer's officers authorized to act on behalf of Buyer in connection herewith; and
- (3) such other documents as may be required to be delivered by Buyer at Closing under other provisions of this Agreement or as Seller may reasonably request in order to effectuate any of the transactions contemplated by this Agreement.

3.3 Delivery of Possession. Seller shall deliver possession of the Assets to Buyer at Closing, which delivery shall be effective for all purposes as of completion of Closing.

3.4 Further Assurances to Buyer. From time to time after Closing at the request of Buyer, Seller shall execute and deliver to Buyer such other instruments of transfer and conveyance and take such other actions as Buyer may reasonably require in order to convey and transfer title and/or possession of any of the Assets to Buyer. At any time, either party may request written clarification as to whether any particular asset

or description of assets is included in the definition of Assets. The parties agree to address such requests promptly.

3.5 Taxes. Any tax related solely to the transfer of any of the Assets to Buyer, ownership of the Assets prior to the Closing Date or any gain on the sale of the Assets shall be borne by Seller.

3.6 Risk of Loss. All risk of loss with respect to the Assets shall be borne by Seller until the Closing Date.

ARTICLE 4 - REPRESENTATIONS AND WARRANTIES OF SELLER

As a material inducement to Buyer to execute and perform its obligations under this Agreement, Seller represents and warrants to Buyer as follows, which representations and warranties shall be deemed also made at Closing and which shall survive the Closing:

4.1 Existence and Good Standing. Seller is a corporation duly organized and validly existing and in good standing under the laws of the State of Delaware, and is duly authorized, qualified and licensed to do business as a foreign corporation and is in good standing in all jurisdictions in which the character of the properties and assets now owned or leased by it or the nature of the business transacted by it requires it to be so licensed or qualified. Seller has delivered to Buyer a complete list of all jurisdictions in which such Seller is qualified and licensed to do business and (whether or not so qualified) in which such Seller owns or leases real property or has employees. Seller has all requisite power and authority to own and operate the Assets, as the case may be.

4.2 Authorization; Validity of Agreement. The execution, delivery and performance by Seller of this Agreement and each of the other agreements and instruments contemplated hereby to which either of them is, or is to be, a party have been duly authorized and approved by all necessary action on the part of such respective entities, and no further action on the part of either Seller is necessary to fully authorize such execution, delivery and performance. This Agreement and each of the other agreements and instruments contemplated hereby to which either of Seller is, or is to be, a party, have been, or when executed will be, duly executed and delivered by the respective entity, and are the legal, valid and binding obligations of the respective entity, and are enforceable against it in accordance with their terms subject to laws affecting generally the enforcement of creditor's rights and to general principles of equity.

4.3 No Conflict with Other Instruments. The execution and delivery of this Agreement and the other agreements and instruments to be executed by Seller hereunder or thereunder, and the consummation of the transactions contemplated hereunder or thereunder will not result in (a) a breach or violation of, constitute a default under, or result in the creation of any lien or other encumbrance upon any of the Assets pursuant to (1) Seller's articles of incorporation or bylaws, or (2) any indenture, mortgage, note, lease, loan agreement or other agreement or instrument (i) relating to the Business to which either Seller is a party or by which it is bound or (ii) to which any of the Assets are subject; or (b) a violation of any law applicable to Seller, the Business or any of the Assets.

4.4 Consents and Approvals. No authorization, consent, approval, permit or license of, or filing with, any governmental or public body or authority, any lender or lessor or any other person is required to authorize, or is required in connection with, the execution, delivery and performance of this Agreement or the agreements contemplated hereby on the part of Seller.

4.5 Ownership, Title and Condition of Assets. Seller holds good title to the Assets, free and clear of restrictions on or conditions to transfer or assignment, and free and clear of all liens, pledges, charges, or encumbrances whatsoever, except for liens or encumbrances which shall be discharged by Seller at or prior to Closing. No person other than Seller owns any interest in the Assets. To the knowledge of Seller, the Assets are in good operating condition and repair, reasonable wear and tear excepted, and are usable for the purposes of the Business, and there are no claims pending or threatened as a result of non-conformance with all applicable manufacturers' specifications. Seller is not aware of any existing material defect in any of the Assets. Except as expressly provided herein, the Assets are being sold "as-is, where-is" with all faults.

