

ROTATING LABEL LICENSE AGREEMENT

THIS ROTATING LABEL LICENSE AGREEMENT (the “Agreement”) is made as of the ____ day of _____, 2001 (the “Effective Date”) between Stephen Key Design, LLC a California limited liability corporation (the “Company”) and Sealex Corporation (“Licensee”), a Japanese corporation.

RECITALS

WHEREAS Company is the owner and developer of a rotating label;

WHEREAS Licensee wishes to manufacture and sell the rotating labels developed by Company;

NOW THEREFORE in consideration of the premises and the promises each party makes to the other in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE I

DEFINITIONS

When used in this Agreement, the recitals hereto and the Schedule attached hereto, each of the terms set forth below will have the meaning indicated:

1.0 “Confidential Information” shall mean all business or technical information of Company or Licensee, including but not limited to any information relating to either party’s product plans, product prices, marketing plans, business opportunities, or personnel; any other information of Company or Licensee that is designated by the disclosing party as “confidential” or “proprietary”; proprietary information, confidential information, know-how, copyright, patent applications, inventions, designs, drawings, specifications, manufacturing and construction methods, compositions, test and performance data, approvals related to the Rotating Labels, whether patentable or not, and includes all specifications and designs of the Rotating Labels; and all documents, designs and drawings, prepared or created pursuant to or as a consequence of this Agreement, unless otherwise expressly agreed by the parties in writing, shall be treated as Confidential Information. Confidential Information does not include information that is in or enters the public domain without breach of this Agreement through no fault of the receiving party; information the receiving party was demonstrably in possession of prior to first receiving it from the disclosing party; information the receiving party can demonstrate was developed by the receiving party independently and without use of or reference to the disclosing party’s Confidential Information; or information the receiving party receives from a third party without restriction on disclosure and without breach of a nondisclosure obligation.

1.2 “Quarter Year” means a period of three months and further subsequent 3 month periods beginning on the Effective Date.

1.3 “Improvement” means any and all improvements and modifications to the Rotating Label and any such Improvements shall for the purposes of this Agreement be deemed to be included in the definition of the Confidential Information.

1.4 “Intellectual Property” means any patent, copyright, trade mark, registered design, unregistered design right or any other form of protection, any application for such protection, and any rights in relation to Rotating Labels or Confidential Information.

1.5 “License Fee” means the one-time fee paid to Company by Licensee pursuant to Section 9.1(a).

1.6 “Net Sales” means, in relation to the Rotating Labels, the amount invoiced by Licensee to the customer less:

(a) any required value added tax, goods and services or other sales, use or consumption tax;

(b) any freight charges paid; and

(c) cash discounts and allowances actually paid.

1.7 “Nutraceuticals” are defined as vitamins, minerals, herbals, nutraceuticals, nutritional, dietary and food supplements.

1.8 “Original Patents” means the patents and patent applications with respect to the Rotating Labels that are described in Schedule A hereto, together with any modifications or amendments thereto and any patents issued or granted in connection therewith and any divisionals or continuations of such patents.

1.9 “Rotating Labels” means systems or devices developed or owned by Company to cover a fixed inner label with a moveable partly transparent outer label through which parts of the fixed label may from time to time be seen by rotating the outer label. For the sake of this Agreement, “Rotating Labels” shall be of the stretch sleeve type only.

1.10 “Royalties” means the amounts paid by Licensee to Company pursuant to Section 9.1(b) herein.

1.11 “Territory” means Japan.

1.12 “Term” shall have the meaning set forth in Section 9.1.

ARTICLE II

GRANT OF LICENSE

2.1 Company hereby grants to Licensee an exclusive right in the Territory to manufacture, distribute, promote, market, and sell the Rotating Labels during the Term of this Agreement. Licensee may sell Rotating Labels outside the Territory except as provided for in Section 2.2 herein. Except as otherwise provided in this Agreement, Licensee shall be entitled to promote and market the Rotating Labels in the Territory in such manner as Licensee may, in accordance with sound commercial principles, think fit, and to sell the Rotating Labels to its customers at such prices as it may determine.

2.2 Licensee may not sell Rotating Labels in the nutraceutical market. Licensee shall not distribute, manufacture, use, or sell Rotating Labels for use or placement on plastic drinking cups which are sold, marketed, or distributed as part of a promotion or special offer at places such as, including but not limited to, fast food restaurants, convenience stores, or discount stores.

