

**EXCLUSIVE INTERNATIONAL MANUFACTURING
AND TRADEMARK LICENSE AGREEMENT**

This Agreement made and entered into this ____ day of _____ 2____
between Air Krete, Inc., a corporation duly organized and existing under the laws of the
State of New York, USA, with its principal address located at 2710 E. Brutus Street, P.O.
Box 380, Weedsport, New York, 13166, USA (hereinafter referred to as “Licensor”) and
_____ duly organized and existing under the laws of
_____ with its principal office located at
_____ (hereinafter referred to as “Licensee”).

WITNESSETH:

WHEREAS, Licensor has developed a three component process (one component is compressed air) for producing a foamed-in-place insulating material (cementitious foam) from combining certain cementitious and other organic and inorganic materials and compounds (referred to as the three component process; and

WHEREAS, Licensor has long been engaged in the manufacture and sale of cementitious foam insulation used for thermal sound and fireproofing application;

WHEREAS, Licensor has United States and other National Patents and “Industrial Property Rights”;

WHEREAS, Licensor has acquired and possesses valuable technical information, comprising the formulation, manufacture, application and use of its products;

WHEREAS, Licensor has the right to grant a license to use Technical information (or Industrial Property Rights) in connection with the licensed products; and

WHEREAS, Licensee desires to obtain, and Licensor is willing to grant the right and license to import and install, use and sell expanded Air Krete Quality Products as designated below in _____ utilizing technical information furnished by Licensor,

NOW, THEREFORE, in consideration of premises and covenants hereinafter set forth, the parties hereto agree as follows:

SECTION 1. - DEFINITIONS

- 1.1 “Air Krete Quality Products” means expanded cementitious foam insulating used for thermal, sound, and fireproof application formulated and manufactured using Licensor’s proprietary methods and processes and marketed under the Air Krete Trademarks;
- 1.2 Wherever used in this Agreement, the following term shall have the following meaning:

- (a) “Independent Application Contractor” is defined to mean any legal business entity which will use the Licensor’s three component process, and know-how for insulating purposes in existing or new construction of residential, commercial, institutional, agricultural, and industrial structures, and any other legal use the Licensee is able to successfully market.
 - (b) The three component process comprises the following components (other than air):
 - 1. “Component A” is defined to mean an aqueous solution made up of (1) “Cement Additive”, (2) Magnesium Oxide Cement, (3) Ceramic talc, and (4) water;
 - 2. “Component B” is defined to mean an aqueous solution comprising (1) an “Expanding Agent”, and (2) Expanding Agent Additive, and (3) water.
 - (c) “Application Gun and Pump Set” is defined to mean the apparatus developed by the Licensor, which may be used in conjunction with the three component process.
 - (d) “Three Component Process” is defined to mean the process by which Components A and B are combined with compressed air to produce a cementitious foam insulation.
 - (e) “Licensor’s Products” is defined to mean the Licensor’s three component process, Cementitious Component A, Expanding Agent Component B, and Compressed Air.
 - (f) “ AK Unit” is defined to mean an appropriate amount of Cementitious Component A and Expanding Agent Component B which, when used in accordance with the Licensor’s three component process will produce between 200 and 250 cubic feet of cementitious foam.
 - (g) “Unit refers to either AK Unit or to AIR KRETE QUALITY PRODUCTS Unit, unless otherwise specified.
- 1.3 “Pumping Equipment and Application Gun” means the machinery, equipment and accessories required to install Air Krete Quality Products in Licensee’s contract territory.
- 1.4 “Technical Information” means all the technical knowledge, know-how, standard calculations, data and information developed or otherwise generally used by Licensor pertaining to the installation, use and sale of the Air Krete Quality Products, including all technical and related information required to install Air Krete Quality Products, as of the execution date of this Agreement and thereafter, and any derivations, developments, refinements, modifications or enhancements of any of the above listed items (hereinafter collectively referred to as. “Improvements”) as may be provided from time to time subsequent to the execution date of this Agreement.