4.6 NO WARRANTY, EXCEPT FOR THE FOREGOING SECTION 4.5, SELLER MAKES NO WARRANTIES (EXPRESS OR IMPLIED) AND ASSUMES NO RESPONSIBILITY OR LIABILITY REGARDING THE ASSETS, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, COMPLIANCE WITH ANY FOREIGN OR DOMESTIC LAWS, RULES, OR REGULATIONS (INCLUDING BUT NOT LIMITED TO LAWS, RULES AND REGULATIONS CONCERNING HEALTH, SAFETY AND THE ENVIRONMENT) OR ANY PATENT INFRINGEMENT OR LATENT OR PATENT DEFECTS AND SELLER SHALL IN NO EVENT BE LIABLE TO BUYER FOR ANY BREACH OF WARRANTY, EXPRESS OR IMPLIED, IN FACT OR IN LAW, EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT.

4.7 Disclosure. No representation or warranty of Seller made in this Agreement, nor any written statement or certificate furnished or to be furnished by Seller to Buyer pursuant hereto, or in connection with the transactions contemplated hereby, contains, or will contain, any untrue statement of a material fact, or omits, or will omit to state, a material fact necessary to make the statement of facts contained herein or therein not misleading. The Seller has not withheld and will not withhold from Buyer knowledge of any events, conditions or facts of which any of them has knowledge that could materially and adversely affect the Assets or Buyer.

ARTICLE 5 - REPRESENTATIONS AND WARRANTIES OF BUYER

As a material inducement to Seller to execute and perform its respective obligations under this Agreement, Buyer represents and warrants to Seller as follows, which representations and warranties shall be deemed also made at Closing and which shall survive the Closing:

5.1 Existence and Good Standing. Buyer is a Delaware limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware and has all requisite power to enter into and perform this Agreement.

5.2 Authorization; Validity of Agreement. The execution, delivery and performance by Buyer of this Agreement and each of the other agreements and instruments contemplated hereby to which Buyer is a party have been duly authorized and approved by all necessary action by Buyer, and no further action is necessary on the part of Buyer to fully authorize such execution, delivery and performance. This Agreement has been duly authorized, executed and delivered by Buyer and constitutes a legal, valid and binding obligation of Buyer and is enforceable against Buyer in accordance with its terms, subject to laws affecting generally the enforcement of creditor's rights and to general principles of equity.

5.3 No Conflict With Other Instruments. The execution and delivery of this Agreement and consummation of the transactions contemplated hereby will not result in a breach or violation of the certificate of formation or limited liability company agreement of Buyer, as presently in effect, or of any other agreement, judgment, decree or order to which Buyer is a party or by which it is otherwise bound.

5.4 Brokers and Finders. Buyer has not employed any broker or finder in connection with the transactions contemplated by this Agreement, or taken action that would give rise to a valid claim against any party for a brokerage commission, finder's fee, or other like payment.

5.5 Due Diligence. Buyer has not discovered anything during its due diligence examination which, to the knowledge of Buyer, would make Seller's representations or warranties contained herein incorrect or misleading.

5.6 Sophisticated Purchaser. Buyer is a sophisticated purchaser of the Assets, has inspected the Assets to its complete satisfaction, and is, subject to Section 4.7, purchasing the Assets on an "AS IS," "WHERE IS," basis, without any warranty, either express or implied, based on its inspection and knowledge of oil field equipment, trucking equipment and cranes and not on any representation made by Seller or any of its affiliates or representatives as to the physical condition, design, operation or fitness for a particular purpose.