2.3 Company shall not knowingly sell Rotating Labels in the Territory after the Licensee has the capability of manufacturing the Rotating Labels; provided however that, Company may sell Rotating Labels to multi-national United States companies throughout the Term of this Agreement knowing that the Rotating Labels sold to such companies may be shipped globally and into the Territory.

2.4 Licensee shall not grant to any other person a licence to manufacture or sell the Rotating Labels in the Territory. Licensee shall not appoint sub-distributors, dealers or others to perform any of its obligations or functions under this Agreement without prior written consent of Company.

2.5 Licensee agrees at all times during the Term of this Agreement and any extension or renewal thereof to, at its sole cost and expense:

(a) use its best efforts to advertise and promote the sale of the Rotating Labels and to make regular and sufficient contact with the present and future customers of Licensee in the Territory;

(b) maintain adequate sales, warehouse and service facilities and sufficient stock of the Rotating Labels to ensure prompt service to customers;

(c) attend such meetings, shows and conventions in the Territory as will promote the sale of the Rotating Labels;

(d) promptly pursue all sales opportunities referred by Company or others;

(e) maintain an adequate place of business for the marketing of the Rotating Labels;

(f) avoid any sales policies, trade activities, or advertising that would be injurious to the reputation or goodwill of Company;

(g) obtain all authorizations, clearances, licences, permits and approvals necessary or advisable to accomplish the purposes of this Agreement; and

(h) manufacture and sell the Rotating Labels only in accordance with and in a manner permitted by applicable laws and government regulations.

2.6 Licensee will forward to Company all information regarding responses, criticism, and suggestions as to the Rotating Labels received from customers in the Territory, data relating to market trends, and information on current competition.

ARTICLE III

TECHNICAL ASSISTANCE

From time to time during the Term of this Agreement, Company shall, at the reasonable request of Licensee, consult with Licensee with respect to the Rotating Labels, by telephone or in writing, or by such other means as, in Company's sole discretion, is appropriate in each instance.

ARTICLE IV

OWNERSHIP OF INTELLECTUAL PROPERTY

4.1 All Intellectual Property, Original Patents, and Improvements are the exclusive property of Company. Company shall have full-unfettered discretion as to the making of any applications for Intellectual Property protection and any Intellectual Property protection obtained pursuant to any such application shall be or remain the absolute property of Company. Licensee shall take all such steps as Company may reasonably require to assist Company in maintaining the enforceability and validity of the Intellectual Property. The Licensee shall, at the request of Company, enter into such formal licences relating to the Rotating Labels and any other Intellectual Property as may be necessary or desirable in accordance with the relevant law and practice in the Territory for the protection of Intellectual Property.

4.2 Licensee shall not copy or reproduce in any way any document supplied by Company and containing or recording any part of the Confidential Information except to the extent necessary for the exercise of the rights granted under this Agreement, and shall ensure that on each such copy or reproduction there is a written notice in a prominent position indicating that all rights are reserved by Company together with the international copyright symbol, the name of Company and the relevant year, if applicable.

4.3 If at any time during the Term of this Agreement, Company makes, devises or otherwise acquires any Improvement it shall disclose the Improvement to Licensee, except to the extent that:

(a) Company is precluded from doing so by law or any obligation owed to a third party; or

(b) the disclosure of the Improvement, or its use by Licensee, would prejudice Company's ability to obtain Intellectual Property protection in respect to the Improvement.

4.4 If at any time during the Term of this Agreement, Licensee obtains any information as to any new application for the Rotating Labels or makes, devises or otherwise acquires any Improvement, Licensee shall disclose the Improvement to Company, except to the extent that, or for as long as, Licensee is precluded from doing so by law or any obligation owed to a third party. If such Improvements are not already covered by an existing patent or application in Japan or elsewhere, Company shall have the right to apply for such patents on these Improvements. If Company does not wish to file for patents in Japan on these Improvements, then Licensee shall have the right to file for such patents in Japan; provided however that, Company shall be entitled to manufacture, use, sell or otherwise deal in any products manufactured through use of the Improvement, and otherwise to use the Improvement, by way of a non-exclusive, irrevocable, royalty-free license in respect of any Intellectual Property obtained or applied for by Licensee in relation to the Improvement, exercisable (to the extent that Licensee is entitled to grant such a license) in any country in the world together with the right to grant sub-licenses.

