

01-08-1999

Form PTO-1594  
1-31-92

U.S DEPARTMENT OF COMMERCE  
Patent and Trademark Office



100937846

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

mep 1-6-99

1. Name of conveying parties:

STERIDOSE SYSTEMS AB

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

Additional name(s) of conveying party(ies) attached?  
 yes  no

2. Name and address of receiving party(ies)

APV SVERIGE AG

Internal Address: Åkergränden 16, S 226 60 Lund, Sweden

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

If assignee is not domiciled in the United States, a domestic representative designation is attached:  Yes  No  
(Designation must be a separate document from Assignment)

Additional name(s) & address(es) attached?  
 yes  no

3. Nature of Conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: January 31, 1996

4. Application number(s) or trademark number(s):

B. Trademark registration No(s). 1206951 (STERIDOSE); 1467994 (STERIMIXER); 1467990 (STERIPIPING); 2096308 (STERISENS)  
1680074 (STERIVALVE); 1467991 (STERIVESSEL); 2014850 (STERIWATER W.F.I.), and 1478537 (STERIWATER W.F.I.)

Additional numbers attached?  Yes  No

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

Herbert I. Cantor, Esquire  
Evenson, McKeown, Edwards & Lenahan, P.L.L.C.  
1200 G Street, N. W., Suite 700  
Washington, D. C. 20005-3814

6. Total number of applications and registrations involved:

7. Total Fee (37 CFR 3.41): \$320.00  
 Enclosed. Please charge any underpayment in connection with this Assignment to Deposit Account No. 05-1323  
 Authorized to be charged to Deposit Account

Refund Ref:  
01/08/1999 DNGUYEN 0000074043

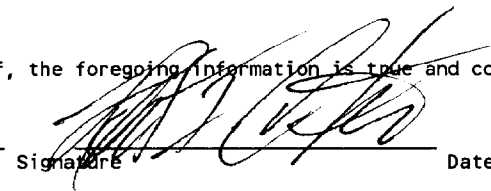
CHECK Refund Total: \$105.00

8. Deposit Account No. 05-1323  
(Attach dupl. copy of this page if paying by Deposit Account)

DO NOT WRITE IN THIS SPACE

9. Statement and Signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Herbert I. Cantor Reg. #24,392  
Name of Person Signing  Date January 6, 1999

TOTAL NUMBER OF PAGES INCLUDING COVER SHEET, ATTACHMENTS AND DOCUMENT: 23

OMB No. 0651-0011 (exp. 4/94)

Do not detach this portion

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

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01 FC:481 40.00 OP  
02 FC:482 175.00 OP

**SALE OF BUSINESS AGREEMENT**

between

**STERIDOSE SYSTEMS AB**

and

**APV SVERIGE AB**



**AGREEMENT** dated 31 January 1996**BETWEEN:**

- (1) Steridose Systems AB (Reg No. 556333-8390) whose registered office is at Neongatan 10, 431 53 Mölndal, Sweden ("the Vendor")
- (2) APV Sverige AB (Reg No. 556207-2412) whose registered office is at Åkergränden 16, 226 60 Lund, Sweden ("the Purchaser")

**IT IS HEREBY AGREED** as follows:**1 INTERPRETATION**

- 1.1 In this Agreement including the Schedules, except where the context otherwise requires;

"ACCOUNTS" means the audited balance sheet of the Vendor at the Accounts Date and the audited profit and loss account of the Vendor for the financial period ended on the Accounts date in each case together with related notes, the auditor's report and other documents annexed thereto;

"ACCOUNTS DATE" means the 31 December 1994;

"ACCOUNTS RECEIVABLE" means claims as per Take-over Day against customers with respect to sold and delivered products in the Business prior to Take-over Day;

"ASSETS" means the various assets and rights of the Business to be sold by the Vendor to the Purchaser hereunder pursuant to Clause 2.1;

"BUSINESS" means the business of the developing, designing and marketing of aseptic components and systems for the pharmaceutical industry carried on by the Vendor as per the date hereof;

"COMPLETION" means the completion of the sale and purchase of the Assets and the Business in accordance with the provisions of Clause 6;