- 1.5 “Contract Territory” means the territory subject to the Government of _____.
- 1.6 “Industrial Property Rights” mean any or all rights under patents, utility models, formulas, know how and applications therefore presently owned or hereafter acquired by Licensor and/or which Licensor has or may have the right to control or grant license thereof during the term hereof and which are applicable to or may be used in installation of the Air Krete Quality Products.
- 1.7 “Licensed Trademarks” means “Air Krete” and such other words or marks used by Licensor to signify and identify the Air Krete Quality Products and only as registered as a trademark in the Contract Territory.

SECTION 2. GRANT OF LICENSE TO IMPORT AND INSTALL

- 2.1 Licensor during the term of this Agreement hereby grants to Licensee an exclusive right using the Industrial Property Rights and Technical Information furnished by Licensor in the Contract Territory.
- 2.2 Licensor grants to the Licensee the right to use the three component process for installation of Air Krete cementitious foam in the residential, commercial, institutional, agricultural, and industrial insulation fields, by purchasing and importing all ingredients and installation equipment from Air Krete, Inc.
- 2.3 Licensor grants to the Licensee the right to make use of all disclosed technical know-how, advice, and all other disclosures made to the Licensee by the Licensor in connection with the grant to the Licensee of the right to use the Licensor’s three component process and apparatus.
- 2.4 Term. This Agreement shall become effective only upon execution hereof by both parties, and shall continue in full force and effect, unless otherwise terminated pursuant to the provisions of this Agreement, for a period of five (5) years from the date of execution hereof. Upon the termination of this Agreement, all rights, duties and obligations hereunder shall expire, except as to any rights and liabilities which are accrued as of the expiration date, and except as otherwise provided in this Agreement.
- 2.5 Licensee acknowledges that he is highly knowledgeable and experienced in the marketplace for insulation and fireproofing products in the Contract Territory and agrees that he shall sell and install Air Krete Quality Products to appropriate end users in the following sales procedures for the Contract Territory:
- (a) Licensee agrees that the price of the Air Krete Quality Products to end users in the Contract Territory shall be competitive with similar kinds of insulation and fireproofing products manufactured and/or sold by others in the Contract Territory.

- (b) Licensee agrees to purchase adequate quantities of Air Krete Quality Products to meet market demands in the Contract Territory and to maintain adequate inventories as sales experience dictates, sufficient to promptly supply such market requirements.
- (c) Licensor and Licensee shall not sell, manufacture or distribute cementitious foam insulation and fireproofing products competitive with or similar to Air Krete Quality Products within the Contract Territory while this Agreement is in effect.
- (d) Licensee agrees any activity by the Licensee outside of the territory of this Agreement without the specific written agreement of Licensor, shall be deemed a violation of the terms of this Agreement and be cause for immediate cancellation.
- (e) Licensee agrees that he is entitled to grant sublicenses to application contractors, and no other legal persons, whose rights pursuant to any such sublicense shall be limited to the rights granted to the Licensee, provided, however, that such application contractors are expressly prohibited from granting to any legal person any sublicenses, or any rights granted to them by Licensee pursuant to the provisions of this Agreement.

2.6 Licensor shall have no obligation to supply equipment or material to Licensee until this License is executed.

SECTION 3. CONDITION FOR GRANTING SUBLICENSE

3.1 Licensees right and license to grant a sublicense to application contractors is made expressly conditioned upon the execution of an Estoppel Certificate, a copy of which is attached hereto and made a part hereof, by any and all such application contractors, within ten days from the date of any such sublicense is granted. Within five days after procurement thereof, the Licensee shall forward the original executed Estoppel Certificate to the Licensor. The Licensee acknowledges that procurement of said Estoppel Certificate from each application subcontractor sublicensed, and the forwarding thereof to the Licensor, is an essential element of the consideration for the right and license granted by the Licensor under this Agreement. As such, the parties agree that the failure by the Licensee to procure an executed and acknowledged Estoppel Certificate from any application contractor, or the failure to forward same to the Licensor, is a material breach of this Agreement entitling the Licensor, at is option, to terminate this Agreement for cause upon thirty days written notice.

