IN THE CIRCUIT COURT FOR THE EIGHTH JUDICIAL CIRCUIT, IN AND FOR ALACHUA COUNTY, FLORIDA

UNIVERSITY OF FLORIDA RESEARCH FOUNDATION, INCORPORATED, a Florida non-profit corporation,

Plaintiff,

v. CASE NO.: 01-2016-CA-4361

NUCSAFE, INC., a Delaware corporation, DIVISION: K

Defendant.

### **COMPLAINT**

Plaintiff, University of Florida Research Foundation, Incorporated, a Florida non-profit corporation ("<u>UFRF</u>"), sues defendant, Nucsafe, Inc., a Delaware corporation ("<u>Nucsafe</u>"), and alleges:

- 1. UFRF is a Florida non-profit corporation with a principal place of business in Alachua County, Florida.
- 2. Nucsafe is a Delaware corporation with a principal place of business in Anderson County, Tennessee.
- 3. This is an action for breach of contract in which the damages, exclusive of interest, fees and costs, exceed the sum of \$15,000.00. Therefore, pursuant to Section 26.012, Florida Statutes, this court has jurisdiction over this action.
- 4. Pursuant to Section 47.011, Florida Statutes, venue is proper in Alachua County, Florida because the cause of action accrued in Alachua County, Florida.
- 5. Nucsafe breached the contract that is the subject of this action in Alachua County, Florida, by failing to perform acts required by the contract to be performed in

Florida and consequently, injuring UFRF in Florida.

- 6. Effective March 15, 2007, UFRF and Nucsafe entered into a Standard Exclusive License Agreement with Sublicensing Terms Number A5872 (the "A5872 Agreement").
- 7. Around June 25, 2009, UFRF and Nucsafe entered into an Amendment to Patent License Agreement Nos. A5872 and A8258 (the "First Amendment").
- 8. Around October 12, 2009, UFRF and Nucsafe entered into a Second Amendment to License Agreement No. A5872 (the "Second Amendment").
- 9. Effective December 14, 2012, UFRF and Nucsafe entered into a Third Amendment to License Agreement No. A5872 (the "<u>Third Amendment</u>," and together with the A5872 Agreement, the First Amendment, and the Second Amendment, the "<u>License Agreement</u>"). A redacted copy of the License Agreement is attached as **Exhibit A**.
- 10. Under the License Agreement, UFRF granted Nucsafe licenses for the use of UFRF's intellectual property.
- 11. In return for the licenses, Nucsafe agreed to pay UFRF certain royalties, annual license maintenance fees, and all costs and expenses incurred by UFRF for the preparation, filing, prosecution, issuance, maintenance, defense, and reporting of the licensed patents.
- 12. Nucsafe breached the License Agreement by failing to make required payments of the amounts due under the License Agreement.
- 13. On April 13, 2016, UFRF sent Nucsafe a notice of its default under the License Agreement (the "April Demand Letter and Default Notice"). A copy of the April Demand Letter and Default Notice is attached as Exhibit B.

{39811894;1}

- 14. On June 9, 2016, UFRF sent Nucsafe a notice of UFRF's intent to terminate the License Agreement within thirty days after receipt of the notice for Nucsafe's continued failure to comply with the License Agreement, including paying amounts due under the License Agreement (the "June Demand Letter and Termination Notice"). A copy of the June Demand Letter and Termination Notice is attached as Exhibit C.
- 15. On August 1, 2016, UFRF made written demand on Nucsafe for payment of past-due invoices (the "August Demand Letter"). A copy of the August Demand Letter is attached as Exhibit D.
- 16. On September 1, 2016, UFRF made another written demand on Nucsafe for payment of past-due invoices (the "September 1 Demand Letter"). A copy of the September 1 Demand Letter is attached as Exhibit E.
- 17. On September 20, 2016, UFRF sent Nucsafe a final demand letter (the "September 20 Demand Letter"). A copy of the September 20 Demand Letter is attached as Exhibit F.
- 18. Pursuant to terms of the License Agreement, in addition to the amount set forth in the demand letters, Nucsafe is also liable to UFRF for any out-of-pocket expenses, including attorneys' fees and costs, incurred by UFRF to collect overdue payments, as well as interest on the unpaid balance, which continues to accrue at the rate of 1.5% per month.
- 19. Nucsafe remains in breach of the License Agreement by virtue of its failure to pay UFRF all amounts due to UFRF under the License Agreement.
- 20. UFRF has retained the law firm of Akerman LLP to represent it in this action and has agreed to pay a reasonable fee for the firm's services, and is entitled to recover that fees pursuant to the terms of the License Agreement.