"1995 ACCOUNTS" means the un-audited balance sheet of the Vendor as per 31 December 1995 and the un-audited profit and loss account of the Vendor for the financial period ended on the same date in each case together with related notes and other documents annexed thereto all in accordance with what is set out in Schedule 1

"COMPLETION DAY" means 31 January 1996;

"CONSIDERATION" means the consideration referred to in Clause 5;

"CUSTOMER CONTRACTS" means contracts (including but not limited to those listed in Schedule 2) entered into prior to Take-over Day by or on behalf of the Vendor with customers for the manufacture or sale of goods or provision of services by the Vendor in connection with the Business which remain (in whole or in part) to be performed by the Vendor;

"D-DAY" means 29 February 1996;

"EMPLOYEES" means those persons employed by the Vendor in the Business and listed in Schedule 3, also stating the present terms and conditions of the employment contracts;

"EQUIPMENT" means all the plant, machinery, tools, equipment, motor vehicles, office furniture and other chattels owned and used by the Vendor in connection with the Business including but not limited to those listed in Schedule 4;

"GOODWILL" means the goodwill of the Vendor in relation to the Business together with the exclusive right for the Purchaser or its assignee to carry on the Business in succession to the Vendor and to trade under the Steridose and Sterinette names and all other trade names associated with the Business;

"INTELLECTUAL PROPERTY RIGHTS" means all industrial and intellectual property rights of the Vendor including without limitation, the patents, patent applications, trademarks, trademark applications, trade names, service marks, service mark applications, registered designs, design rights and copyrights in any part of the world as listed for identification purposes only in Schedule 5 and the copyright in all drawings, plans, specifications, designs and computer software owned by the Vendor and used in or for the purpose of the Business and all Know-how and confidential information so owned and used;

"INTERIM PERIOD" means the period from 1 January 1996 to Completion Day;

"KNOW-HOW" means all industrial and commercial information and techniques including (without prejudice to the generality thereof) drawings, formulae, test reports, operating and testing procedures, shop practices, instruction manuals, tables of operating conditions, lists and particulars of customers and marketing methods and procedures and advertising copy pertaining to the Assets and the Business;

"LEASE CONTRACT(S)" means the lease contract(s) set out in Schedule 6;

"LIABILITIES" means the specified liabilities mentioned under Clause 3;

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**"PREPAID EXPENSES"** means payments made in the Business prior to Completion for goods or services to be delivered, including, but not limited to, advances to suppliers;

**"SUPPLIER CONTRACT"** means the contract in Schedule 7;

**"STOCK"** means the stock, including raw materials, samples, work in progress and finished goods owned by the Vendor at the close of business on Completion for the purposes of or in connection with the Business;

**"TAKE-OVER DAY"** means the 1 January 1996;

**"WARRANTIES"** means the warranties, representations and undertakings on the part of the Vendor under this Agreement including but not limited to those contained in Clause 15.

## 2 SALE AND PURCHASE

2.1 Subject to the terms and conditions of this Agreement the Vendor shall sell and the Purchaser relying (inter alia) on the Warranties shall purchase the Assets and the Business as at 1 January 1996 free from all liens, charges and encumbrances and as a going concern together with all the Assets and rights of the Vendor used, enjoyed or exercised in the conduct of or in connection with the Business including:

2.1.1 the Equipment;

2.1.2 the Stock;

2.1.3 the Accounts Receivable;

2.1.4 the Prepaid expenses;

2.1.5 the Lease Contract(s);

2.1.6 the Intellectual Property Rights;

2.1.7 the Goodwill (including but not limited to the names "Steridose" and "Sterinette");

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existing Customer Contracts, Supplier Contract standard computer software agreement(s), the Lease Contract(s) and other contractual relationships related to the day-to-day Business such as electricity, telephone etc.