ARTICLE 6- INDEMNIFICATION

6.1 Agreement to Indemnify.

(a) Subject to the terms of Sections 6.2, 6.3 and 6.4, Seller hereby agrees to indemnify, defend and hold harmless Buyer from and against all demands, claims, actions or causes of action, assessments, losses damages, liabilities, costs and expenses, including, without limitation, reasonable attorney's fees, asserted against or imposed upon or incurred by Buyer, as the case may be, directly or indirectly, in whole or in part, resulting from (i) all debts, liabilities and obligations, actual or alleged ("Damages"), arising at any time from or related to the ownership, control or operation of the Assets by Seller prior to Closing, or (ii) a breach of any covenant, representation or warranty, or the inaccuracy in any respect of any representation or warranty, of Seller contained in or made pursuant to this Agreement.

(b) Subject to the terms of Sections 6.2, 6.3 and 6.4, Buyer hereby agrees to indemnify, defend and hold harmless Seller from and against all demands, claims, actions or causes of action, assessments, losses, damages, liabilities, costs and expenses, including, without limitation, reasonable attorney's fees,

asserted against or imposed upon or incurred by Seller directly or indirectly resulting from (i) all Damages arising at any time from the ownership, control or operation of the Assets by Buyer subsequent to Closing, or (ii) a breach of any covenant, representation or warranty, or the inaccuracy in any respect of any representation or warranty, of Buyer contained in or made pursuant to this Agreement.

(c) All of the adjustments, demands, claims, actions or causes of action, assessments, losses, damages, liabilities, costs and expenses to which a party may be entitled to recover or for which such party may be entitled to indemnification pursuant to this Agreement shall hereinafter be referred to collectively as the "Indemnification Claims", and individually as an "Indemnification Claim".

6.2 Manner of Making Claim; Right to Employ Counsel.

(a) When any claim, action or suit shall be filed or asserted against an indemnified party for which indemnity is provided hereunder, the indemnified party shall promptly notify the indemnifying party of the same in writing specifying in detail the basis of such claim and the facts pertaining thereto, and the indemnifying party shall, at its option, have the right to resolve the problem giving rise to the claim and/or to assume the defense thereof and employ its own legal counsel in connection with such defense. If the indemnifying party shall, within thirty (30) days from receipt of the notice of the third party claim, fail to resolve and/or defend such claim, the indemnified party shall have the right, but not the obligation, to conduct any such reasonable resolution and/or defense at the sole risk and expense of the indemnifying party.

(b) The indemnified party shall have the right to employ counsel separate from counsel employed by the indemnifying party in any such action and to participate in the resolution and/or defense thereof, but the fees and expenses of such counsel employed by the indemnified party shall be at the sole expense of the indemnified party unless the indemnifying party shall have elected not to assume the defense thereof. Prior to effectuating any settlement of any such action or proceeding, the indemnified party shall furnish the indemnifying party with written notice of any proposed settlement in sufficient time to allow the indemnifying party to act thereon. If the indemnified party elects to participate in the defense thereof, the indemnifying party shall not be liable for any settlement of any such action or proceeding effected without the written consent of the indemnifying party unless the indemnifying party failed to provide a defense for the indemnified party.

6.3 Payment of Indemnification Claims. Any Indemnification Claim not paid when due shall bear interest at an annual rate equal to the lesser of ten percent (10%) per annum or the maximum rate of nonusurious interest allowed by applicable law from its due date until paid; provided, however, that no interest shall accrue on any Indemnification Claim paid within thirty (30) days after demand therefore.

6.4 Exclusivity; Limitations; Setoff. Except in the case of fraud or intentional misrepresentation, indemnification pursuant to the preceding provisions of this Article Six shall be a party's sole remedy for a violation of this Agreement in the event Closing occurs. The aggregate liability of Seller or the Buyer for Indemnification Claims under the preceding provisions of this Article Six shall not exceed an amount that is equal to the Purchase Price. In order to be entitled to indemnification under the preceding provisions of this Article Six with respect to an Indemnification Claim, a party must provide notice of such Indemnification Claim to the party from whom it is seeking indemnification not later than one (1) year after the Closing Date.