{39811894;1}

21. As of December 6, 2016, there is due and owing to UFRF from Nucsafe the total amount of \$74,277.28, which is the sum of \$66,838.69 in past-due invoices, together with accrued interest of \$7,438.59, which continues to accrue at a rate of \$32.96 per diem, plus attorneys' fees and costs.

22. All conditions precedent to UFRF filing of this action, if any, have been performed, have occurred, or have been waived.

WHEREFORE, plaintiff, University of Florida Research Foundation, Incorporated, demands judgment against defendant, Nucsafe, Inc., for payments due under the License Agreement plus interest, attorneys' fees and costs, and such other relief as this Court deems just and proper.

Dated: December 13, 2016 **AKERMAN LLP** 

<u>/s/ Allison M. Stocker</u>

HeatherAnn M. Solanka (Fla. Bar No. 497347)
Primary e-mail: heather.solanka@akerman.com
Secondary e-mail: jessica.gibson@akerman.com
Secondary e-mail: jennifer.meehan@akerman.com
Allison M. Stocker (Fla. Bar No. 84472)
Primary E-mail: allison.stocker@akerman.com
Secondary E-mail: maggie.hearon@akerman.com
50 North Laura Street, Suite 3100
Jacksonville, FL 32202

Telephone: (904) 798-3700 Facsimile: (904) 798-3730

Attorneys for University of Florida Research Foundation, Incorporated

{39811894;1} 4

### STANDARD EXCLUSIVE LICENSE AGREEMENT WITH SUBLICENSING TERMS

### TABLE OF CONTENTS

Section 1	Definitions
Section 2	Grant
Section 3	Due Diligence
Section 4	Payments
Section 5	Certain Warranties and Disclaimers of UFRF
Section 6	Record Keeping
Section 7	Patent Prosecution
Section 8	Infringement and Invalidity
Section 9	Term and Termination
Section 10	Assignability
Section 11	Dispute Resolution Procedures
Section 12	Product Liability; Conduct of Business
Section 13	Use of Names
Section 14	Miscellaneous
Section 15	Notices
Section 16	Contract Formation and Authority
Section 17	United States Government Interests
Section 18	Non-Disclosure
Section 19	University Rules and Regulations
Appendix A	- Development Plan
	- Development Report
Appendix C	- UFRF Royalty Report

This Agreement is made effective the 15th day of Merch, 2001 (the "Effective Date") by and between the University of Florida Research Foundation, Inc. (hereinafter called "UFRF"), a nonstock, nonprofit Florida corporation, and Nucsafe, Inc. (hereinafter called "Licensee"), a corporation organized and existing under the laws of Delaware;

Appendix D - Milestones

WHEREAS, UFRF owns certain inventions that are described in the "Licensed Patents" defined below, and UFRF is willing to grant a license to Licensee under any one or all of the Licensed Patents and Licensee desires a license under all of them;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth below, the parties covenant and agree as follows:

### Section 1 **Definitions**

"Licensed Patents" shall refer to and mean all of the following UFRF intellectual 1.1

