

8/15
July 25, 1967

Mr. W. H. Wilson
Asbestos Covering Company Limited
108 Gallery Square
Montreal 3, Quebec, Canada

Dear Mr. Wilson:

Enclosed is a draft of a proposed License Agreement between Asbestos Covering Company Limited and Smith & Kanzler Company encompassing the items discussed in Mr. G. B. Mitchell's letter of July 7, 1967, to yourself.

Should you have any questions, please do not hesitate to contact us.

Very truly yours,

S. W. Gustafson
Secretary - Treasurer

LMW

encl.

cc- Mr. G. B. Mitchell - Hayes-Dana
Mr. R. M. Burns - S & K

VPD-158-0000928

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LICENSE AND TECHNICAL ASSISTANCE AGREEMENT

AGREEMENT, dated this _____ day of _____, 1967,
by and between SMITH and KANZLER COMPANY, a company organized and
existing under the laws of the State of New Jersey, having its
principal office in Linden, New Jersey, hereinafter called "S & K",
and ~~CARTIER INSULATION LIMITED~~
~~ASBESTOS COVERING COMPANY LIMITED~~, a company organized and *Cartier (sk)*
existing under the laws of the *Province* of Quebec, Canada, having
its principal office in Montreal, Quebec, Canada, hereinafter called
"LICENSEE".

WITNESSETH:

WHEREAS, S & K manufactures and sells sprayed mineral fiber
under the trademark "SPRAY CRAFT" *or registered*;

WHEREAS, S & K is the owner of United States Trademark
Registration No. 715,627 for the mark "SPRAY CRAFT" and has acquired
certain information relating to the manufacture, sale and application
of sprayed mineral fibers; and

WHEREAS, LICENSEE desires to use the information of S & K
in the manufacture, sale and application of sprayed mineral fibers
and to sell such material under the trademark "SPRAY CRAFT";

NOW, THEREFORE, the parties hereto have agreed as follows:

1. As used in this Agreement:

- a. The term "Licensed Product" means sprayed mineral
fiber that is *NOW OR HEREAFTER* sold by S & K under the trademark
SPRAY CRAFT.
- b. The term "Licensed Territory" means the Country
of Canada.

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c. The term "Technical Information" means any technical facts, trade secrets, data or advice, written or oral, relating to machines, processes, products, compositions, procedures and techniques used commercially by S & K in its manufacture, sale and application of Licensed Products, but shall not include any information received from third parties which information may not lawfully be disclosed by S & K.

d. "Listed Product" means any Licensed product manufactured and sold or applied by Licensee under ~~any Underwriters' Laboratories' listing obtained~~ by S & K. *IN EITHER THE UNITED STATES OR CANADA*

2. During the term of this Agreement S & K shall:

a. Furnish or make available to Licensee any item of Technical Information requested by Licensee, provided, however, S & K'S obligation as to any such request is limited (i) to written material that S & K shall have prepared for use in its own business and (ii) to causing each such request to be fully and fairly answered to the best of its ability.

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- b. At the request of Licensee, meet with representatives of Licensee at S & K'S plant, to advise and consult with Licensee's representatives regarding the manufacture, application and sale of Licensed Products.
- c. At the request of Licensee, make available at Licensee's plant the services of a qualified person to advise and consult with Licensee regarding Licensee's manufacture, application and Engineering Assistance of Licensed Products, provided, however, S & K'S obligation hereunder shall be limited to providing the salary for S & K employees engaged in such assistance and all other out-of-pocket expense shall be for the account of Licensee.
- d. Use its best efforts to have Licensee listed by Underwriters' Laboratories as a qualified manufacturing unit under any Underwriters' Laboratories listings obtained by S & K for any Licensed Product.
- e. Supply Licensee with reasonable quantities of any sales literature that S & K may from time to time have printed and which, in the opinion of S & K, is appropriate for use by Licensee.

3. Upon receipt of invoices from S & K from time to time,

Licensee shall promptly reimburse S & K for:

- REASONABLE*
- a. Any/out of pocket expenses which S & K shall incur in furnishing Underwriters' Laboratories labels to Licensee; and, /
 - b. The reasonable travel and subsistence expenses incurred by any person furnished to Licensee pursuant to paragraph 2c for the entire period any such person is engaged away from his place of work in providing services to Licensee and in traveling to and returning from Licensee's plant or offices.

