

LICENSE AGREEMENT

BETWEEN

OWENS-ILLINOIS GLASS COMPANY,  
CORNING GLASS WORKS

AND

OWENS-CORNING FIBERGLAS CORPORATION

LICENSE AGREEMENT  
BETWEEN  
OWENS-ILLINOIS GLASS COMPANY,  
CORNING GLASS WORKS AND  
OWENS-CORNING FIBERGLAS CORPORATION

AGREEMENT made this 31st day of October, 1938, among OWENS-ILLINOIS GLASS COMPANY, an Ohio corporation, hereinafter sometimes called "Owens-Illinois," CORNING GLASS WORKS, a New York corporation, hereinafter sometimes called "Corning," and OWENS-CORNING FIBERGLAS CORPORATION, a Delaware corporation, hereinafter sometimes called "New Corporation,"

WITNESSETH:

WHEREAS, Owens-Illinois and Corning entered into an agreement on the 14th day of October, 1935, whereby each granted to the other a half interest under its patent rights connected with the manufacture, use, and sale of fibres as hereinafter defined, and have severally conveyed this day to New Corporation all their respective properties devoted exclusively to the manufacture and sale of fibres and all of said patent rights usable exclusively in connection with the manufacture and sale of fibres; and now desire to grant New Corporation a license to make, use, and sell, within the field of this agreement, under all of their present inventions which are not usable exclusively in the manufacture and sale of fibres, and under all of their future inventions during the period hereinafter fixed;

Now, THEREFORE, in consideration of the premises and the several covenants and agreements of the parties hereto, It Is AGREED as follows:

1. DEFINITIONS.

(a) "Fibres" as used herein means filaments (of glass, metal, mineral, or other substance), whether solid or hollow, as distinguished from tubing and cane, as these terms are now generally understood in the trade.

(b) "Field of this agreement" as used herein includes, and is limited to, fibres and all materials, apparatus or methods when used in the fabrication of "fibres" or of articles made therefrom or including the same. It embraces fibres, the composition of the substances from which the fibres are made, methods and apparatus for melting and fabricating the fibres and articles made therefrom, and the articles themselves, but does not include such methods and apparatus when used for other purposes.

2. Owens-Illinois grants to New Corporation a non-exclusive divisible license, free from royalty except as hereinafter provided, to manufacture, use, and sell within the field of this agreement throughout the United States of America and the Dominion of Canada, subject to now existing contracts of Owens-Illinois, under all inventions or divisible interests therein or divisible licenses thereunder now owned by Owens-Illinois and not heretofore assigned or transferred by it to New Corporation, and under all inventions or divisible interests therein or divisible licenses thereunder, hereafter and prior to October 14, 1960, owned, developed, acquired or controlled by Owens-Illinois, reserving to itself however with respect thereto within the field of this agreement only a non-exclusive, nondivisible (except to its subsidiaries) license to manufacture, use, and sell throughout the United States and the Dominion of Canada. The New Corporation shall have the right to bring suit for infringement within the field of this agreement of any patents licensed

OI maintains foreign patent rights; later licensed to German company to make asbestos free brakes for the Nazi war machine

to it under this section, either in its own name, or the name of Owens-Illinois, or jointly.

3. Corning grants to New Corporation a nonexclusive divisible license, royalty free except as hereinafter provided, to manufacture, use, and sell within the field of this agreement, throughout the United States of America and the Dominion of Canada, subject to now existing contracts of Corning under all inventions or divisible interests therein or divisible licenses thereunder now owned by Corning and not heretofore assigned or transferred by it to New Corporation, and under all inventions or divisible interests therein or divisible licenses thereunder, hereafter and prior to October 14, 1960, owned, developed, acquired or controlled by Corning, reserving to itself however with respect thereto within the field of this agreement only a nonexclusive, nondivisible (except as to its subsidiaries) license to manufacture, use, and sell throughout the United States and the Dominion of Canada. The New Corporation shall have the right to bring suit for infringement within the field of this agreement of any patents licensed to it under this section, either in its own name, or the name of Corning, or jointly.

4. New Corporation grants to Owens-Illinois and Corning, severally, nonexclusive licenses, royalty free except as hereinafter provided, throughout the United States of America and the Dominion of Canada under all inventions or divisible interests therein or divisible licenses thereunder now owned by New Corporation or hereafter and prior to October 14, 1960, owned, developed, acquired or controlled by New Corporation, for all purposes except manufacture, use, or sale within the field of this agreement.

