LICENSE AGREEMENT

THIS AGREEMENT made as of the 1st day of November , 1966 by and between W.R. GRACE & CO., a corporation organized and existing under the laws of the State of Connecticut, having a place of business at 135 So. LaSalle Street, Chicago, Illinois, acting through its Zonolite Division (hereinafter referred to as the LICENSOR), and THE O.M. SCOTT & SONS COMPANY, a corporation organized and existing under the laws of the State of Ohio, and having its principal office at Marysville, Ohio (hereinafter referred to as the LICENSEE).

WITNESSETH:

WHEREAS, the LICENSOR has the right to grant licenses in and under United States Letters Patent 3,010,911, granted November 28, 1961, and Canadian Letters Patent 650,625 granted October 10, 1962, both entitled METHOD OF AND APPARATUS FOR HEAT PROCESSING PARTICULATE SOLIDS (hereinafter referred to as the "Patents"); and

WHEREAS, the LICENSEE is desirous of obtaining a non-exclusive license to use the process and apparatus described and claimed in the Patents for processing vermiculite ores and the like, under the terms and conditions hereinafter provided,

NOW, THEREFORE, in consideration of one dollar ($1.00) and other good and valuable considerations, by each of the parties to the other paid, the receipt whereof is hereby acknowledged, and in view of the mutual promises, covenants, and undertakings hereinafter set forth, the parties hereto have agreed and do hereby covenant and agree as follows:

(1) The LICENSOR hereby grants to the LICENSEE a non-exclusive license within the United States, its territories and possessions and within Canada, to use and practice methods and to use apparatus falling under the scope of any or all of the claims of the Patents; provided, however, that nothing contained herein shall be construed, by implication or otherwise, as granting any right or license to make or sell any apparatus covered by the Patents.

(2) The LICENSEE agrees to pay to the LICENSOR a royalty of one dollar ($1.00) for every ton of raw ore processed by methods or in apparatus falling under the scope of any claim or claims in one of the Patents in force in the country in which the ore is processed; provided, however, that not more than one royalty shall be paid on any raw ore processed as aforesaid and provided further that royalties shall begin to accrue on the date of this Agreement.

(3) Within thirty (30) days after the first day of January, April, July, and October in each year during the life of this Agreement, LICENSEE shall provide LICENSOR with a written report showing for the preceding calendar quarter the amount of raw ore processed under the Patents, and the amount of royalty then payable hereunder or, if such should be the case, that no royalty is payable; and each such report shall be accompanied by the payment of any amount reported for such calendar quarter.

(4) LICENSEE shall keep full and true records in sufficient detail so that the royalty payable to LICENSOR hereunder can be properly ascertained and, at the request of LICENSOR, shall

permit an independent certified public accountant selected by LICENSOR (except an accountant to whom LICENSEE has some reasonable objection) to have access during ordinary business hours to such records at LICENSEE'S place of business as may be necessary to determine the correctness of any report or payment under this Agreement, or to obtain information as to the amount payable in case of failure of LICENSEE to report.

(5) If any license is granted to a third party on the subject matter hereof at a royalty less than that set forth in this Agreement, LICENSEE shall have the option of substituting the terms of such Agreement in their entirety for corresponding terms of this Agreement. LICENSOR will advise LICENSEE in writing of the granting of a license to a third party at a royalty lower than that set forth in this Agreement and will supply LICENSEE with a copy of the terms of such license within thirty (30) days after the date of execution of such license.

(6) During the life of this Agreement, except as otherwise herein provided, LICENSEE shall pay LICENSOR a minimum annual royalty of one thousand dollars ($1,000.00). To this end, if royalties accrued and payable pursuant to (2) above for the year ending with a respective fourth quarter shall not aggregate one thousand dollars ($1,000.00), LICENSEE, with his report for said quarter, shall pay the difference between one thousand dollars ($1,000.00) and the sum of royalties paid in the preceding three quarters.

(7) LICENSOR agrees to make available to LICENSEE, licenses under all improvements in the herein licensed equipment on terms no less favorable than those at which the same licenses are offered to third parties who are not subsidiaries or affiliates of LICENSOR, provided, however, that this obligation shall not survive this Agreement.

(8) This Agreement shall terminate when the last of the Patents licensed hereunder expires; provided, however, that LICENSEE may terminate the Agreement at any time after the fifth anniversary date of the Agreement by giving written notice of termination to LICENSOR at least ninety (90) days in advance of the date on which LICENSEE desires to terminate the Agreement.