SECTION 4. INITIAL TECHNICAL ASSISTANCE AND SERVICES

- 4.1 Licensor shall supply Licensee with Technical Information, including the following items, to enable Licensee to properly install Air Krete Quality Products:
- (a) Drawings for Licensee's pumping and mixing equipment.
 - (b) Specifications.
 - (c) Materials list.
 - (d) Data for inspection, training and trial operation.
 - (e) Operating and instruction manuals.
 - (f) Any other necessary Technical Information generally used by Licensor to install Air Krete Quality Products.
- 4.2 Licensor shall, by request of Licensee, permit a reasonable number (but not more than five (5) persons) of technical personnel designated by Licensee to have the opportunity to train in the manufacture of the Air Krete Quality Products at one of the Licensor's or its affiliate's places of business. Licensee shall advise Licensor, in advance, of the purpose, number, names, qualifications and probable length of stay of Licensee's designated personnel desiring to visit Licensor. Licensor shall arrange to make available qualified personnel for consultation with and training of such Licensee's personnel. Cost for travel, meals, lodging, and other expenses of Licensee's personnel dispatched for training shall be borne by Licensee. Also, cost for any translators deemed necessary by the Licensee shall be borne by Licensee.
- 4.3 Upon written request of Licensee, Licensor shall send to Licensee, subject to availability of personnel and by mutual agreement, qualified consultants and/or technicians to render assistance and services to Licensee in connection with the operation of the pumping and mixing equipment and installation and sale of the Air Krete Quality Products for a reasonable period to be agreed upon by the parties. Licensee agrees to bear the traveling expenses to and from Weedsport, New York, USA and living expenses in _____ incurred by any such consultants and/or technicians. Licensor assures that such consultants and/or technicians will be qualified with professional standards and reasonable skill, and will perform the assistance and services with care and diligence.
- 4.4 The technical assistance and services furnished under Section 4.3 shall be supplied to Licensee in accepted terminology according to American standards and in the English language and in American measurements.

SECTION 5. IMPROVEMENTS

- 5.1 If at any time during the term of this Agreement either party hereto discovers or comes into the possession of any improvements or further inventions relating to the Air Krete Quality Products or in connection with the design, manufacture, use and sale of same, the party shall furnish the other party with information on such improvements or further inventions without any delay and free of additional charge.

SECTION 6. ROYALTY AND PAYMENTS

- 6.1 In consideration of the Technical Information and the Industrial Property Rights furnished by Licensor to Licensee hereunder, Licensee shall pay to Licensor a royalty fee of \$50.00 USD that is included in the Unit price of Air Krete Quality Products, and payable at the time of the purchase of each Unit(s) from Licensor.
- 6.2 Royalty may be paid and itemized separately from the cost of imported ingredients if required in accordance with provisions of the prevailing USA _____ Tax Treaty and that an official _____ Government receipt is provided by Licensee indicating payment of the amount withheld to the _____ tax authorities.
- 6.3 Licensee agrees to pay Licensor a minimum royalty of \$50.00 USD per unit, a unit consisting of 3500 board feet of expanded Air Krete Quality Products.
- 6.4 Licensee agrees to pay Licensor the \$50.00 USD per unit royalty for any similar expanded cementitious foam that it may use, sell, or install.
- 6.5 Payment of the royalty when not included in Licensee's unit price shall be accompanied by an itemized statement, certified correct by a principal administrative or financial officer of Licensee detailing all expanded cementitious foam products installation and sales.
- 6.6 Upon execution of this Agreement, the Licensee shall purchase from Licensor a complete set of application equipment as recommended by Licensor. Licensee agrees that all subsequent application equipment will be purchased from Licensor.
- 6.7 Licensee shall purchase all components for Air Krete from the Licensor at a price FOB, Licensor's plant Weedsport, NY at its current USD per unit; prices subject to change on 30 days written notice.
- 6.8 The terms of purchase shall be FOB, Licensor's plant at Weedsport, NY. Shipment of component ingredients will be made upon receipt of payment for, including royalty payments per unit being shipped, less any _____ Government withholding tax; and the acceptance of a confirmed Irrevocable Letter of Credit confirmed by US bank, or bank wire transfers.