The Buyer shall have the right to setoff any amounts owing as finally determined pursuant to this Article Six against amounts owing on the promissory note delivered as the Purchase Price

ARTICLE SEVEN - GENERAL

7.1 Professional Fees and Expenses. Except as otherwise provided in Article 6, each party shall be responsible for its own legal, accounting and other professional fees and related expenses incurred in connection with the negotiation and consummation of the transactions contemplated by this Agreement.

7.2 GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE WITHOUT REFERENCE TO PRINCIPLES OF CONFLICTS OF LAW.

7.3 Benefit. All of the terms of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective heirs, legal representatives, successors and assigns. Seller shall not be permitted to assign this Agreement, in whole or in part, without the prior written consent of Buyer, which consent may be withheld in Buyer's sole and absolute discretion. Buyer shall be entitled to assign this Agreement in whole or in part at any time and from time to time, and upon any such assignment Buyer shall be fully released from its obligations hereunder with respect to the portion so assigned, and Seller shall look solely to the assignee for the performance of those obligations.

7.4 Entire Agreement. This Agreement, including the exhibits hereto, contains the entire understanding of the parties hereto with respect to the subject matter hereof and thereof, and supersedes all prior agreements and understandings between the parties with respect to the subject matter hereof and thereof. This Agreement may be amended only by a written instrument duly executed by all parties hereto.

7.5 Survival. Notwithstanding any investigation made by or on behalf of any of the parties to this Agreement prior to Closing, the covenants, representations and warranties contained in this Agreement shall survive the Closing and shall not be merged therein.

7.6 Partial Invalidity. The invalidity of any provision of this Agreement shall not affect the other provisions hereof.

7.7 Construction. Pronouns, nouns and terms used in this Agreement shall include the masculine, feminine, neuter, singular and plural forms thereof wherever appropriate to the context. References to Articles and Sections refer to Articles and Sections of this Agreement. The term "including" contemplates "including but not limited to". The term "or" includes "and/or". The terms "this Agreement", "this instrument", "hereof", "herein", "hereunder", "hereto" and words of similar import refer to this Agreement as a whole, unless specifically provided otherwise elsewhere in this Agreement. Headings and captions are for convenience only and do not constitute substantive matters to be construed in interpreting this Agreement. All exhibits attached to this Agreement are incorporated herein by reference.

7.8 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which collectively shall constitute one and the same instrument. It shall not be necessary for each party to execute each counterpart.

7.9 Attorney's Fees. If any civil action, whether at law or in equity, is necessary to enforce or interpret any of the terms of this Agreement, the prevailing party shall be entitled to recover from the other party(ies) reasonable attorney's fees, court costs, and other reasonable expenses of litigation, in addition to any other relief to which such party may be entitled.

7.10 Notices. All notices, demands and other communications hereunder shall be in writing or by written telecommunication, and shall be deemed to have been duly given if delivered personally or if mailed by certified mail, return receipt requested, postage prepaid, or if sent by overnight courier, or sent by written telecommunication, as follows:

If to Seller, to:

10600 Corporate Drive
Stafford, TX 77477
Attn: Greg O'Brien

If to Buyer, to:

Forum US, Inc.
920 Memorial City Way, Suite 800
Houston, TX 77024
Attn: Office of the General Counsel

And a copy to:

Mark Hughes
Hughes Arrell Kinchen LLP
2211 Norfolk, Suite 1110
Houston, TX 77098
Fax: (713) 942-2266
Email: mhughes@hakllp.com

Any such notice shall be effective (a) if delivered personally, when received, (b) if sent by overnight courier, when received, (c) if mailed, three (3) days after being mailed as described above, and (d) if sent by confirmed written telecommunication, when dispatched.

7.11 Joint Preparation. This Agreement has been prepared by the joint efforts of the parties hereto and is intended to be interpreted fairly and simply and not strictly for or against any party.