(9) This Agreement shall remain in full force and effect until terminated under the provisions hereof. Termination at any time and for any reason shall in no way alter, affect or nullify the rights and obligations of either party which have vested under this Agreement prior to termination.

(10) If LICENSEE shall be sued for infringement of any patent in respect of LICENSEE'S use of the apparatus licensed hereunder or any part thereof, or is threatened with such suit, LICENSEE will promptly so notify LICENSOR, whereon, LICENSOR may, at its option, elect to modify the licensed apparatus to render it non-infringing, or may elect to defend the suit. In the latter case, LICENSEE agrees to render all reasonable assistance to LICENSOR at LICENSEE'S own expense provided however, that LICENSOR will reimburse LICENSEE for all reasonable out of pocket expense incurred in rendering services requested by LICENSOR. If LICENSOR does not elect to modify said apparatus or defend such suit, LICENSEE shall have the responsibility for such modification and/or defense, in which case LICENSOR will render all reasonable assistance at its own expense. If LICENSEE shall compromise any such claim by payment of money damages and/or by an agreement to pay royalties on past and/or future production, and if LICENSOR shall have given its prior consent to such compromise, which

consent shall not be unreasonably withheld; or if LICENSEE shall have rendered against it in appealed decision of a court of competent jurisdiction a judgment for damages in respect of such suit; and/or if LICENSEE shall modify the licensed apparatus to render it non-infringing, LICENSOR shall reimburse LICENSEE for such judgment and/or costs of modification up to the aggregate amount of any royalties previously paid by LICENSEE to LICENSOR. Any future royalties necessarily payable by LICENSEE in respect of such suit shall be set off against any future royalties due LICENSOR hereunder. But LICENSOR'S total obligation hereunder as of a given time shall not exceed the royalties previously paid to LICENSOR hereunder.

(11) This Agreement may be terminated forthwith by either party giving notice in writing to the other to that effect if said other party commits any breach of the terms hereof and fails to remedy such breach within sixty (60) days after it has been drawn to said other party's attention in writing.

(12) This Agreement shall not be assignable by either party hereto without the written consent of the other (which consent shall not be unreasonably withheld), except in the following circumstances:

(a) If LICENSOR disposes of that part of its business relating to the apparatus and process licensed hereunder, it may assign this Agreement to the party acquiring such business.

(b) If LICENSEE disposes of apparatus licensed hereunder it may grant to the acquirer of the apparatus a license commensurate in scope with that granted LICENSEE in Paragraph (1) of this Agreement, provided that said acquirer shall first agree to pay to LICENSOR the royalties set forth in Paragraphs (2) and (6) of this Agreement and to otherwise abide by its terms.

(13) Amendments to this Agreement can be made only in writing duly signed by properly authorized officers or representatives of the parties hereto.

(14) If the LICENSEE shall become insolvent, or shall make an assignment for the benefit of creditors, or proceedings in voluntary or involuntary bankruptcy shall be instituted in behalf of or against the LICENSEE, or a receiver or trustee of the LICENSEE'S property shall be appointed, the license herein granted shall terminate forthwith, but the LICENSOR shall be entitled to recover royalties accrued prior to such termination, and in case of any such termination, all right, title and interest in and to the license covered by this Agreement shall then and thereby forthwith revert to and become vested in the LICENSOR.

(15) After any termination of the license herein granted, and prior to the expiration of the said Patents, except as herein provided, LICENSEE shall neither have nor retain any right or license under the Patents to use and practice the method or to use the apparatus therein claimed.

(16) This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Illinois.

(17) The addresses of the parties hereto are as follows:

W.R. Grace & Co.
Zonolite Division
135 So. LaSalle Street
Chicago, Illinois

and

The O.M. Scott & Sons Company
Marysville, Ohio

Attention: President

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Any notice or communication required or permitted under any of the terms or provisions of this Agreement shall be deemed given when deposited by prepaid registered or certified first class mail (return receipt requested) addressed as the case may be to the respective addressee above.

IN WITNESS WHEREOF this Agreement has been entered into as of the date first above written.

W.R. GRACE & CO.

By R W Stewart

THE O.M. SCOTT & SONS COMPANY

By F. Sam Hall

Executive Vice President