6.9 It is hereby agreed by both parties that minimum revenue to Air Krete, Inc. during the term of this Agreement shall be _____, including gross amount of royalty before _____ Government withholding tax.

6.10 For the supervision and assistance by Licensor under Section 4, Licensee shall pay to Licensor a service fee upon receipt of invoice from Licensor, as follows:

Consultant: US \$1000.00/day

Technician: US \$800.00/day

The rate specified above may be adjusted to reflect any increases or decreases in the rate Licensor normally charges for the services of its Consultants and Technicians. Licensee shall also pay the traveling and living expenses of the Consultants and Technicians as required by Section 4.3.

6.11 All payments shall be made in U.S. currency.

6.12 Licensee agrees to pay _____ USD Import Technical Licensee Fee.

6.13 All payments made to Licensor hereunder shall be by means of an irrevocable letter of credit or bank wire transfer and shall be remitted to the bank designated by Licensor

6.14 Minimum performance see - Schedule B.

SECTION 7. SUPPLY OF COMPONENTS, PARTS AND RAW MATERIALS.

7.1 Upon Licensees written request, Licensor shall supply components, parts and raw materials to licensee in due time and at reasonable and competitive prices.

7.2 Licensee shall open an Irrevocable Letter of Credit, or agree to bank wire transfers, to buy components, parts and raw materials from Licensor.

SECTION 8. PACKAGING TRADEMARKS

The Air Krete Quality Products shall be marketed in Contract Territory under labels bearing Licensor's Trademarks

**SECTION 9. QUALITY CONTROL FOAM EXPANSION AND
INSTALLATION OF AIR KRETE QUALITY PRODUCTS.**

- 9.1 Licensee recognizes that Air Krete Quality Products are of superior quality and the importance of quality installation in the Contract Territory. Therefore, licensee shall expand (foam) and install Air Krete Quality Products in accordance with the specifications prescribed and shall promptly correct any deficiencies. Specifications may be changed from time to time by notice from Licensor. Licensor shall supply any technical Information required by any such changes.
- 9.2 Licensee shall, once every three (3) months, at its expense, send random samples of Air Krete Quality Products installed by it to Licensor. Also, after giving reasonable notice at a reasonable time, Licensor or its authorized agent shall at its sole expense and cost have the right to inspect Licensee's installations and examples of Air Krete Quality Products at licensee's facilities.

SECTION 10. DURATION AND TERMINATION

- 10.1 This Agreement shall be effective for an initial period of five (5) years from the effective date of this Agreement.
- 10.2 If either party continues in default of any obligation imposed on it herein for more than thirty (30) days after written notice is given, requesting the party in default to remedy such default, and if the default complained of is not remedied within the 30 day period, the non defaulting party may terminate this Agreement.
- 10.3 Licensor shall have the option to terminate this Agreement as of the date of mailing the notice of termination upon occurrence of any of the following events:
- (a) The Licensee is declared insolvent or bankrupt by any court;
 - (b) The Licensee makes any assignment for the benefit of creditors;
 - (c) A receiver is appointed with respect to Licensee's business;
 - (d) The Licensee is financially unable to continue in business;
 - (e) The Licensee terminates doing business for fifteen (15) consecutive days, or is declared insolvent;
 - (f) Commencement by the Licensee of any proceeding under any provisions of the Government of other third party of any amendment thereto, or any other laws for the relief of debtors;
 - (g) The Licensee becomes the involuntary subject of any proceeding under the Government or other third party or any amendments thereto, or any laws for the relief of debtors, or any insolvency laws which proceeding continues undismissed for a period of thirty (30) days;

- (h) The Licensee shall not infringe or aid in the infringement of Licensor's existing patents, pending patents, or patents to be issued.