- 4.2 Unless otherwise stated in this Agreement, all accrued revenues or costs incurred in the performance of the agreements referred to in section 4.1 above shall be for the account of the Vendor if referring to the period up to the Take-over Day and shall otherwise be for the account of the Purchaser.
- 4.3 The Parties shall use their best endeavours to obtain consents from the respective counterparty to the agreements referred to in section 4.1 above necessary to transfer and assign the rights and obligations of said agreements to the Purchaser. The costs for obtaining these consents shall be borne by the respective Party.
- 4.4 The Purchaser shall after Completion Day carry out and complete for its own account the Customer Contracts and confirmed orders in the Business to the extent that the same have not been previously performed. In Schedule 2 the Vendor has stated order value and estimated total cost for each of the Customer Contracts, had the sale of the Business not taken place. The Vendor represents and warrants that the underlying calculations to these figures were based on and take into consideration all relevant information existing when prepared, and the Vendor is not aware of any reason why the Customer Contracts in question should not be possible to perform to the margins stated in Schedule 2, provided that the Business is carried out in the ordinary course.
- 4.5 The Vendor shall take such actions as the Purchaser may reasonably request to procure that suppliers and customers consent to the substitution of the Purchaser as a party thereto with effect from the Take-over Day and unless and until the Contracts shall be novated or assigned the Vendor shall hold the same in trust for the Purchaser absolutely and the Purchaser shall (if such sub-contracting is permissible and lawful under the contract), as the Vendor's sub-contractor, perform all the obligations of the Vendor thereunder and unless and until the Contracts shall be novated or assigned the Vendor will (so far as it lawfully may) give all reasonable assistance to the Purchaser to enable the Purchaser to enforce its rights under such contracts. If the Purchaser acts as the Vendor's sub-contractor in accordance with this Clause 4.6, the Purchaser shall indemnify and keep indemnified the Vendor against any claims raised by customers due to the Purchaser's poor performance as sub-contractor.
- 4.6 In order to guarantee the fulfilment of the Vendor's obligations under customer contracts, the Vendor has had to arrange for bank guaranties issued by Gota Bank/Nordbanken. The bank guaranties listed in Schedule 10 are issued to cover the Vendors obligations under Customers Contracts to be assigned to the Purchaser under this Agreement. The Purchaser shall indemnify and keep indemnified the

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Vendor if any of the bank guarantees listed in Schedule 10 is called upon by a customer due to the Purchaser's poor performance under any of the Customer Contracts assigned.

## 5 CONSIDERATION

- 5.1 The total consideration payable by the Purchaser for the Business, the Assets and all other rights to be transferred or assigned according to this Agreement shall be the sum of SEK four million (4.000.000).
- 5.2 The Consideration shall be paid in cash on Completion Day.

## 6 COMPLETION

- 6.1 Completion shall take place on the Completion Day at the offices of Tisell & Co Advokatfirma AB or at such other place that may be agreed between the parties.
- 6.2 On Completion Day the Vendor shall deliver or cause to be delivered to the Purchaser all relevant documents of title to the Assets duly assigned to the Purchaser and all such records, certificates, documents, computer programs and other material as are included in or are required for the full transfer use and enjoyment of the Assets, the Business and the Know-how,
- 6.3 On Completion Day the Vendor shall deliver to the Purchaser minutes from an extra ordinary general meeting held with the shareholders of the Vendor, and minutes from an extra ordinary shareholders meeting held with the shareholders of Steridose Service AB, said minutes including decisions of the changing of names in said companies in accordance with Clause 13. Furthermore the Vendor shall deliver to the Purchaser duly signed versions of all documents necessary to register such name changes with the Swedish Patent and Registration Authority and the Vendor hereby authorises the Purchaser to fulfil such registrations on behalf of the respective company simultaneously with the Purchasers registration of the names Steridose and Sterinette.
- 6.4 Immediately following Completion Day the Parties shall jointly arrange for the despatch to all or any past and present customers of the Business selected by the Purchaser of a circular in a form to be approved by both parties announcing the sale by the Vendor of the Business and introducing the Purchaser as its successor therein and the Vendor will take all such other steps as the Purchaser may reasonably require in order that the Purchaser may obtain the full benefit of the Goodwill.



6.5 Notwithstanding Completion the Vendor hereby, to the extent reasonably required by the Purchaser, undertakes with the Purchaser to execute and do and to use their best endeavours to procure to be executed and done by all the necessary parties (if any) from time to time at the request of the Purchaser all such deeds, documents, notifications, acts and things as may be necessary for effectively vesting the Business and the Assets in the Purchaser and for giving full effect to this Agreement.

## 7 APPORTIONMENTS

7.1 Unless otherwise stated in this Agreement, all outgoings attributable to the Business up to the Take-over Day shall be borne and paid by the Vendor and all outgoings attributable to the Business after the Take-over Day shall be borne and paid by the Purchaser.