The licenses granted under this Section 4 shall be nondivisible except that Owens-Illinois and Corning may permit any of their respective subsidiaries to enjoy all or any of the rights conferred under this section as a sublicensee so long as such sublicensee remains such subsidiary. For the purposes of this agreement, a subsidiary

of Owens-Illinois or Corning is defined as a corporation or association of which Owens-Illinois or Corning, respectively, owns at least fifty per cent of the voting capital stock or has equivalent ownership therein.

5. (a) New Corporation shall pay to Owens-Illinois and to Corning, respectively, or to their licensors, all royalties of every kind and nature which Owens-Illinois or Corning may be required to pay to others than a party hereto resulting from the operations of New Corporation as a licensee or assignee of Owens-Illinois and Corning, or either of them. New Corporation may, by written notice to Owens-Illinois and Corning, renounce and disavow its license hereunder with respect to any invention or divisible interest therein hereafter made, acquired or controlled by Owens-Illinois or Corning upon which a production or sales royalty is so required to be paid, in which event New Corporation shall have no license to practice the inventions so renounced but shall not be deemed to have admitted the validity of any patents thereon.

(b) Owens-Illinois and Corning, respectively, shall pay to New Corporation, or to its licensors, all royalties of every kind and nature which New Corporation may be required to pay to others than Owens-Illinois or Corning resulting from the operations of Owens-Illinois and Corning, respectively, as the licensee of New Corporation under this agreement. Owens-Illinois or Corning may, by written notice to New Corporation, renounce and disavow their respective licenses with respect to any invention or divisible interest therein hereafter made, acquired or controlled by New Corporation upon which a production or sales royalty is so required to be paid, in which event the party so renouncing and disavowing such license shall have no license to practice the inventions so renounced but shall not be deemed to have admitted the validity of any patents thereon.

6. New Corporation shall promptly disclose to Owens-Illinois and Corning and Owens-Illinois and Corn-

ing shall each promptly disclose to New Corporation all inventions licensed hereunder and will fully inform each other with respect thereto and with respect to the methods for applying and using the same. Owens-Illinois and Corning shall each have the right to inspect that portion of the plants of New Corporation, and New Corporation shall have the right to inspect that portion of the plants of each Owens-Illinois and Corning, wherein such inventions are being used, at reasonable times when the same are used, for the purpose of studying such inventions and the methods of using and applying the same.

7. The obligations of the parties hereto to contribute patent rights shall cease as provided in sections 2, 3, and 4 hereof; but all of the other terms and conditions of this agreement, including all licenses granted hereunder and all provisions for payment of royalties, shall continue to the end of the term of the last expiring United States patent of any of the parties hereto on inventions covered by the licenses herein.

8. New Corporation may assign its licenses hereunder to, but only to, the successor of its entire fibre manufacturing business. Owens-Illinois and Corning may each assign its interest in this license to, but only to, the successor of its entire glass manufacturing business.

9. If any party shall violate any of the agreements or conditions herein contained on its part to be kept and performed, and shall not remedy and make good such violation within ninety (90) days after notice in writing thereof is given to it by another party, then all the rights herein of such party in default, acquired from the party giving such notice, shall, at the election of such other party giving the notice, be terminated and at an end; subject, however, to the right to arbitration as herein provided, and the right to remedy and make good such violation within ninety (90) days after the decision by the arbitrators that such violation existed.

10. (a) New Corporation shall keep proper books and records showing its production, sales, and profits

under the licenses hereby granted and, at the time any payment is due hereunder from it to or for the account of one of the other parties, shall make report in reasonable detail showing the amount payable and the method of arriving at such amount. Such books and records of New Corporation, in so far as they pertain to production, and sales in the licensed field, shall always and at any time be open to the inspection of Owens-Illinois and Corning, or either of them, or their respective authorized agents.

(b) Owens-Illinois and Corning shall each keep proper books and records showing their production, sales, and profits resulting from the use of any invention in respect of which a royalty is required to be paid by Owens-Illinois and Corning under the licenses hereby granted; and at the time any payment is due from either of them to New Corporation, the party from whom such payment is due shall make report in reasonable detail to New Corporation, showing the amount payable and the method of arriving at such amount. Such books and records of Owens-Illinois and Corning in so far as they pertain to production and sales upon which royalty is to be paid shall always and at any time be open to inspection of New Corporation and its authorized agents.