Upon the mailing of any such notice of termination, all rights, duties and obligations under this Agreement, and except for rights and obligations which have accrued as of the date of termination, the Licensor's rights to terminate this Agreement under the provisions of this paragraph is cumulative with all other rights and remedies to which it is entitled.

- 10.4 Licensor shall have the right to terminate this Agreement within thirty (30) days after written notice is received from Licensee that Licensor cannot be paid in U.S. Dollars for payments due Licensor.
- 10.5 All payment obligations set forth in this Agreement shall continue after any termination of this Agreement until all payments covered by this Agreement are completed.
- 10.6 In the event that this Agreement is terminated by default of Licensee, Licensee specifically agrees to desist and refrain from competing in the installation of cementitious foamed in place applied insulation and fire proofing products for a period of three (3) years from the official date of termination.

SECTION 11. USE OF TRADEMARK AND BRAND NAME

- 11.1 Licensor hereby grants to Licensee, upon the terms and conditions hereinafter specified an exclusive non-assignable license to use the Licensed Trademarks during such time as this Agreement subsists in such manner as not to deceive the public on and in connection with the Air Krete Quality Products imported and installed by Licensee.
- 11.2 Licensee shall be entitled to use Licensed Trademarks on Licensee's letter headings, invoices and all advertising and promotional material only in such form and in such manner as shall be approved after consultation with and in writing by the Licensor.
- 11.3 Each Licensed Trademark shall be used only after it has been duly registered, if applicable, with _____ Patent Office, by Licensor, and after this Agreement has also been duly registered with _____ Patent Office.
- 11.4 If this Agreement is terminated, Licensee shall immediately cease using the Licensed Trademarks.
- 11.5 Licensee agrees that the Licensor's Trademarks are the exclusive property of the Licensor and that the use of the Trademark given in this Agreement or any successor agreements does not cause any ownership or right to use of the trademarks except as granted herein.

SECTION 12. PATENT INFRINGEMENTS.

- 12.1 Should any Air Krete Quality Products imported or installed by Licensee strictly in accordance with the Technical Information and/or Industrial Property Rights supplied by Licensor under this Agreement partially or totally infringe an Industrial Property Right belonging to a third party which shall make a claim against Licensee for alleged infringement of such Industrial Property Right, Licensee shall immediately by telex or facsimile inform Licensor thereof and transfer the claim with all pertinent details to Licensor who shall be responsible for handling of the claim, and Licensee shall in no respect have any responsibility for the claim from such party unless infringement is caused by Licensee.

SECTION 13. SECRECY

- 13.1 Licensee agrees that it shall not without prior written consent of Licensor sell, assign or divulge the Technical Information disclosed and furnished by Licensor hereunder in any manner to anyone except those of its employees and installers who will be using such information in the installation of Air Krete Quality Products.
- 13.2 Licensee recognizes that much of the Technical Information to be furnished hereunder by Licensor is of confidential, proprietary, or trade secrets nature. Licensee undertakes and agrees to take all necessary precautions to prevent the dissemination thereof and to cause its employees to recognize and protect the confidential, proprietary, and trade secrets nature of the Technical Information.

SECTION 14. TAXATION

- 14.1 Customs duties, taxes and any charges which may be imposed by the _____ Government with respect to this Agreement shall be borne by Licensee except any _____ Government withholding tax due on royalty payments made to Licensor provided under the U.S. and _____ Tax Treaty.

SECTION 15. ARBITRATION

- 15.1 All disputes, controversies or differences which may arise between the parties out of or in relation to or in connection with this Agreement, or for the breach thereof, and including any issues related to a termination of the Agreement as provided in Section 10 shall be finally settled in accordance with the Rules of Conciliation and Arbitration to the International Chamber of Commerce. Such arbitration shall be held in such place as the parties shall agree upon, and in the event agreement cannot be reached upon the place of arbitration, it shall be held in Auburn, New York, U.S.A. All proceedings shall be conducted in the English language. The cost of arbitration shall be borne equally by the parties and the decision of the arbitrators shall be binding upon both parties.