## 8 ACCOUNTS RECEIVABLE

8.1 The parties shall on Completion Day (or as soon as practicable thereafter) jointly notify all debtors that the claim in question is assigned to the Purchaser and that all payments shall be made to the Purchaser.

## 9 CASH RECEIVED AFTER COMPLETION

To the extent that any payment is made to the Vendor after Completion Day in respect of Accounts Receivable or any other asset transferred or assigned under this Agreement the Vendor shall receive the same as trustee, shall record such payment separately in his books and shall account for and pay to the Purchaser for the same on D-Day or, if received thereafter, within five (5) days of receipt.

## 10 THE INTERIM PERIOD

From Take-over Day until Completion Day the Vendor has been running the Business on behalf of the Purchaser holding the Assets in trust for the Purchaser absolutely and the Vendor has as the Purchaser's sub-contractor performed all obligations in the Business on behalf of the Purchaser. The Vendor shall account for all cash received in the Business including VAT, during the Interim Period, and all payments made related to the Business during the same period on D-day. If cash received in the Business, including VAT, during the Interim Period exceeds payments made related to the Business during the same period, such excess amount shall be paid to the Purchaser on D-day. If payments made related to the Business during the Interim Period exceeds cash received in the Business, including VAT, during the same period, such excess amount shall be paid to the Vendor on D-day.

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The Vendor shall be responsible for any expenses or costs referring to the Interim Period that can be referred to non-trading assets or liabilities, i.e. assets and/or liabilities not included under clause 2 or 3 above.

## 11 NORDJYLLANDS AMT DISPUTE

Included in the transfer of the Business under this Agreement is also a proposed Customer Contract, contract No. 2595-B, with Nordjylland Amt. Except from being an ordinary contract with a customer, said contract is also aimed at resolving the dispute with Nordjylland Amt, set out in Schedule 12.

Contract No. 2595-B is as of the day of this Agreement still only an offer from the Vendor to deliver spare parts and rectify various items listed in said offer related to the contract being the subject matter of the dispute referred to in Schedule 12. If accepted by the customer, the Vendor will also receive a repayment of SEK 350,000 corresponding to an amount being paid to the customer under a bank guarantee. Furthermore, the parties to the dispute shall withdraw their respective claims on each other in the dispute being pending in Danish court.

The Parties shall use their best endeavours to obtain the order and settlement set out above.

Should the Parties succeed in their efforts to obtain the order and settlement, the Purchaser shall enjoy the full benefit of both the order and the settlement. Should the Parties fail in their efforts to obtain the order and settlement, the Parties shall use their best endeavours to obtain an alternative solution, paying due regard to both Parties' respective interest in the matter.

Should this matter not have been resolved prior to D-day, the Purchaser shall, on D-day, be entitled to withhold or receive cash in an amount of SEK 350,000. In that event, the Vendor shall receive the first SEK 350,000 whenever received from the Danish customer under any settlement.

## 12 EMPLOYMENT OF STAFF

- 12.1 In accordance with the Swedish Act on Security of Employment, all the Vendors rights and obligations under the employment contracts with the Employees shall, with effect from the Take-over Day, be transferred to the Purchaser, provided that

the Employees de against such transfer of employment. This with the exception of the Director, Mr Dellborg, who shall remain to be employed by the Vendor.

12.2 All remuneration obligations in relation to, the Employees except vacation compensation be discharged by the Vendor in respect of the period prior to Take-over

13 NAME

On Completion the Vendor shall change its name to a name which is acceptable to the Purchaser and shall not suggest any connection with the Steridose or Sterinette name or name connected with the trade names used in Business, and any time after Completion Day trade under any name which does suggest a connection to the aforementioned names or the Business. The Vendor shall procure such changes of name in its subsidiaries and other related

14 NOTIFICATION TO THE SWEDISH COMPETITION AUTHORITY

As soon as possible after the Completion Day the Parties shall agree on a notification under this Agreement to be made to the Swedish Competition Authority. A notification to be prepared by the Purchaser and presented to the Vendor no later than one week after Completion Day.