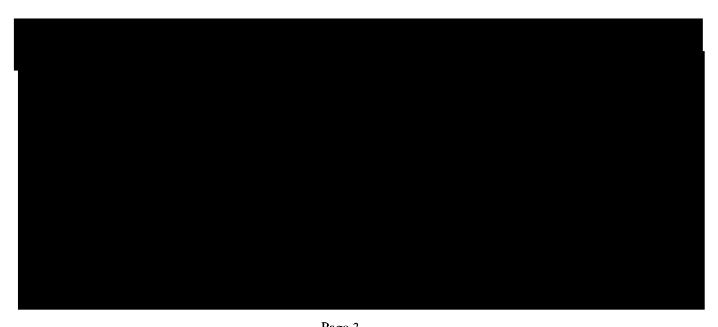
ragei	
-	Initials DD
VHIDIT A	mindis DD

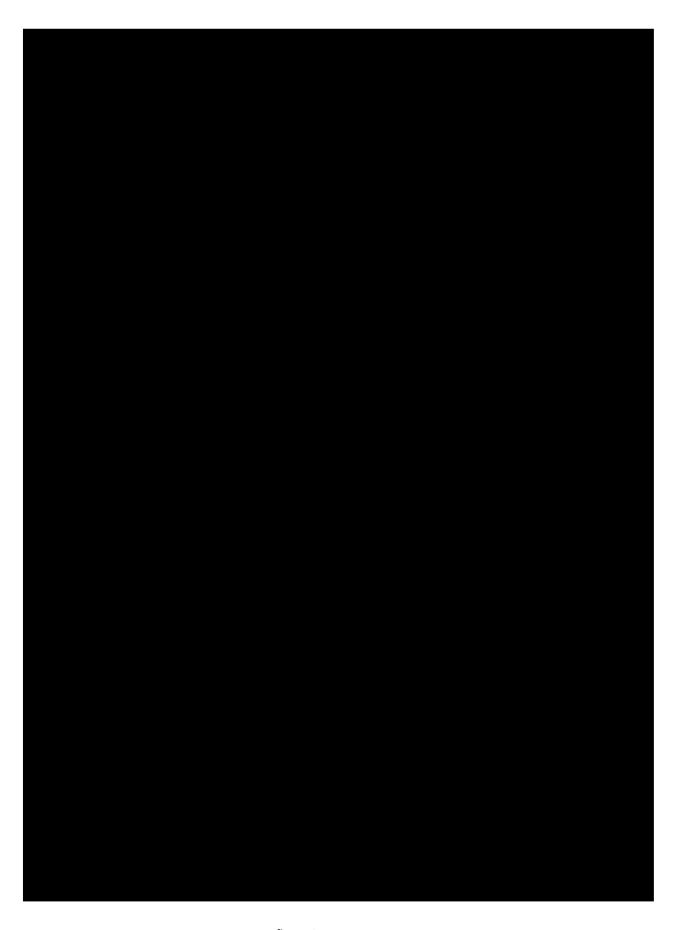
### property:

- 1.1.1 The United States Issued Patent Snapshot Backscatter Radiography System and Protocol Patent Serial # 6,735,279 issued on 5/11/04 (the "'279 Patent").
- 1.1.2 The United States Patent application Radiography by Selective Detection of Scatter Field Velocity Components Patent Application Serial # 10/896,243 filed on 7/20/04 (the " '243 Patent Application").
- 1.1.3 The United States Issued Patent Snapshot Backscatter Radiography (SBR) Systems with Dynamic Collimation Issued Patent Serial # 7,130,374 issued on 10/31/06 (the "'374 Patent").;
- 1.2 Foreign patents issued from the United States patents listed in 1.1.1 and 1.1.3 above, all to the extent owned or controlled by the University of Florida, and United States and foreign patents issued from the applications listed in 1.1.3 above and from divisionals and continuations of these applications, to the extent the claims are directed to subject matter specifically described in the applications listed in 1.1.3 above and are dominated by the claims of those patent applications and patents issuing thereon or reissues thereof, and any and all foreign patents and patent applications corresponding thereto, all to the extent owned or controlled by the University of Florida.
- 1.3 "Licensed Product" and "Licensed Process" shall mean:
  - 1.3.1 In the case of a Licensed Product, any product or part thereof developed by or on behalf of Licensee that:
    - (a) is covered in whole or in part by an issued, unexpired claim or a pending claim contained in the Licensed Patents, in any country in which any product is made, used or sold; or
    - (b) is manufactured by using a process which is covered in whole or in part by an issued, unexpired claim or a pending claim contained in the Licensed Patents, in any country in which any such process is used or in which any such product is used or sold.
  - 1.3.2 In the case of a Licensed Process:
    - (a) any process which is covered in whole or in part by an issued, unexpired claim or a pending claim contained in the Licensed Patents in any country in which such process is practiced.
- 1.4 "Net Sales" shall mean the total dollar amount invoiced on sales of Licensed Products and/or Licensed Processes. Total amount invoiced may include promotional discounts allowed in amounts customary in the trade.
- 1.5 The term "Affiliate" shall mean: (a) any person or entity which controls at least