4.5 Licensee shall be entitled to the same rights granted to Licensee in Article II with respect to any Improvement disclosed pursuant to Section 4.3 or discovered pursuant to Section 4.4, and any Intellectual Property obtained or applied for by Company for such Improvement.

4.6 Licensee shall from time to time during the Term of this Agreement, and forthwith upon request by Company, provide Company with information relating to the use by Licensee of the Rotating Labels and the Confidential Information, by telephone or in correspondence, or by such other means as, in Company's reasonable opinion, is appropriate in each instance.

4.7 The confidentiality provisions of Article V shall apply (to the extent that they are capable of doing so) to any Improvements and to any Intellectual Property obtained or applied for or by Company or Licensee.

4.8 Any disclosure made in accordance with this Article IV shall be in the English language and shall include a written or tangible disclosure of such Improvement in sufficient detail and completeness to enable a person of average skill to understand and implement it.

ARTICLE V

CONFIDENTIAL INFORMATION

Each party shall maintain the Confidential Information of the other party in strict confidence and shall exercise no less than reasonable care with respect to the handling and protection of such Confidential Information. Each party shall use the Confidential Information of the other party only as expressly permitted herein, and shall disclose such Confidential Information only to its employees and consultants as is reasonably required in connection with the exercise of its rights and obligations under this Agreement (and only subject to binding use and disclosure restrictions at least as protective as those set forth herein executed in writing by such employees and consultants). However, each party may disclose Confidential Information of the other party pursuant to the order or requirement of a court, administrative agency, or other governmental body, provided that the receiving party gives reasonable notice to the other party to contest such order or requirement. Any such disclosure by the receiving party of the Confidential Information of the disclosing party, shall, in no way, be deemed to change, affect or diminish the confidential and proprietary status of such Confidential Information.

ARTICLE VI

INDEMNIFICATION

6.1 If any claim is made or threatened against Licensee by any third party that the exercise by Licensee of any rights granted under this Agreement by Company infringes any intellectual property or other rights of any other person, Licensee shall fully notify Company as soon as practicable after it becomes aware of the claim or threatened claim. Company shall in its absolute discretion decide whether such action should be defended. In the event that Company decides that the action should be defended, each of Company and Licensee shall be responsible for half of all legal costs of the proceedings provided that:

(a) Company is given full control of any proceedings or negotiations in connection with the claim or threatened claim and shall be exclusively entitled to appoint and instruct legal advisers and counsel in connection with any such proceedings or negotiations and to determine the forum for any such proceedings;

(b) Licensee shall at its own cost give Company all reasonable assistance for the purpose of any such proceedings or negotiations;

(c) except pursuant to a final award, Licensee shall not pay or accept any such claim or threatened claim, or compromise any such proceedings, without the consent of Company (which shall not be unreasonably withheld);

(d) Licensee does nothing which would or might vitiate any policy of insurance or insurance cover which Licensee may have in relation to any such claim or threatened claim;

(e) Company is entitled to, and Licensee shall accordingly account to Company for, any damages and costs which are awarded against, or which with the consent of Licensee (which

shall not be unreasonably withheld) are agreed to be paid by any other party in respect of any such claim or threat; and

(f) Licensee takes such steps as Company may reasonably require to mitigate or reduce any loss of Licensee.

6.2 In the event that Company decides not to be involved in the defense of the action Licensee shall be entitled to defend the proceedings at its expense and shall be responsible for any damages and costs awarded.

6.3 Company shall have no liability to Licensee under Sections 6.1 with respect to any claim for infringement of any intellectual property or other rights of any person which is based on the manufacture, use, or sale of, or any other dealing in the Rotating Labels: (a) which is not strictly in accordance with this Agreement; (b) where Licensee continues allegedly infringing activity after being notified thereof, or after being informed of modifications that would have avoided the alleged infringement; or (c) where the Rotating Labels have been combined with other products where the alleged infringement relates to such combination.

6.4 The preceding provisions state the entire obligation and liability of Company arising out of or in connection with this Agreement with respect to any claim of infringement of any intellectual property or other rights of any person.

6.5 Licensee will defend, indemnify and hold Company and its directors, employees and agents harmless from and against all liabilities, damages, costs, fees and expenses, including reasonable attorneys' fees, arising from or related to the manufacture or sale of any Rotating Labels, other than claims with respect to which Licensee and Company shall share the costs of defending such claims pursuant to Section 6.1, provided that (a) Company notifies Licensee in writing within thirty (30) days of the claim, (b) Licensee has sole control of the defense and all related settlement negotiations, and (c) Company provides Licensee with the assistance, information, and authority necessary to perform the above. Reasonable out-of-pocket expenses incurred by Company in providing such assistance will be reimbursed by Licensee.