11. Each of the parties hereto shall, at the request of either of them, execute licenses under specific patents to evidence in the other the rights herein agreed to be conveyed.

12. In case any dispute shall arise among the parties under this agreement, they shall submit the disagreement to a single arbitrator, chosen by the parties in disagreement. If such arbitrator is not chosen or has not accepted the appointment within twenty days after notice and demand for arbitration by one or more of the parties upon the other or others, such arbitrator shall be appointed on the application of any one of the parties, upon five days' written notice to the other parties, by the American Arbitration Association from its national panel. The

arbitrator shall adopt and follow the rules of procedure of the American Arbitration Association and shall make his decision in writing and deliver a copy thereof to each of the parties hereto, and the decision of the arbitrator shall be final and binding upon the parties and enforceable in any court of record having jurisdiction.

13. (a) New Corporation shall at its own expense do all things necessary to perform, in behalf of Owens-Illinois and Corning, or either of them, or to enable them and each of them to perform their respective liabilities and obligations under the existing agreements between them, or either of them, and all other persons, firms, and corporations with respect to the rights to use and practice inventions within the field of this agreement within any territory outside of the United States of America and the Dominion of Canada (which territories are sometimes hereinafter referred to as "Foreign Territories"), and with respect to disclosure of such inventions to such persons, firms, or corporations, application for letters patent thereon within such Foreign Territories and assignment of such patents, and shall execute and deliver all such assignments, licenses, agreements and other instruments as may reasonably be required in connection therewith. None of such agreements of Owens-Illinois and Corning, or either of them, relating to such Foreign Territories shall be amended, modified, or cancelled by Owens-Illinois and Corning, or either of them, without the written approval of New Corporation. New Corporation, upon written demand upon Owens-Illinois and Corning, or either of them, may require the assignment to it of any one or more of said agreements that may be assignable by them, or either of them.

(b) New Corporation may enter into further agreements with the parties to any one or more of said agreements, amending, superseding, or revoking the same, so long as the obligations and liabilities of Owens-Illinois and Corning, or either of them, are in no way increased thereby. New Corporation, as the licensee of Owens-



Illinois and Corning, or either of them, shall be bound by all of the prohibitions and limitations contained in said agreements. New Corporation shall be entitled to receive and retain any royalties hereafter payable to Owens-Illinois and Corning, or either of them, under any of said agreements and to receipt therefor in behalf of Owens-Illinois and Corning, or either of them. In case Owens-Illinois or Corning shall collect any such royalties, it shall account therefor to New Corporation after deducting therefrom any expense incurred in making such collection.

(c) Owens-Illinois and Corning shall assign and transfer to New Corporation all patent rights of every kind and nature, including assignable licenses under patents, in so far as and to the extent that they are within the field of this agreement, to which they or either of them are or may hereafter become entitled under said agreements.

(d) New Corporation, at its own expense, may sue, in its own name or in the name of Owens-Illinois and Corning, or either of them, to enforce any claims or rights against the other party or parties to any of said agreements. Owens-Illinois and Corning shall each promptly forward to New Corporation any correspondence or other information which it may receive relating to any of said agreements and will, at the expense of New Corporation, execute all such instruments as may be required in connection with the performance thereof, and will cooperate with New Corporation in the performance thereof and in securing the performance thereof by the other parties thereto.

14. In all licenses and sublicenses granted by any party hereto within the field of this agreement within the United States or the Dominion of Canada, all of the obligations hereunder of such party shall be imposed upon its licensee or sublicensee and in every such case the party granting such license or sublicense shall be liable and responsible to the other parties hereunder for the

performance of all of such obligations by such licensee or sublicensee. No such license or sublicense shall be effective until the licensee or sublicensee therein has notified all parties hereto that it assumes for itself the obligations assumed by its licensor in sections 2, 3, and 4 hereof.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed by their proper officers thereunto duly authorized and their corporate seals to be hereunto affixed the day and year first above written.

OWENS-ILLINOIS GLASS COMPANY,

By C. B. BELKNAP  
Vice President.

Attest:

JOHN H. MCNEENEY  
Secretary.

(Corporate Seal)

CORNING GLASS WORKS,

By AMORY HOUGHTON  
President.

Attest:

WILLIAM H. CURTISS  
Secretary.

(Corporate Seal)

OWENS-CORNING FIBERGLAS CORPORATION,

By HAROLD BOESCHENSTEIN  
President.

Attest:

A. C. FRELICH  
Secretary.

(Corporate Seal)