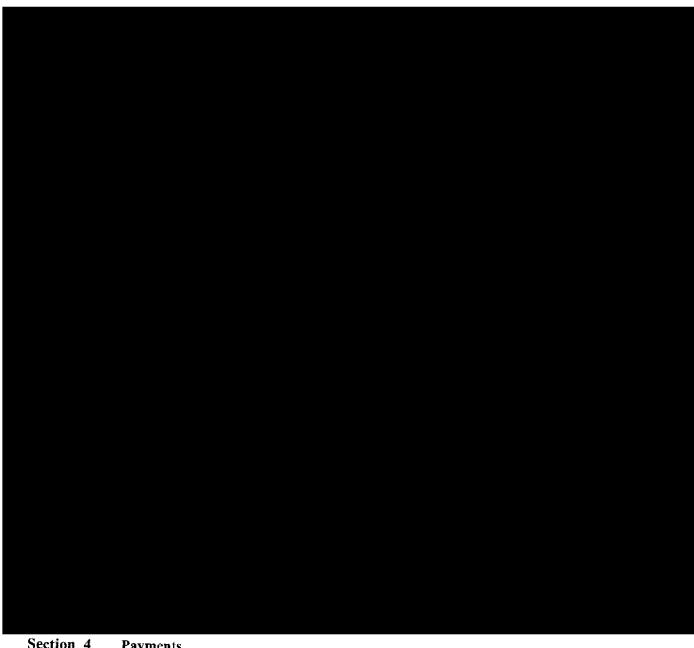
fifty percent (50%) of the equity or voting stock of the Licensee or (b) any person or entity fifty percent (50%) of whose equity or voting stock is owned or controlled by the Licensee or (c) any person or entity of which at least fifty percent (50%) of the equity or voting stock is owned or controlled by the same person or entity owning or controlling at least fifty percent (50%) of Licensee or (d) any entity in which any officer or employee is also an officer or employee of Licensee.

- 1.6 The term "Sublicensee" shall mean any third party to whom Licensee confers the right to make, use or sell Licensed Product and/or Licensed Processes and/or any of the intellectual property rights embodied in Licensed Patents.
- 1.7 "Development Plan" shall mean a written report summarizing the development activities that are to be undertaken by the Licensee to bring Licensed Products and/or Licensed Processes to the market. The Development Plan is attached as Appendix A.
- 1.8 "Development Report" shall mean a written account of Licensee's progress under the Development Plan having at least the information specified on Appendix B to this Agreement, and shall be sent to the address specified on Appendix B.
- 1.9 "Licensed Field" shall be all fields with the exception of medical, dental and veterinary fields.
- 1.10 "Licensed Territory" shall be limited to the U.S. and those foreign countries where UFRF has applied for patent coverage and Licensee has elected the license and repaid UFRF for patenting costs in that territory.
- 1.11 "Inventors" shall mean Alan M. Jacobs; Edward T. Dugan; and Daniel Shedlock during the respective terms of their employment by the University of Florida





Page 4
EXHIBIT A



### Section 4 **Payments**

4.1 License Issue Fee.

> Licensee agrees to pay to UFRF a License Issue Fee of \$ 1,000 within thirty (30) days of the Effective Date.

- 4.2 Royalty.
  - 4.2.1 Royalty on Licensed Patents. In addition to the Section 4.1 License Issue Fee, Licensee agrees to pay to UFRF as earned royalties a royalty calculated as a percentage of Net Sales of Licensed Products which, if not for this Agreement, would infringe Licensed Patents, in

Initials \_\_\_\_\_\_\_

accordance with the terms and conditions of this Agreement. The royalty is deemed earned as of the earlier of the date the Licensed Product and/or Licensed Process is actually sold and paid for, the date an invoice is sent by Licensee or its Sublicensee(s), or the date a Licensed Product and/or Licensed Process is transferred to a third party for any promotional reasons. The royalty shall remain fixed while this Agreement is in effect at a rate of three percent (3%) of Net Sales.

### 4.3 Other Payments.

## 4.3.1 Licensee agrees to pay UFRF minimum royalty payments, as follows:

Minimum Royalty	Year
\$2,000	Year First Commercial Sale Occurs
\$25,000	Year Two
\$50,000	Year Three
\$50,000	Year Four
\$75,000	Year Five and every year thereafter during the term of this Agreement



In addition to all other payments, the Company will pay an annual license maintenance fee of \$1,000. The annual license maintenance fee is payable on the anniversary of this Agreement until the calendar year after the first commercial sale occurs.

- 4.4 Accounting for Payments.
  - 4.4.1 Amounts owing to UFRF under Sections and 4.3 shall be paid on a quarterly basis after the amount of minimum royalties paid is exceeded, with such amounts due and received by UFRF on or before the thirtieth day following the end of the calendar quarter ending on March 31, June 30, September 30 or December 31 in which such amounts were earned. Any amounts which remain unpaid after the date they are due to UFRF shall accrue interest from the due date at the rate of 1.5% per month. However, in no event shall this interest provision be construed as a grant of permission for any payment delays. Licensee shall also be responsible for repayment to UFRF of any attorney, collection agency, or other out-of-pocket UFRF expenses required to collect overdue payments due from this Section, Section or any other applicable section of this Agreement.
  - 4.4.2 Except as otherwise directed, all amounts owing to UFRF under this Agreement shall be paid in U.S. dollars to UFRF at the following address:

University of Florida Research Foundation, Inc.