If the Competition Authority after the initial examination should decide to initiate a detailed examination in accordance with Art 38 of the Act on Competition (1993:20) and conditions being raised from the Competition Authority of the acquisition, the Parties shall negotiate in good faith using their best endeavours to adjust the terms of the Agreement in a way acceptable to all parties. The Purchaser, considering the Parties intentions with the Agreement, shall adjust to the conditions raised by the Authority, or should the Authority seek to prohibit the acquisition, the Purchaser shall have no objection to this Agreement.

Should the acquisition be prohibited by the Purchaser in accordance with the previous paragraph, the Parties shall to the possible extent restore all measures made under this Agreement to the original form of the Business and Assets to the Vendor and the full responsibility for the operation and all other payments made between the Parties shall not be responsible for any possible decrease in the value of the Business incurred in the ordinary course of the Business.

**15 REPRESENTATIONS AND WARRANTIES OF THE VENDOR**

The Vendor hereby represents and warrants to the Purchaser as follows:

General

- 15.1 the Vendor is entitled to enter into and carry out the provisions of this Agreement and have full power and authority to sell the Assets to the Purchaser without obtaining the consent of any third party.
- 15.2 compliance with the terms of this Agreement does not and will not conflict with, result in the breach of or constitute a default under any of the terms conditions or provisions of any agreement or instrument to which the Vendor is now a party.

Assets

- 15.3 none of the Assets is subject to, and there is no agreement or commitment to give or create, any option, lien or encumbrance, and none of the Assets has been purchased on terms that property does not pass to the Vendor until full payment is made by it to the supplier.
- 15.4 there is no dispute directly or indirectly relating to any of the Assets not particularly set out in this Agreement.

Assets sufficient for business

- 15.5 the Assets comprise all assets now used in the Business and which are necessary for the continuation of the Business as now carried on.

Equipment

- 15.6 The Equipment:
  - 15.6.1 is in a proper state of repair and condition and satisfactory working order;
  - 15.6.2 has been regularly and properly maintained;
  - 15.6.3 is adequate for the requirements of the Business;
  - 15.6.4 is not, as far as the Vendor is aware, expected to require replacements or additions, and
  - 15.6.5 is capable of doing the work for which it was designed or purchased.

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Accounts Receivable

15.6.6 the Accounts Receivable at Take-over Day shown in the Completion Accounts are good and collectable within three (3) months from Take-over Day and are not overdue by more than one month.

Stock

15.7 the Stock is of merchantable quality and saleable at or above net book value as shown in the Completion Accounts.,

15.8 the work-in-progress included in the Stock is at its normal level having regard to current orders included in the Contracts and to orders reasonably anticipated from customers of the Business.

15.9 the stock of raw materials, packaging materials and finished goods included in the Stocks are adequate in relation to the current trading requirements of the Business.

Existing suppliers and customers

So far as the Vendor is aware the acquisition of the Business by the Purchaser will not: -

15.10 cause the Business to lose any privileges or rights it presently enjoys or entitle any person who normally does business with the Business to cease to do so on the same basis as previously.

Licenses and consents

15.11 the Vendor has obtained all necessary licences and consents from any person, authority or body for the proper carrying on of the Business and all such licenses and consents are valid and subsisting and the Vendor is not in breach of any of their terms or conditions, and the Vendor is not aware of any reason why the said licences or consents should not be possible to assign or transfer to the Purchaser.

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**Insurance**

- 15.12 the Business and the Assets are and have at all material times been, and will until Completion Day be, adequately covered by insurance against accident, damage, injury, third party loss, product liability, loss of profits and other risks normally covered by insurance.
- 15.13 all insurance relating to the Business or the Assets are currently in full force and effect and nothing has been done or omitted to be done which could make any policy of insurance void or voidable with respect to the period until Completion Day.

**Statutory restrictions**

- 15.14 the Vendor is not and has not engaged in any anti-competitive practice as defined in the Competition Act in relation to the Business.
- 15.15 no investigations or enquiries by or on behalf of any governmental or other body in respect of the Vendor, the Business or any of the Assets are pending or in existence.
- 15.16 neither the Vendor nor any of its officers, agents or employees (during the course of their duties in relation to the Business) has, to the best of the Vendor's knowledge, committed or omitted to do any act or thing the commission or omission of which is or could be in contravention of any Act, Order, Regulation or the like give rise to any fine, penalty, default, proceedings or other liability in relation to the Business or any of the Assets.
- 15.17 the Vendor has conducted the Business in accordance with all applicable laws and regulations of Sweden and any other relevant foreign country and there is no order degree or judgement of any court or government agency outstanding against the Vendor in relation to the Business or any of the Assets.