4. S & K hereby grants to Licensee, for the terms of this Agreement and subject to the conditions set out in this Agreement:

- MANUFACTURE*
- a. The exclusive right to apply, and use in the Licensed Territory only the trademark "SPRAY CRAFT" on and in relation to Licensed Products manufactured by Licensee in accordance with the standards and specifications of S & K which S & K shall from time to time furnish Licensee.

- EXCLUSIVE*
- b. The right and license to use Technical Information in the Licensed Territory for the manufacture, application and sale of Licensed Products.

5. Licensee agrees to pay and remit to S & K a royalty of \$15.00 *in U.S. FUNDS* (fifteen dollars) per ton (2,000 lbs.) for each ton of Licensed Products manufactured and sold or applied by Licensee.

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6. Royalty payments provided for in paragraph 5 shall be made by Licensee within thirty (30) days after the end of each calendar quarter, and at such place as S & K shall designate. Licensee agrees to keep accurate records showing the quantity, purchaser and date of sale or other disposition of all Licensed Products sold or otherwise disposed of by Licensee during the term of this Agreement.

Licensee shall furnish S & K within thirty (30) days after the end of each calendar quarter, a certificate signed by an officer of Licensee showing the quantity in tons of Licensed Product sold by Licensee and applied by Licensee during said quarter. Upon written request by S & K, Licensee shall make said records available for inspection at Licensee's place of business during normal business hours and on a confidential basis, by a certified public accountant designated and paid by S & K, who shall certify to S & K only the amount of royalties due for the period examined and in the absence of fraud, such certification shall be conclusive.

7. a. Licensee hereby recognizes the exclusive right, title and interest of S & K in and to the trademark SPRAY-CRAFT and will ~~take all reasonable steps to safeguard~~ ^{NOT PREJUDICE} S & K'S right, title and interest in said mark.

- b. Upon written request and at the expense of S & K from time to time Licensee shall (i) furnish S & K with sample quantities of Licensed Products which Licensee markets under the trademark SPRAY CRAFT for testing and evaluation purposes, and (ii) shall permit representatives of S & K to visit and inspect any and all facilities of Licensee for the manufacture of Licensed Products.
- c. Licensee shall take all reasonable steps to indicate to the trade and to the public that it is being permitted to use the trademark SPRAY CRAFT with the authority of S & K as owners of said mark. Licensee shall from time to time supply S & K for its approval with samples of its advertisements relating to goods marketed under the trademark SPRAY CRAFT and shall not issue any such advertisements or printed matter if not approved by S & K.
8. a. Licensee shall conform to all product, application and manufacturing specifications and standards relating to Listed Products, as imposed by Underwriters' Laboratories and/or S & K. In the event that any Listed Product is delisted by Underwriters' Laboratories because of Licensee's failure to conform to said standards and specifications, Licensee shall forthwith cease to sell or offer for sale such product under Underwriters' Laboratories listing.

b. Licensee shall at all times permit periodic inspection and testing of Listed Products and their manufacture by representatives of Underwriters' Laboratories, and shall render all necessary assistance and proper facilities, including necessary test apparatus, for the proper conduct of such inspections and tests.

9. In the event that during the term of this Agreement Licensee shall make or acquire any improvements or inventions relating to Licensed Products, their manufacture or use, Licensee shall promptly disclose to S & K any such improvement and shall grant to S & K the royalty-free, non-exclusive, non-terminable right to use such improvement or invention, to make and use machines embodying such improvement or invention, and to make, use and sell products embodying such improvement or invention OTHER THAN IN ~~in the United States, but excluding~~ the Licensed Territory. Any right or License granted under this paragraph 9 shall continue for the life of any patent licensed and shall not be affected by any termination of this Agreement.