223 Grinter Hall PO Box 115500

Gainesville, Florida 32611-5500

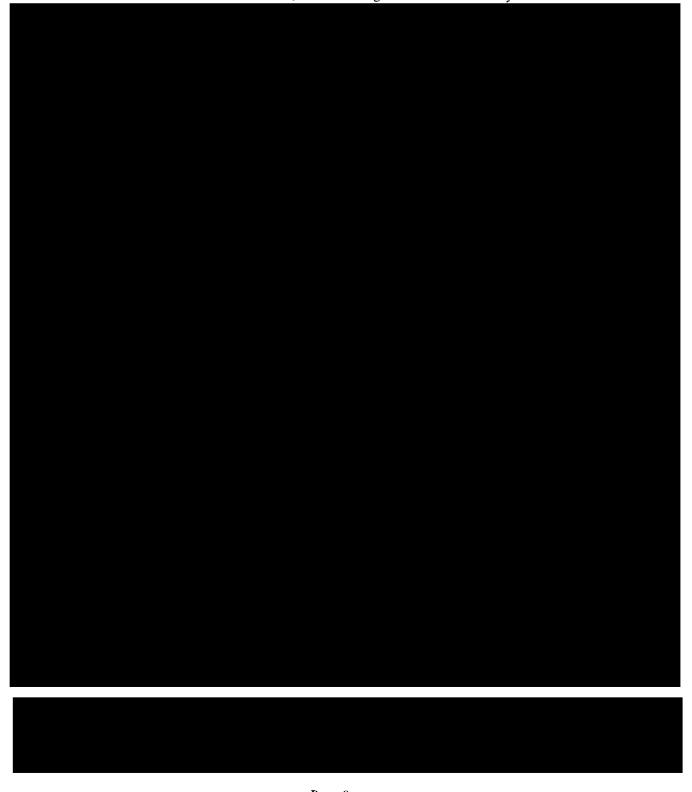
Attention: Business Manager

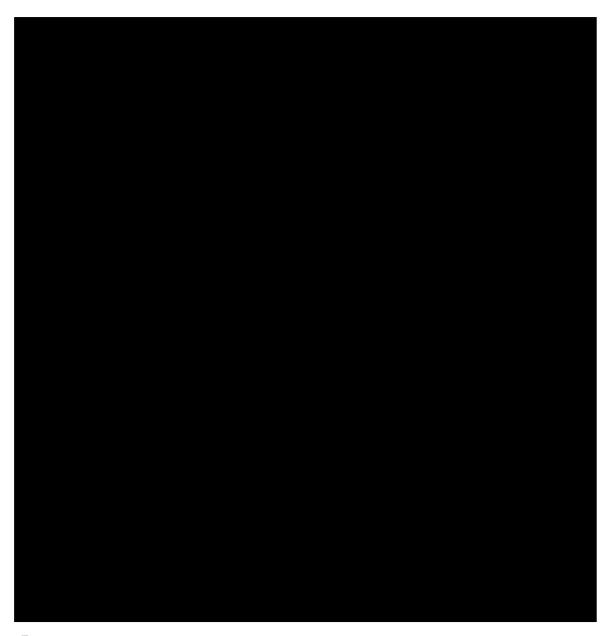
All royalties owing with respect to Net Sales stated in currencies other than U.S. dollars shall be converted at the rate shown in the Federal Reserve Noon Valuation - Value of Foreign Currencies on the day preceding the payment due date.

A certified full accounting statement showing how any amounts payable to UFRF under Section 4.3 have been calculated shall be submitted to UFRF on the date of each such payment. In addition to being certified, such accounting statements shall contain a written representation signed by an executive officer of Licensee that states that the statements are true, accurate, and fairly represent all amounts payable to UFRF pursuant to this Agreement. Such accounting shall be on a per-country and product line, model or trade name basis and shall be summarized on the form shown in Appendix C of this Agreement.

- 4.4.3 In the event no payment is owed to UFRF because the amount of Minimum royalties paid has not been exceeded or otherwise, an accounting demonstrating that fact shall be supplied to UFRF.
- 4.4.4 UFRF is exempt from paying income taxes under U.S. law. Therefore, all payments due under this Agreement shall be made without deduction

for taxes, assessments, or other charges of any kind which may be imposed on UFRF by any government outside of the United States or any political subdivision of such government with respect to any amounts payable to UFRF pursuant to this Agreement. All such taxes, assessments, or other charges shall be assumed by Licensee.