[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

Execution Version

IN WITNESS WHEREOF, the parties hereto have executed this Asset Purchase Agreement as of the date first above written.

SELLER:

ZY-TECH GLOBAL INDUSTRIES, INC.

By: 
Greg O'Brien
Secretary

BUYER:

FORUM US, INC.

By: _____
James W. Harris
Vice President

IN WITNESS WHEREOF, the parties hereto have executed this Asset Purchase Agreement as of the date first above written.

SELLER: ZY-TECH GLOBAL INDUSTRIES, INC.

By: _____
Greg O'Brien
Secretary

BUYER: FORUM US, INC.

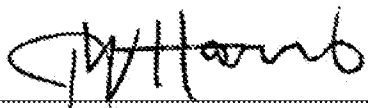
By:  _____
James W. Harris
Vice President

EXHIBIT A

[form of promissory note]

PROMISSORY NOTE

\$20,000,000.00

Houston, Texas

July 1, 2011

FOR VALUE RECEIVED, after date, without grace, in the manner, on the dates and in the amount herein stipulated, FORUM US, INC., a Delaware corporation (the "Maker") promises to pay to the order of ZY-TECH GLOBAL INDUSTRIES, INC., a Delaware corporation (the "Payee", together with any and all subsequent owners and holders of this Note), at Payee's office at 10600 Corporate Drive, Stafford, Texas 77477, or such other place as the Payee shall designate in writing to the Maker, which at the time of payment is legal tender of the United States of America for the payment of public and private debts, the principal sum of TWENTY MILLION AND 00/100 DOLLARS (\$20,000,000.00), together with interest thereon from and after date hereof until maturity at a fixed rate per annum which shall from day to day be equal to eight percent (8.0%) per annum, compounded annually.

The principal and interest of this Note shall be due and payable on demand.

The Maker shall have the privilege to prepay at any time, and from time to time, all or any part of the principal amount of this Note, without notice, penalty or fee. Such advances or prepayments will be applied, first to the payment of interest then accrued and unpaid hereon, including the amount of interest accruing and to accrue on the amount of principal being prepaid, and the balance, if any, to the payment of the principal.

The Maker expressly agrees that in the event of default in the payment of the principal and/or interest of this Note when due, or if any event occurs or condition exists which authorizes the acceleration of the maturity hereof under any other agreement made by the Maker or given as security for the payment of this Note, the Payee may at its option, without demand, notice or presentment, declare the unpaid principal balance of this Note and all interest then accrued at once due and payable. All makers, endorsers, sureties and guarantors hereof, as well as all other parties to become liable on this Note, hereby severally: (i) waive demand and presentment for payment of this Note, notice of non-payment, protest, notice of protest, notice of intent to accelerate maturity, notice of acceleration of maturity, filing of suit, diligence in collection or enforcing any of the security for this Note; (ii) agree that they are and shall be jointly, severally, directly and primarily liable for the repayment of all sums due and owing under this Note; (iii) consent to any and all renewals, extensions and modification in the time of payment and to any other indulgence with respect to this Note; (iv) agree that the Payee shall not be required first to institute suit or exhaust its remedies against the Maker or others liable or to become liable on this Note, or to enforce its rights against them or any security for this Note; and (v) agree to any substitution, subordination, exchange or release of any security for this Note, or the release of any party primarily or secondarily liable on this Note.

Notwithstanding anything in this Note to the contrary, in the event of the Maker's failure to pay the principal or interest or both when due, or upon the failure to timely pay any other sums of money as required by any of the instruments securing this Note, the maturity of this Note may

be accelerated by the Payee only after notice of such default shall have been sent to the Maker and such default shall not have been cured within ten (10) days following the date such notice is given or served by the Payee as provided below.

In the event default is made in the prompt payment of this Note when due or declared due, and the same is placed in the hands of an attorney for collection, or suit is brought on same, or the same is collected through any Probate, Bankruptcy Court, or any judicial proceeding whatsoever, then the Maker agrees and promises to pay the Payee's reasonable attorney's fees.