**Litigation**

- 15.18 with the exception for what is listed in Schedule 12, neither the Vendor nor any person for whose acts or defaults the Vendor may be vicariously liable is engaged in any litigation or arbitration proceedings affecting the Business or the Assets as plaintiff or defendant. and there are no such proceedings pending or threatened either by or against the Vendor and there are no facts which are likely to give rise to any such litigation or arbitration proceedings.

**Contracts**

- 15.19 the contracts assigned to the Purchaser under this Agreement constitute all the material contracts and other engagements necessary for the conduct of the Business in its present form.
- 15.20 none of the Customer Contracts assigned to the Purchaser under the Agreement was entered into in any way otherwise than in the ordinary and normal course of the Business.
- 15.21 obligations or liabilities under any distribution, agency or licence agreement allegedly related to the Business shall remain the responsibility of the Vendor.

**Defective products and service liabilities**

- 15.22 the Vendor has not manufactured or sold products which are or will become faulty or defective or which will thus create an obligation for the Purchaser under any contract used by the Vendor or by implication of law not provided for by way of reservations made in Schedule 8.
- 15.23 within the last 2 years there have been no significant return by customers, or any recalls by the Vendor in respect of goods supplied in connection with the Business. All products advertised or held out by the Vendor as listed or approved by any safety or rating agency anywhere in the world comply fully with the requirements of such agencies and to the best of the Vendor's knowledge no condition or event has occurred that would invalidate such listing or approval and no such listing or approval has been or is threatened to be cancelled or withdrawn.
- 15.24 the Vendor shall be responsible for and shall indemnify and keep indemnified the Purchaser against any valid claim enforceable against the Purchaser from customers or third parties for product liability damages in respect of any products sold or supplied by the Vendor prior to Take-over Day.

**The Accounts and the 1995 Accounts**

- 15.25 the Accounts and the 1995 Accounts have been prepared in accordance with generally accepted accounting principles.

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**The Accounts and the 1995 Accounts:**

- 15.26 give a true and fair view of the financial position of the Business as at the Accounts Date and 31 December 1995 in all material respects;
- 15.27 comply with the requirements of the Companies Act;
- 15.28 comply with current statements of standard accounting practice applicable to a Swedish company;
- 15.29 apply consistent bases and policies of accounting;
- 15.30 fully disclose all the assets and liabilities (including contingent, unquantified or disputed liabilities) of the Business as at their respective dates;
- 15.31 the net asset value calculated in accordance with Schedule 8 as per Take-over Day is not less than SEK 4,900,000.

**Books and records**

- 15.32 All the books and records of the Vendor which are to be delivered to the Purchaser in accordance with this Agreement (including all invoices and other records required for value added tax purposes);
- 15.33 have been fully, properly and accurately kept and completed;
- 15.34 do not contain any material inaccuracies or discrepancies of any kind;
- 15.35 give and reflect a true and fair view of the financial, contractual and trading position of the Business and of the Assets and all other matters which would normally be expected to appear in them



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**Lease Contract**

15.36 the premises used in the Business are held subject to and with the benefit of the Lease Contract(s) set out in Schedule 6 which contract(s) fully reflects the conditions with respect to the lease. The Vendor has not made any alterations to the premises held under the Lease Contract(s) that will result in a liability to pay delapidation compensation upon expiry of the Lease Contract, except for a steam generator installed.

**Employees**

15.37 all necessary negotiations according to the Swedish Act on co-determination for employees have been fulfilled by the Vendor,

15.38 all details of the Employees to be employed by the Purchaser as set out in Schedule 3, including (without limitation) their lengths of employment and current salaries and other benefits are true, complete and accurate in all material respects,

15.39 there are no schemes in operation by or in relation to the Vendor whereunder any of the Employees is entitled to a commission or remuneration of any other sort calculated by reference to the whole or part of the turnover, profits or sales of the Business and there are no other severance arrangements with any of the Employees.