SECTION 16. EFFECTIVE DATE

16.1 It is clearly understood and agreed by both parties that this Agreement shall be deemed effective by Licensor upon receipt of Licensee's License Fee and signed contracts.

SECTION 17. FAILURE TO EXERCISE RIGHTS

17.1 No failure of the Licensor to exercise any right given to it hereunder, or to insist upon strict compliance with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver by the Licensor of its right to demand exact and strict compliance with the terms of this Agreement. Any delay or failure by the Licensor in exercising any rights arising from a default under, or breach of, this Agreement shall not affect or impair the rights of the Licensor as to said default or breach, or any subsequent default or breach.

SECTION 18. APPLICABLE LAW

18.1 This Agreement shall be construed and interpreted in accordance with the laws of the State of New York, U.S.A.

SECTION 19. FORCE MAJEURE

19.1 Neither party shall be liable to the other party for nonperformance or delay in performance of any of its obligations under this Agreement due to causes reasonably beyond its control, including fire, flood, strikes, labor troubles or other industrial disturbances, unavoidable accidents, governmental regulations, riots, and insurrections, or wars involving the Licensee. Upon the occurrence of such a force majeure condition, the affected party shall notify the other party with as much detail as possible and shall promptly inform the other party of any further developments. Immediately after the cause is removed, the affected party shall perform such obligations with all due speed unless the Agreement is previously terminated in accordance with Section 10 hereof.

SECTION 20. NOTICES

20.1 Any notice required or permitted to be given under this Agreement shall be in writing and shall be (I) personally delivered, (H) transmitted by postage prepaid registered mail (air mail if international) to the following addresses, (III) transmitted by internationally recognized courier service, or (IV) transmitted by telefax, to the parties as follows:

To Licensee: _____

Telefax: _____

To Licensor: Air Krete, Incorporated
2710 E. Brutus Street
PO Box 380
Weedsport, New York 13166
Telefax: (315) 834-6609

20.2 Except as otherwise specified in this Agreement, all notices and other communications shall be deemed to have been duly given on (I) the date of receipt if delivered personally in writing, (II) the date fourteen (14) days after the date of posting if sent by mail, (III) the date three (3) days after delivery to the courier if sent by internationally recognized courier service, or (IV) the date of transmission if sent by telefax. Any party may change its address for purposes of this Agreement by written notice to the other party.

SECTION 21. LANGUAGE.

- 21.1 This Agreement is prepared in the English language only. The English language shall be interpreted in accordance with the plain English meaning of the word.
- 21.2 The language to be used in rendering the Technical Information disclosed and furnished to licensee by Licensor under this Agreement shall be English
- 21.3 The language for correspondence between the parties and any documentation shall be English

SECTION 22. NON-ASSIGNABILITY.

- 22.1 This Licensee Agreement is not transferable or assignable by the Licensee without the prior written consent of the Licensor. Any attempt by the Licensee to make any assignment of this Agreement without prior written consent of the Licensor shall be considered material breach entitling the Licensor to immediately terminate this Agreement. In the event the Licensee is a corporation, the transfer by the shareholders of record or the issuance of new shares by the corporation whereby the shareholders of record of the corporation as of the date of this Agreement are left with less than 50% of all the issued and outstanding shares of the corporation, shall be considered an assignment of this Agreement.
- 22.2 Nothing in this Agreement shall constitute either of the parties as the partner or agent of the other.