ARTICLE VII

REPRESENTATIONS, WARRANTIES, AND LIMITATIONS OF LIABILITY

7.1 Company shall be entitled to perform any of the obligations undertaken by it and to exercise any of the rights granted to it under this Agreement through its affiliates or subsidiaries, provided that any act or omission of such affiliates or subsidiaries shall, for the purposes of this Agreement, be deemed to be the act of omission of Company.

7.2 Licensee represents and warrants to Company that:

(a) it has the authority to enter into this Agreement; and

(b) the execution by Licensee of, and the performance of its obligations under, this Agreement require no governmental or other approvals or, if required, all such approvals have been obtained;

(c) all information supplied or to be supplied by Licensee to Company concerning the business of Licensee or this Agreement is or will, when given, be true and accurate in all material respects.

7.3 Each party acknowledges that, in entering into this Agreement, it does not do so in reliance on any representation, warranty or other provision except as expressly provided in this Agreement, and any conditions, warranties, guarantees or other terms implied by statute or common law are excluded from this Agreement.

7.4 Except for breach of obligations under Article V (Confidentiality), in no event shall either party be liable for any indirect, special, consequential or punitive damages related to or arising out of this Agreement, however caused, on any theory of liability, whether in an action for contract, strict liability, tort (including negligence) or otherwise, and whether or not the party has been advised of the possibility of such damage.

7.5 Company shall not be liable to Licensee by reason of any representation or the breach of any implied condition, warranty or other term or any duty at common law or under any statute for any loss, damages, costs, expenses or other claim for compensation whatsoever, whether occasioned by the negligence of company, its servants or agents or otherwise, which arises out of or in connection with this Agreement, or which in any way relates to the manufacture, sale or use of or any other dealing with the Rotating Labels by Licensee (except for return of amounts paid to Company hereunder). In addition, in no event shall Company's aggregate liability under this Agreement exceed any amounts paid to Company by Licensee hereunder during the 12-month period preceding the claim giving rise to the obligation.

7.6 Any liability of Company with respect to the Rotating Labels or the performance thereof under any warranty, negligence, strict liability or other theory will be limited exclusively to refund of the License Fee. Except as expressly provided for herein, the Rotating Labels are provided "as is" without warranty of any kind including, without limitation, any warranty of merchantability or fitness for a particular purpose or non-infringement. Further, Company does not warrant, guarantee, or make any representations regarding the use or manufacturability of the Rotating Labels. Company is not responsible for and will have no liability for hardware, software, or other items or any services provided by any person other than Licensee.

7.1 Without limiting the scope of Article IX, Licensee acknowledges that any breach of this Agreement may cause irreparable damage to Company, and Licensee accordingly agrees that Company shall be entitled to injunctive relief in respect of any actual or apprehended breach by Licensee and, in addition to any award by the court in favour of Company, to be reimbursed in full by Licensee for all costs and expenses (including legal expenses) incurred in enforcing the terms of this Agreement.

ARTICLE VIII
COMPENSATION

8.1 In consideration of the license granted herein, Licensee shall pay the following to Company:

- (a) a one-time License Fee of \$6,000 which is due upon execution of this Agreement;
- (b) Royalties in the amount of 5% of Net Sales for the Rotating Labels sold by Licensee in each year this Agreement is in effect after the payment of the following minimum amounts:
 - (i) \$5,000 for the second year of this Agreement payable within ten (10) days of the first yearly anniversary of the Effective Date;
 - (ii) \$10,000 for the third year and for each year this Agreement is in effect thereafter payable within ten (10) days of the second yearly anniversary of the Effective Date and each yearly anniversary of the Effective Date thereafter.

8.2 Licensee shall render to Company a written report certified by its chief executive officer or chief financial officer within thirty (30) days following the end of each Quarter Year stating the number of units of the Rotating Labels sold. Royalties shall be payable by Licensee to Company thirty (30) days following the end of each Quarter Year. The receipt or acceptance by Company of any Royalty statement or payment shall not prevent Company from subsequently challenging the validity or accuracy of such statement or payment.