15.40 the Vendor is not under any legal or moral liability or obligation or ex-gratia arrangement or promise to pay pensions, gratuities, superannuation allowances or the like after death or retirement to any of the Employees any other officer or employee or former officer or employee engaged in the Business.

- 15.41 there are no pension insurance obligations in the Business.

**15.42 Intellectual property rights**

15.43 the Vendor is the owner, registered proprietor or licensee of the Intellectual Property Rights in accordance with what is stated in Schedule 5. It can be noted that the trademark Steridose (Reg. No. 20 88 585) is possible to register in the name of the Purchaser without any additional cost although the trademark is registered on Steridose GmbH:

15.44 each of the Intellectual Property Rights is valid and enforceable and to the best of the Vendor's information, knowledge and belief no act has been done or omission

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permitted whereby any of them has ceased or might cease to be valid and enforceable, apart from what is mentioned in Schedule 12 ;

- 15.45 the Business do not have and do not infringe any patent, registered design, trade mark, copyright or other intellectual property right of any other person;
- 15.46 the Business does not require and have not been granted any licence in relation to any intellectual or industrial property;
- 15.47 no right has been granted to any person to do anything which would or might otherwise infringe any of the Intellectual Property Rights.
- 15.48 the Vendor has not (except in the ordinary and normal course of business) disclosed or permitted to be disclosed or undertaken or arranged to disclose to any person other than the Purchaser any of its Know-how, trade secrets, confidential information, price lists of customers or suppliers relating to the Business.
- 15.49 the Vendor has not authorized any person whatsoever to use any of the trade or business names of the Business.

#### The Interim Period

- 15.50 during the Interim Period the Vendor has carried on the Business on behalf of the Purchaser in the ordinary course and no measures have been taken that depart from the usual activities of the Business as regards the nature, scope or manner of the Business.

#### General

- 15.51 all information given by the Vendor to the Purchaser or the Purchaser's accountants relating to the Business or Assets was when given and is true, accurate and comprehensive in all respects.
- 15.52 there are no material facts or circumstances in relation to the Business or Assets which have not been fully and fairly disclosed in writing to the Purchaser which, if disclosed, might reasonably have been expected to affect the decision of the Purchaser to enter into this Agreement.

### 16 INDEMNITY

- 16.1 The Vendor shall, provided Completion according to Clause 6 has taken place, indemnify and keep indemnified the Purchaser against any loss, damage, cost or expense (including legal or other costs associated with the enforcement or realisation

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of this indemnity) suffered or incurred by the Purchaser arising directly or indirectly from any breach or inaccuracy in any of the representations, warranties or obligations ("Stipulations") pursuant to any provision in this Agreement, such loss, damage, cost and expense including (but without limiting the generality of the foregoing):

(i) any cost of correcting or restoring the subject matter of any Stipulation to the warranted or covenanted state or condition;

(ii) any difference in value between, on the one hand, the actual value of the subject matter of any Stipulation on the Take-over Day or Completion Day as the case may be and on the other, the value it would have had, had the Stipulation been true and accurate.

The Purchaser shall, however, not be entitled to indemnification unless the aggregate amount of such warranty claims exceeds SEK fourhundredthousand (400.000).

Notwithstanding the above, the aggregated liability of the Vendor under this Clause 16.1 shall never exceed SEK 4 million unless any such excess amount can be recovered by the Vendor due to existing insurance policies.

16.2 All claims under this Agreement, except those particularly provided for under Clause 16.3 below shall be made no later than sixty (60) days after a breach or an inaccuracy is discovered by the Purchaser and in no case later than 30 June 1997.

16.3 Any claim to be made by the Purchaser according to the warranty under Clause 15.31 shall be made no later than 29 February, 1996. Notwithstanding what is stated under Clause 16.1 above the warranty under Clause 15.31 is subject to a SEK 100,000 limitation instead of the SEK 400,000 limitation otherwise applicable.

17 RESTRICTIVE COVENANTS

For the purpose of assuring to the Purchaser the full benefit of the Assets, the Business and its Goodwill and in consideration of the Agreement of the Purchaser to buy the Assets and the Business on the terms of this Agreement, the Vendor undertakes to the Purchaser that the Vendor will not, without a prior written consent of the Purchaser, whether directly or indirectly and whether alone or in conjunction with, or on behalf of, any other person, compete in any way with the Business. The prohibition of competition according to this section shall remain in effect for the duration of five (5) years from Closing Day and shall apply world-wide.