It is expressly provided and stipulated that notwithstanding any provision of this Note or any other instrument evidencing or securing the loan evidenced hereby, in no event shall the aggregate of all interest paid by the Maker to the Payee under this Note ever exceed the Maximum Rate on the principal balance of this Note from time to time advanced and remaining unpaid. In this connection, it is expressly stipulated and agreed that it is the intent of the Payee and the Maker in the execution and delivery of this Note to contract in strict compliance with the Applicable Laws. In furtherance thereof, none of the terms of this Note or any other instrument evidencing or securing the loan evidenced hereby, shall ever be construed to create a contract to pay for the use, forbearance or detention of money, interest at a rate in excess of the Maximum Rate permitted to be charged of the Maker under such laws. The Maker or any guarantors, endorsers or other parties now or hereafter becoming liable for payment of this Note shall never be liable for interest in excess of the Maximum Rate, and the provision of this paragraph and the immediately succeeding paragraph shall govern over all other provisions of this Note and any instruments evidencing or securing the loan evidenced hereby, should such provisions be in apparent conflict herewith.

"Applicable Law" means that law in effect from time to time and applicable to this Note which permits the charging and collection of the highest permissible lawful nonusurious rate of interest on this Note, including laws of the State of Texas and laws of the United States of America. It is intended that the Texas Finance Code shall be included in the laws of the State of Texas in determining Applicable Law. "Maximum Rate" means the maximum lawful nonusurious rate of interest (if any) which under Applicable Law the Payee is permitted to charge the Maker on this Note from time to time. In no event shall Chapter 346 of the Texas Finance Code (which regulates certain revolving loan accounts and revolving triparty accounts) apply to this Note. To the extent that Chapter 303 of the Texas Finance Code and/or Articles 1D.002 and 1D.003 of the Texas Credit Title are applicable to this Note, the "weekly ceiling" specified in such articles is the applicable ceiling; provided that, if any Applicable Law permits greater interest, the law permitting the greater interest shall apply.

The Maker warrants and represents to the Payee, and to all other owners and holders of any indebtedness evidenced hereby, that the loan evidenced by this Note is and shall be a "business loan" as such term is used in the Depository Institutions Deregulation and Monetary Control Act of 1980 as amended, and that such loan is for business, commercial, investment or other similar purposes and not primarily for personal, family, household or agricultural use, as such terms are used in Applicable Law.

All notices required or permitted under this Note shall be in writing and shall be deemed to have been sufficiently given or served for all purposes when presented personally or deposited with the United States Post, postage prepaid, certified mail, return receipt requested, to the Maker at the address set forth below, or at such other address of which the Maker shall have notified the Payee in writing at least thirty (30) days prior to the date of the Payee giving such notice. Where appropriate, any pertinent noun, verb or pronoun shall be construed and interpreted to include both the proper number and gender. This Note shall not be renewed, extended, or modified except by a written instrument evidencing the same.

This Note is being executed and delivered, and is intended to be performed in the State of Texas. Except to the extent that the laws of the United States may apply to the terms hereof, the substantive laws of the State of Texas shall govern the validity, construction, enforcement and interpretation of this Note. In the event of a dispute involving this Note, or any other instruments executed in connection herewith, the undersigned irrevocably agrees that venue for such dispute shall lie in any court of competent jurisdiction in Harris County, Texas.

THIS PROMISSORY NOTE REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

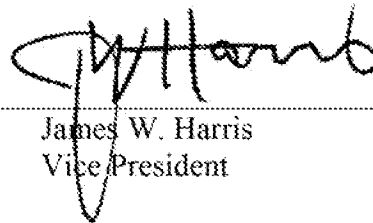
MAKER:

Maker's Address:

920 Memorial City Way, Suite 800
Houston, Texas 77024

FORUM US, INC.

By: _____



James W. Harris
Vice President