8.3 Licensee shall keep full and true books of account and other records in sufficient detail so that Royalties payable to Company herein may be properly ascertained. At the written request of Company, Licensee shall permit Company or its representatives to inspect said books and records during reasonable business hours and on no less than five (5) days written notice to Licensee. Except as provided below, the cost of such inspection shall be at the expense of Company. If such inspection should reveal a discrepancy in favour of Company in excess of 5% of Royalties, the fees of the accountant for rendering the inspection shall be borne by Licensee. Any shortfall in Royalties shall bear interest pursuant to Section 8.4 herein.

8.4 If Licensee fails to pay in full any of the Royalties or other sums payable under this Agreement on the date or within the period specified for payment, the outstanding amount due shall bear interest, both before and after any judgment, at the rate of four percent (4%) per annum above the prime rate set by Citibank in New York City from time to time from, the date such payments were originally due or the last day of that period until that amount is paid in full to Company, or, if less, the maximum amount permitted by law. Nothing herein will be deemed to be a waiver by Company of its right to timely and complete payment of amounts due from Licensee.

8.5 All Royalties or other sums payable under this Agreement shall be paid in United States dollars, and where any Royalties are calculated in a currency other than United States dollars,

they shall be converted into United States dollars by reference to the average of the relevant buying and selling rates of Citibank in New York City on the last day of the month to which they relate.

8.6 All Royalties or other sums payable under this Agreement are exclusive of value added tax or other applicable taxes or duties, for which Licensee shall be additionally liable, and shall be paid in cleared funds to such bank account or in such other manner as Company may specify from time to time, without any set off, deduction or withholding except any tax which Licensee is required by law to deduct or withhold, and if Licensee is required by law to make any such tax deduction or withholding, Licensee shall do all things in its power which may be necessary to enable or assist Company to claim exemption from or (if that is not possible) a credit for the deduction or withholding under any applicable double taxation or similar agreement from time to time in force, and shall from time to time give Company proper evidence as to the deduction or withholding and payment over of the tax deducted or withheld.

ARTICLE IX

TERM AND TERMINATION

9.1 This Agreement shall commence on the Effective Date and, subject to the other provisions hereof, remain in force for one (1) year, and will automatically be renewed for additional one (1) year terms unless terminated in accordance with the terms of this Agreement.

9.2 Each party shall have the right to terminate this Agreement, and the license contained herein, effective upon thirty (30) days' written notice to the other party, if the other party breaches any material term or condition of this Agreement and fails to cure such breach within the thirty (30) day notice period; provided however that, in the event that Licensee should challenge, directly or indirectly, the ownership, enforceability or validity of the Intellectual Property or Original Patents then Company shall be entitled to terminate this Agreement and the licence granted hereunder immediately.

9.3 Upon termination of this Agreement pursuant to the terms of this Article IX, each party shall promptly return to the other party or destroy all Confidential Information of the other party in its possession or control, and shall provide the other party with an officer's written certification of its fulfillment of its obligations under this Section 9.3.

9.4 Neither party shall be liable to the other for damages of any type solely as a result of terminating this Agreement in accordance with its terms.

9.5 Upon the termination or expiration of this Agreement, Licensee will pay to Company all outstanding amounts which may then be due and owing to Company, including without limitation the Royalties up to the date of expiration or termination.

9.6 Any termination of this Agreement by Company, prior to the end of the Term, will be without prejudice to the rights of Licensee to complete for no more than ninety (90) days the performance of any binding agreement for the supply of the Rotating Labels to any customer.

9.7 The payment obligations set forth in Article VIII and the following provisions shall survive termination of this Agreement for any reason: Article IV (Ownership of Intellectual Property); Article V (Confidentiality); Article VI (Indemnity); Article VII (Representations and Warranties); Article IX (Termination); and Article X (General Terms).

ARTICLE X

GENERAL TERMS

10.1 This Agreement and the License herein granted and the obligations and rights incident to this Agreement shall be binding upon and inure to the benefit of the permitted assigns and successors of Licensee and Company.

10.2 The provisions of this Agreement are severable, and in the event that any provision of this Agreement is determined to be invalid or unenforceable under any controlling body of law, such invalidity or unenforceability shall not in any way affect the validity or enforceability of the remaining provisions hereof. Any unenforceable provision will be replaced by a mutually acceptable provision which comes closest to the intention of the parties hereto at the time the original provision was agreed upon.

10.3 All notices required or permitted under this Agreement shall be in writing and delivered in person, by confirmed facsimile transmission, by courier or overnight delivery service, or by certified or registered mail, postage prepaid, and in each instance shall be deemed given upon receipt. All communications shall be sent to the addresses set forth on the signature page of this Agreement or to such other address as may be specified by either party to the other in accordance with this Section.