Handwritten mark or signature.

**18 INFORMATION**

18.1 The Vendor shall preserve all information, records and other documents containing information relating to the Business not delivered to the Purchaser pursuant to this Agreement for a period of not less than six years and upon reasonable notice by the Purchaser shall make such information, records and documents available for inspection and copying by the Purchaser or its authorised agents at reasonable times during normal business hours.

18.2 The Purchaser shall preserve all information, records and other documents delivered by the Vendor to it pursuant to this Agreement on like reciprocal terms as are provided for in Section 18.1 above.

**19 ANNOUNCEMENTS**

19.1 The Parties shall immediately after Completion agree on a press release.

**20 COSTS**

Each of the parties hereto shall bear its own costs and expenses incidental to the negotiation preparation and execution of this Agreement and the carrying out of all transactions herein provided.

**21 NOTICES**

21.1 Any notice or other document to be served under this Agreement shall be delivered or sent by first class recorded delivery, post or telex or facsimile process to the addresses given above or at such other address as any of the parties may have notified to the other in accordance with this Clause.

**22 ENTIRE AGREEMENT**

22.1 This Agreement, the Schedules and the documents to be executed pursuant to this Agreement shall constitute the entire Agreement and understanding between the Parties with respect to all matters which are referred to and no variation of this Agreement shall be effective unless in writing and signed by or on behalf of each of the Parties.

**23 SUCCESSORS AND ASSIGNS**

The Vendor agree that the benefit of any provision in this Agreement may be enforced by the owner for the time being of the Business and accordingly the benefit of any provision in this Agreement may be assigned by the Purchaser and its successors in title without the consent of the Vendor.

**24 INVALIDITY**

24.1 If any term or provision in this Agreement shall be held to be illegal or unenforceable, in whole or in part, under any enactment or rule of law, such term or provision or part shall to that extent be deemed not to form part of this Agreement but the enforceability of the remainder of this Agreement shall not be affected, subject to the provisions of Clause 14.

**25 GOVERNING LAW AND ARBITRATION**

25.1 This Agreement and the documents to be entered into pursuant to it shall be governed by the laws of Sweden without regard to conflict of laws principles.

25.2 Any dispute, controversy or claim arising out of or in connection with this Agreement, or the breach, termination or validity thereof, shall be settled by arbitration in accordance with the Rules of the Arbitration Institute of the Stockholm Chamber of Commerce.

The arbitral panel shall consist of three arbitrators. The place of arbitration shall be Stockholm. The language to be used in the arbitral proceedings shall be English.

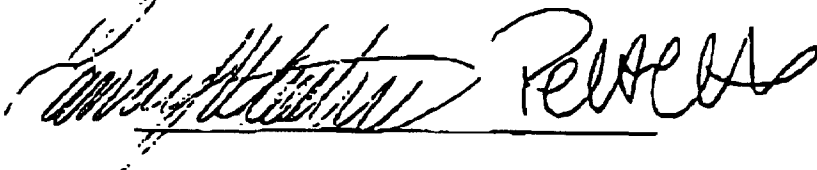
This Agreement has been made out in two originals, of which the parties have taken one each.

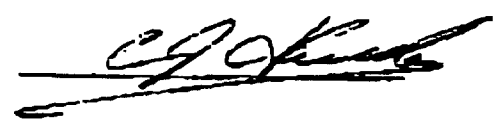
Place: Stockholm  
Date: 31 January 1996

Place: Stockholm  
Date: 31 January 1996

**STERIDOSE SYSTEMS AB**

**APV SVERIGE AB**





Undersigned company hereby irrevocably and unconditionally guarantees to the Purchaser the prompt performance of the Vendor of all its obligations under or in connection with this Agreement and the payment on the due date of all sums payable now or in the future, and due owing or incurred the Purchaser under this Agreement or in connection herewith. It can be noted that the responsibility of the Vendor, for which this guarantee is given, is limited to SEK 4,000,000.

Place: *Stockholm*

Date: *31 January 1996*

BORGKRONAN AB