## Section 7 Patent Prosecution

7.1 UFRF shall diligently prosecute and maintain the Licensed Patents using counsel of its choice. UFRF shall provide Licensee with copies of all patent applications amendments, and other filings with the United States Patent and Trademark Office and foreign patent offices. UFRF will also provide Licensee with copies of office actions and other communications received by UFRF from the United States Patent and Trademark Office and foreign patent offices relating to Licensed Patents. Licensee agrees to keep such information proprietary.

Licensee shall pay to UFRF the sum of one-sixth of the total of the expenses shown herein below, within 30 days of the Effective Date and thereafter on March 31, June 30, September 30, and December 31 of the successive five quarters to reimburse any and all expenses associated with preparation,

filing, prosecution, issuance, maintenance, defense, and reporting of the Licensed Patents incurred prior to the Effective Date.

Any additional patent expenses incurred will be added to the total and evenly divided over the remaining quarters. If such expense is incurred after six (6) quarters from the Effective Date, UFRF shall separately invoice Licensee and Licensee shall pay such invoice within thirty (30) days of receipt.

In the event that UFRF licenses the Licensed Patents to additional licensees outside the Licensed Field, Licensee's share of future patent expenses for each Licensed Patent shall be reduced by the amount paid by such additional licensees for each Licensed Patent's patent expenses, provided such reductions shall not exceed twenty-five percent (25%) of the total patent expenses per Licensed Patent.

The Company acknowledges that the patent expenses for the '279 Patent are \$15,891.00 as of February 23, 2007.

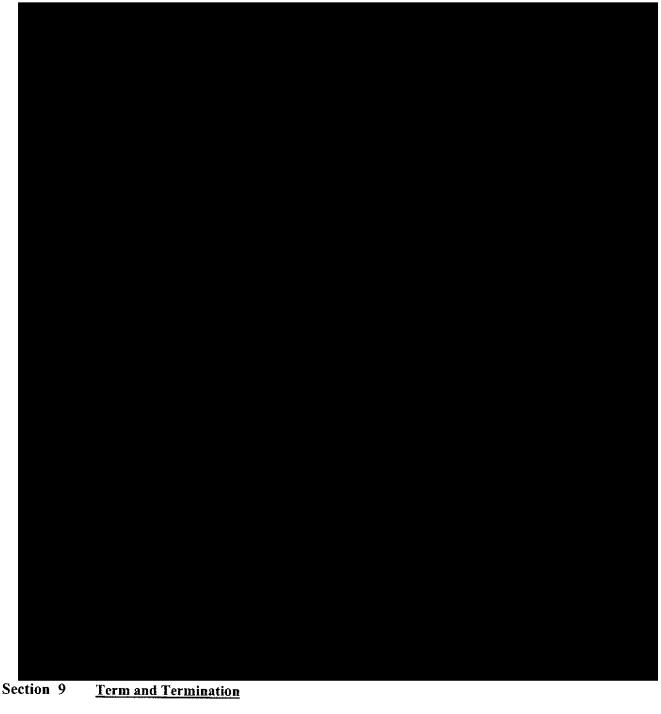
The Company acknowledges

that the patent expenses for the '243 Patent Application are \$26,204.00 as of February 23, 2007

The Company acknowledges that the patent expenses for the '374 Patent are \$12,749.83 as of February 23, 2007.

7.2 Licensee shall be responsible for and pay all costs and expenses incurred by UFRF for the preparation, filing, prosecution, issuance, maintenance, defense and reporting of the Licensed Patents subsequent to and separate of those expenses cited in section 7.2 within thirty (30) days of receipt of an invoice from UFRF. It shall be the responsibility of Licensee to keep UFRF fully apprised of the "small entity" status of Licensee and all Sublicensees with respect to the U.S. patent laws and with respect to the patent laws of any other countries, if applicable, and to inform UFRF of any changes in writing of such status, within thirty days of any such change.





- The term of this license shall begin on the Effective Date of this Agreement and 9.1 continue until the earlier of the date that no Licensed Patent remains an enforceable patent or the payment of earned royalties under Section 4.3 once begun, ceases for more than two (2) calendar quarters.
- 9.2 Licensee may terminate this Agreement at any time by giving at least sixty (60) days written notice of such termination to UFRF. Such a notice shall be accompanied by a statement of the reasons for termination.