10.4 Company may assign or transfer this Agreement or any part hereof, and/or any of its rights or obligations hereunder to any one or more of its direct or indirect affiliates or subsidiaries without the consent of Licensee provided that Company provides Licensee with notice of any such assignment or transfer within thirty (30) days thereof. No such assignment shall affect the Licensee's rights to manufacture and sale of Rotating Labels as granted Article II. Licensee agrees not to assign or transfer this Agreement or any part thereof, and/or any of its rights or obligations to any third party without the prior express written permission from Company.

10.6 In no event will this Agreement be construed to create a partnership, joint venture, or general agency relationship between the parties hereto.

10.7 A waiver, express or implied, by either any party to the Agreement, of any right hereunder, of any failure to perform, or of any breach by the other party, will not constitute or be deemed a waiver of any other right hereunder, or of any other failure to perform, or of any other breach hereunder whether of a similar or dissimilar nature.

10.8 This Agreement shall be considered as made in the State of California and shall be governed and construed in accordance with the laws of the State of California excluding the application of its conflict of laws provisions and excluding the application of the United Nations

Convention on Contracts for the International Sale of Goods and may be enforced by any court in California having jurisdiction over the subject matter of this Agreement.

10.9 This Agreement and the schedule attached hereto constitute the entire Agreement between the parties with respect to the subject matter hereof. Any amendments and modifications of this Agreement shall be in writing and shall be signed by a duly authorized representative of each party. There are no other understandings, agreements, representations or warranties except as herein expressly set forth in this Agreement.

10.10 All notices, disclosures, oral and written information, manuals, reports, instructions, technical assistance, training and other communications relating to or given pursuant to this Agreement will be in English.

10.11 This Agreement may be executed in several counterparts each of which when executed shall be deemed to be an original, and such counterparts shall each constitute one and the same instrument and notwithstanding their date of execution shall be deemed to bear the day and year first above written. Execution and delivery of a facsimile transmission of this Agreement shall constitute, for purposes of this Agreement, delivery of an executed original and shall be binding upon the party whose signature appears on the transmitted copy.

10.12 The performance of the respective parties hereto of their respective obligations hereunder shall be subject to force majeure, including, but not limited to, insurrections, riots, wars and warlike operations, explosions, governmental acts, epidemics, failure of contractors and subcontractors to perform, strikes, fires, accidents, acts of any public enemies, inability to obtain required materials, qualified labour or transportation, or any similar occurrence beyond the reasonable control of the party affected. Any party temporarily excused from performance hereunder by any such circumstances shall use its best efforts to avoid, remove or cure such circumstances and shall resume performance with utmost dispatch when such circumstances are removed or cured. Any party claiming circumstances as an excuse for delay in performance shall give prompt notice in writing thereof to the other party. If either party is affected by such force majeure it shall forthwith notify the other party of its nature and extent. Neither party shall be deemed to be in breach of this Agreement, or otherwise be liable to the other, by reason of any delay in the performance, or the non-performance, of any of its obligations hereunder, to the extent that the delay or non-performance is due to any force majeure of which it has notified the other party, and the time for performance of that obligation shall be extended accordingly. If the force majeure in question prevails for a continuous period in excess of 3 months, the parties shall enter into discussions in good faith with a view to alleviating its effects, or to agreeing upon such alternative arrangements as may be fair and reasonable.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement, intending to be legally bound, to be executed in duplicate by their duly authorized representatives effective as of the Effective Date.

COMPANY:

LICENSEE:

**STEPHEN KEY DESIGN LLC,
a California limited liability corporation**

**SEALEX CORPORATION,
a Japanese corporation**

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Address: Stephen Key Design LLC
1449 East F St, Suite 101E
Oakdale, California 95361
USA

Address: SEALEX CORPORATION
1-1-11 Yanagibashi,
Taito-ku
Tokyo 111-0052
Japan

Fax No: 209-668-5737
Attn: Janice Key

Fax No.: 81-3-3864-1540
Attention: Atsushi Kurihara

SAMPLE

Schedule A

Original Patents

1. United States Patent # 6,129,802

2. Patents have also been applied for or granted in the following countries and are included in the definition of “Original Patents”:

Canada: PCP US9923903

European Union: 99956548.4

Japan: 520804/1998

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