SECTION 23. INDEMNIFICATION FOR INFRINGEMENT

- 23.1 The Licensor warrants to the Licensee that it has indefeasible title to all property rights which are subject to this Agreement.
- (a) In the event any claim by a third party is made, or any action is commenced against the Licensee, for the alleged infringement by the Licensee of any such third party's alleged patents, trademarks, or of any other intellectual or "Industrial Property Rights", resulting from the use by the Licensee of the three component process, the Licensee shall give written notice to the Licensor of any such claim or action with ten (10) days from notice of claim or service of process in any action.
- (b) The Licensor shall have the option, to be exercised in its sole discretion, to defend any such claim or action on behalf of the Licensee in the same manner and to the same extent as if the claim or action was made or commenced against the Licensor. In any such election, the Licensee agrees to cooperate fully with the Licensor to defend, oppose, or settle any such claim or action, at Licensor's sole discretion and expense.

SECTION 24. COVENANT NOT TO COMPETE

24.1 The Licensee, and each of its shareholders if the Licensee is a corporation, covenant and agree that for a period of three (3) years after expiration or termination of this Agreement for cause, as defined in Sections 3.1, 10.3, and Schedule B, they will not use or sell, or engage in any business which will use or sell, any type of cementitious materials or other organic or inorganic compounds for producing a cementitious foam, and/or any apparatus for producing such cementitious foams, for his or their own account, or for any other person, firm or corporation, directly or indirectly engaged in the business of selling or soliciting or taking orders for the sale of such cementitious foam insulating materials or cementitious foams and apparatus for producing same. The provisions of this paragraph shall survive the expiration or termination of this Agreement.

SECTION 25. ENTIRETY

25.1 This instrument embodies the entire Agreement and understanding between the parties hereto relative to the subject matter hereof and there are no understandings, agreements, conditions or representations, oral or written, expressed or implied, with reference to the subject matter hereof that are not merged herein or superseded hereby.

25.2 No modification hereof shall be of any force or effect unless reduced to writing and signed by the parties claimed to be bound thereby, and no modification shall be affected by the acknowledgment or acceptance of any order containing different conditions.

SECTION 26. BINDING EFFECT

26.1 This Agreement shall be binding upon and insure to the benefit of the parties hereto, their respective legal representatives, successors in interest, and assigns.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first above written.

_____	Air Krete, Incorporated
_____	2710 E. Brutus Street
_____	P.O. Box 380
_____	Weedsport, New York 13166
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

SCHEDULE B

SECTION 1. MINIMUM PERFORMANCE

- 1.1 The Licensee hereby acknowledges that the grant of this License is a valuable property right and is granted by the Licensor on condition, among others contained in the Agreement, that the Licensee shall meet minimum annual sales quotas of AK Units. All sales made by the Licensee in _____ shall be included in establishing the minimum sales. Said minimum annual sales quotas, and the procedure for establishing said quotas, are contained in and made a part hereof. The parties acknowledge that failure of the Licensee to meet sales quotas in any calendar year, shall be a material breach of this Agreement, and the Licensor, at its option, may terminate this Agreement on sixty (60) days written notice, provided however, that within said sixty (60) days the Licensee, at its option, may cure the default by purchasing in bulk the number of Units lacking to meet minimum performance hereunder. Any Units purchased to cure such default shall be deemed to have been purchased solely for the calendar year for which the default is cured. The Licensor's sole remedy for the Licensee's nonperformance of the provisions of this paragraph shall be termination of this License Agreement.
- 1.2 The minimum annual sales Licensee is required to make for _____ under this license shall be _____ AK Units in the calendar year of 2_____, increased by _____ percent (_____%) annually thereafter (or a proportional number of Units based on the number of days this Agreement is effective during any such year), said increase to be based on the previous year's minimum sales;
1. As soon as practicable following computation by the Licensor of the minimums for the given year, the Licensor shall notify the Licensee in writing regarding the minimums to be met by the Licensee for _____ Country. Upon request of the Licensee, the Licensor shall furnish to the Licensee a statement certified by Licensor's certified public accountant that the minimums for said given year were computed according to the above formulas.
 2. The procedure outlined in subparagraph (1) shall be applicable for every year this License Agreement is in force.