

LICENSE

FEE GmbH
to
CRYSTECH, Inc.

Fee GmbH, Struthstrasse 2, 55743 Idar-Oberstein, Germany a corporation organised under the law of the Federal Republic of Germany,

- hereinafter called "FEE" -,

and

CRYSTECH, Inc. 177 ZhuZhou Road, Qingdao, 266100, China, a corporation organised under the laws of the People's Republic of China,

- hereinafter called "CRYSTECH" -

have come to the following

LICENSE AGREEMENT

Preamble

FEE is owner of the US-patent 6,264,858 relating to a method for radiation conversion with bismuth borate crystals. In particular, the patent relates to the production of bismuth borates in crystalline form with non-linearly optical properties. Furthermore, said patent also relates to the use of Bismuth borate crystals for radiation conversion.

CRYSTECH desires to produce and sell such crystals in particular in the United States of America.

FEE is willing to grant CRYSTECH a non-exclusive license for the production and sale of said crystals, in particular for the use of said crystals for radiation conversion.

FEE has the right to grant the license.

Based on these premises the parties agree as follows.

Article I - Definitions

- 1.1. "Agreement" - shall mean this license agreement.
- 1.2. "Territory" - shall mean the territory of the United States of America.
- 1.3. "Patent Rights" - shall mean the US-Patent 6,264,858 relating to the products and the method to use the products for converting the frequency of coherent radiation.
- 1.4. "Products" - shall mean crystals with non-linear optical properties of the chemical composition $\text{Bi}_{1-x}\text{M}_x\text{B}_3\text{O}_6$, wherein M is selected from the group consisting of Ga, In, Sc and the rare earth elements and x is of value greater than 0 and less than or equal to 0.5.
- 1.5. "Method" - shall mean a method for converting the frequency of coherent radiation comprising passing the coherent radiation through a product.
- 1.6. "Net selling price" - shall mean the invoiced price ex factory less duties, sales and use taxes and when stated separately, cost for packaging, transport, insurance and certificate.

Article 2 - Grant of License

- 2.1. FEE, insofar as she lawfully may, hereby grants to CRYSTECH a non-exclusive license under the patent rights to make, use and sell the products in the territory.
- 2.2. FEE has the right to produce the licensed product in the territory, to use it and to sell it and to grant licences to further parties. FEE does not have the right to grant third parties an exclusive license.

Article 3 - Assignment of the License and Sub-licenses

The assignment of the license and granting sub-licenses is only permissible with a written approval of FEE.

Article 13 - Jurisdiction

Place of performance is Frankfurt/Main, Germany. This contract shall operate as a contract made in Germany, but in English language. This contract shall be deemed as entered into Germany and governed by the laws of Germany. Any legal arising hereunder shall be brought only in Germany at District Court Frankfurt. FEE and CRYSTECH irrevocably consent to the jurisdiction of such Court.

Article 14 - Invalidity

If any provision or portion of this contract shall be determined by any court of competent jurisdiction to be invalid, illegal or unenforceable, and such determination shall become final, such provision or portion shall be deemed to be severed and deleted from this agreement and the remaining provisions and portions shall survive and be enforced to give effect to the intension of the part as that is possible.

In witness thereof, the parties hereto have caused this Agreement to be signed in duplicate by their duly authorised officers as of the date first written above.

Idar-Oberstein, on 04. May 2004

M. A. Man

D. Ryt

FEE Forschungsinstitut für mineralische und metallische Werkstoffe Edelsteine/Edelmetalle GmbH

Qingdao, on April 19. 2004

CRYSTECH, Inc.