10. Licensee hereby agrees that all Technical information made available or disclosed by S & K is solely for Licensee's use in accordance with the terms of this Agreement for the manufacture, application and sale of Licensed Products in the Licensed Territory, and during

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the term of this Agreement and for five (5) years thereafter, Licensee shall take all reasonable care to keep confidential any and all Technical Information acquired from S & K and shall not disclose it to third parties except:

- (i) insofar as the same is disclosed by the products sold by S & K or Licensee, or
- (ii) insofar as such information is made public by S & K or any third party.

Further, for a period of five (5) years after termination of this Agreement Licensee shall not use Technical Information acquired from S & K except:

- (i) insofar as the same is disclosed by the products sold by S & K, or
- (ii) insofar as such information is made public by S & K or any third party.

11. a. This Agreement, unless sooner terminated as herein provided, shall be in force for an initial term of five (5) years from its Effective Date of _____, _____, and thereafter, shall be automatically extended for successive additional terms of ~~one (1)~~ ^{FIVE (5)} year each. *5 yrs?*

b. Anything in this Agreement to the contrary notwithstanding, either party shall have the right to terminate this Agreement as of any date five (5) years after the Effective Date of this Agreement by giving the other party at least one ^{(1) year} ~~hundred and twenty (120)~~ ^{OR ANY EXTENSION} ~~days~~ written notice of such termination. *? 1 yr*

Confidential product except as disclosed by S & K

Guaranteed

- c. Either party may terminate this Agreement upon default or breach of the other party by giving said defaulting or breaching party thirty (30) days written notice of intention to so terminate; provided, however, that if such defaulting or breaching party shall within such thirty (30) day period remedy the breach or default upon which such notice is based, then such notice shall not become effective and this Agreement shall remain in full force and effect.
- d. No termination of this Agreement shall affect the right of S & K to receive royalties and statements of account due under paragraphs 5 and 6 as to activities of Licensee prior to such termination and no such termination shall relieve Licensee of its obligations which subsist or are to be performed after such termination.
- e.

12. Licensee agrees to indemnify and save harmless S & K from and against all claims, suits, damages, losses and expenses, in any manner resulting from or arising out of injuries to or the death of any employee, or agent of Licensee, occurring while said employee or agent is in or about any of the manufacturing plants or offices or places of business of S & K for the purpose of receiving assistance or otherwise in the performance or observance of this Agreement. Similarly, S & K agree to indemnify and save harmless Licensee from and against all

LICENSEE AGREES NOT TO MANUFACTURE
SPRAYED MINERAL FIBERS,
APPLY OR USE ANY PRODUCT COMPETITIVE
TO SPRAYCRAFT WITHOUT THE EXPRESSED
CONSENT OF S & K.

claims, suits, damages, losses and expenses, in any manner resulting from or arising out of injuries to or death of any employee or agent of S & K, occurring while said employee or agent is in or about the manufacturing plants, offices or places of business of Licensee for the purpose of consulting with or advising Licensee, or inspecting equipment or training personnel, or otherwise in the performance or observance of this Agreement.

13. Any notice provided for in this Agreement may be served by registered mail and if so served, shall be effective from the date of mailing. Notices to S & K shall be addressed to Smith & Kanzler Company, 1414 East Linden Avenue, Linden, New Jersey, and notices to Licensee shall be addressed to Asbestos Covering Company Limited, 108 Gallery Square, Montreal 3, Quebec.

14. This Agreement constitutes the entire contract and understanding between the parties relative to the subject matter hereof and shall be binding upon the successors of Licensee and the successors and assigns of S & K, but shall not be assigned by Licensee to third parties without the written consent of S & K.

In witness whereof the parties have caused these presents to be executed.

SMITH & KANZLER COMPANY

By _____
Title _____

ATTEST:

CARTIER INSULATION LIMITED
~~ASBESTOS COVERING COMPANY LIMITED~~

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By _____
Title _____

C O P Y

Thursday, 6/29 - Announcement at Trenton - State Highway Commission

Superintendent Bureau Route location of Department of Transportation -
Steven Glink

Friday, 6/30 - Published in Elizabeth Daily Journal

Proposed interstate route 278 from Goethals Bridge to route 78 in
Springfield, New Jersey

Goes parallel to railroad track south of S & K and north of S & K thru
new building of Diener and part of our parking lot.

At least 3 years away.

7/5/67

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