- 9.3 UFRF may terminate this Agreement by giving Licensee at least thirty (30) days written notice if Licensee:
  - 9.3.1 is delinquent on any report or payment
  - 9.3.2 is not diligently developing and commercializing Licensed Product and Licensed Process
  - 9.3.3 misses a milestone described in Appendix D
  - 9.3.4 is in breach of any provision
  - 9.3.5 provides any false report
  - 9.3.6 goes into bankruptcy, liquidation or proposes having a receiver control any assets
  - 9.3.7 violates any laws or regulations of applicable government entities; or
  - 9.3.8 shall cease to carry on its business pertaining to Licensed Patents.

After notice of intent to terminate, Licensee shall have five (5) business days to provide a remedy plan and schedule for remedy or to cure the default. The plan and schedule may be accepted or rejected by UFRF in its sole and absolute discretion. UFRF shall accept or reject the plan and schedule within five (5) business days after receipt. UFRF's failure to take any action with regard to Licensee's plan and schedule within such time shall be deemed a rejection of said plan and schedule. In the event Licensee does not provide a remedy plan and schedule or cure the default within five (5) business days of receipt of UFRF's termination notice or UFRF does not accept the plan and schedule, termination under this Section 9.3 will take effect thirty (30) days after the original termination written notice by UFRF.

- 9.4 Notwithstanding the foregoing, UFRF may immediately terminate this Agreement upon the occurrence of the second separate default by Licensee within any consecutive three-year period for failure to pay royalties, patent or any other expenses when due.
- 9.5 Upon the termination of this Agreement for any reason, nothing herein shall be construed to release either party from any obligation that matured prior to the effective date of such termination. Licensee shall remain obligated to provide an accounting for and to pay royalties earned to the date of termination, and any Minimum royalties shall be prorated as of the date of termination by the number of days elapsed in the applicable calendar year. Licensee may, however, after the effective date of such termination, sell all Licensed Products, and complete Licensed Products in the process of manufacture at the time of such termination and sell the same, provided that Licensee shall remain obligated to provide an accounting for and to pay running royalties thereon.

Page 12

### Section 11 <u>Dispute Resolution Procedures</u>

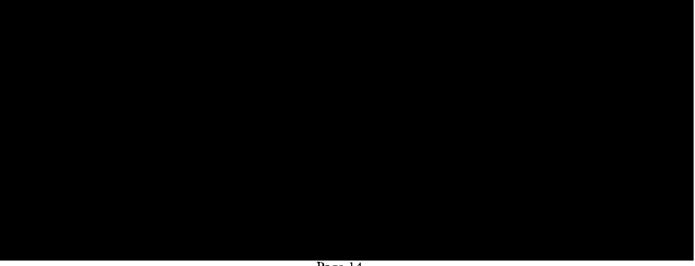
11.1 Mandatory Procedures.

In the event either party intends to file a lawsuit against the other with respect to any matter in connection with this Agreement, compliance with the procedures set forth in this Section shall be a condition precedent to the filing of such lawsuit, other than for injunctive relief. Either party may terminate this Agreement as provided in this Agreement without following the procedures set forth in this section.

- 11.1.1 When a party intends to invoke the procedures set forth in this section, written notice shall be provided to the other party. Within thirty (30) days of the date of such notice, the parties agree that representatives designated by the parties shall meet at mutually agreeable times and engage in good faith negotiations at a mutually convenient location to resolve such dispute.
- 11.1.2 If the parties fail to meet within the time period set forth in section 11.1.1 above or if either party subsequently determines that negotiations between the representatives of the parties are at an impasse, the party declaring that the negotiations are at an impasse shall give notice to the other party stating with particularity the issues that remain in dispute.
- 11.1.3 Not more than 15 days after the giving of such notice of issues, each party shall deliver to the other party a list of the names and addresses of at least three individuals, any one of whom would be acceptable as a neutral advisor in the dispute (the "Neutral Advisor") to the party delivering the list. Any individual proposed as a Neutral Advisor shall have experience in determining, mediating, evaluating, or trying intellectual property litigation and shall not be affiliated with the party that is proposing such individual.
- 11.1.4 Within 10 days after delivery of such lists, the parties shall agree on a Neutral Advisor. If they are unable to so agree within that time, within 5 days, they shall each select one individual from the lists. Within 5 days, the individuals so selected shall meet and appoint a third individual from the lists to serve as the Neutral Advisor. Within 30 days after the selection of a Neutral Advisor:

- (a) The parties shall each provide a written statement of the issues in dispute to the Neutral Advisor.
- (b) The parties shall meet with the Neutral Advisor in Gainesville, Florida on a date and time established by the Neutral Advisor. The meeting must be attended by persons authorized to make final decisions on behalf of each party with respect to the dispute. At the meeting, each party shall make a presentation with respect to its position concerning the dispute. The Neutral Advisor will then discuss the issues separately with each party and attempt to resolve all issues in the dispute. At the meeting, the parties will enter into a written settlement agreement with respect to all issues that are resolved. Such settlement agreement shall be final and binding with respect to such resolved issues and may not be the subject of any lawsuit between the parties, other than a suit for enforcement of the settlement agreement.
- 11.1.5 The expenses of the neutral advisor shall be shared by the parties equally. All other out-of-pocket costs and expenses for the alternative dispute resolution procedure required under this Section shall be paid by the party incurring the same.
- 11.1.6 Positions taken and statements made during this alternative dispute resolution procedure shall be deemed settlement negotiations and shall not be admissible for any purpose in any subsequent proceeding.
- 11.2 Failure to Resolve Dispute.

If any issue is not resolved at the meeting with the Neutral Advisor, either party may file appropriate administrative or judicial proceedings with respect to the issue that remains in dispute. No new issues may be included in the lawsuit without the mandatory procedures set forth in this section having first been followed.



Page 14

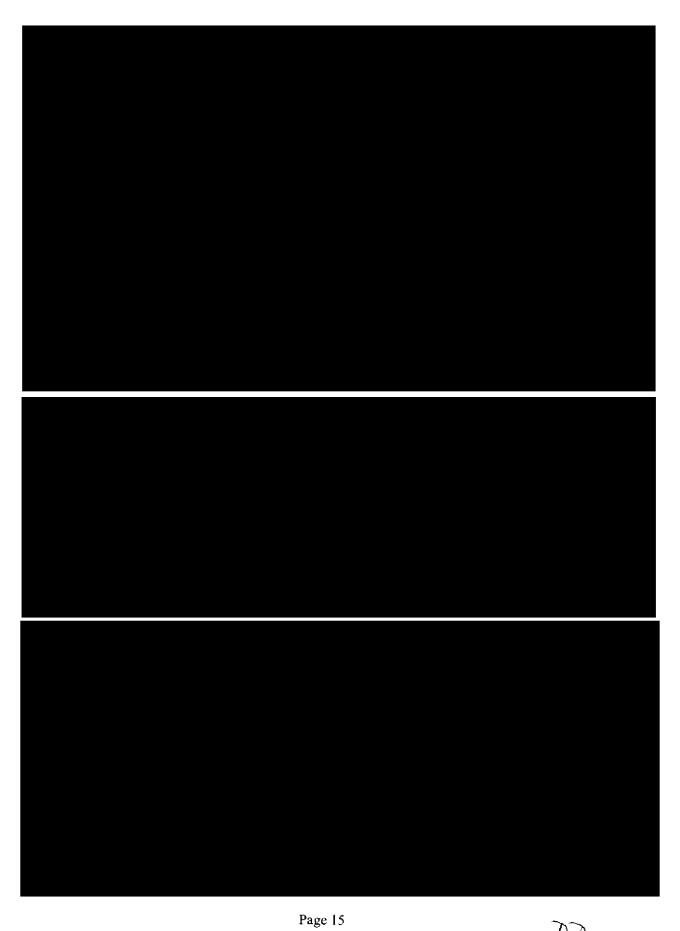


EXHIBIT A



## Section 15 Notices

Any notice required to be given pursuant to the provisions of this Agreement shall be in writing and shall be deemed to have been given

- when delivered personally, or
- if sent by facsimile transmission, when receipt thereof is acknowledged at the facsimile number of the recipient as set forth below, or
- the second day following the day on which the notice has been delivered prepaid to a national air courier service, or
- five (5) business days following deposit in the U.S. mail if sent certified mail, (return receipt acknowledgement is not required to certify delivery).

## 15.1 If to the University of Florida Research Foundation, Inc.:

President

University of Florida Research Foundation, Inc.

223 Grinter Hall

University of Florida

Post Office Box 115500

Gainesville, FL 32611-5500

Facsimile Number: 352-846-0491

with a copy to:

Office of Technology Licensing

Attn: Director 308 Walker Hall University of Florida

Post Office Box 115500 Gainesville, Florida 32611-5500

Facsimile Number: 352-392-6600

### 15.2 If to Licensee:

President

Nucsafe, Inc.

765 Emory Valley Road

Oak Ridge, TN 37830

(865) 220-5050

Fax: (865) 220-5090

With a copy to:

Vice President, Contracts and Intellectual Property

Nucsafe, Inc.

765 Emory Valley Road

Oak Ridge, TN 37830

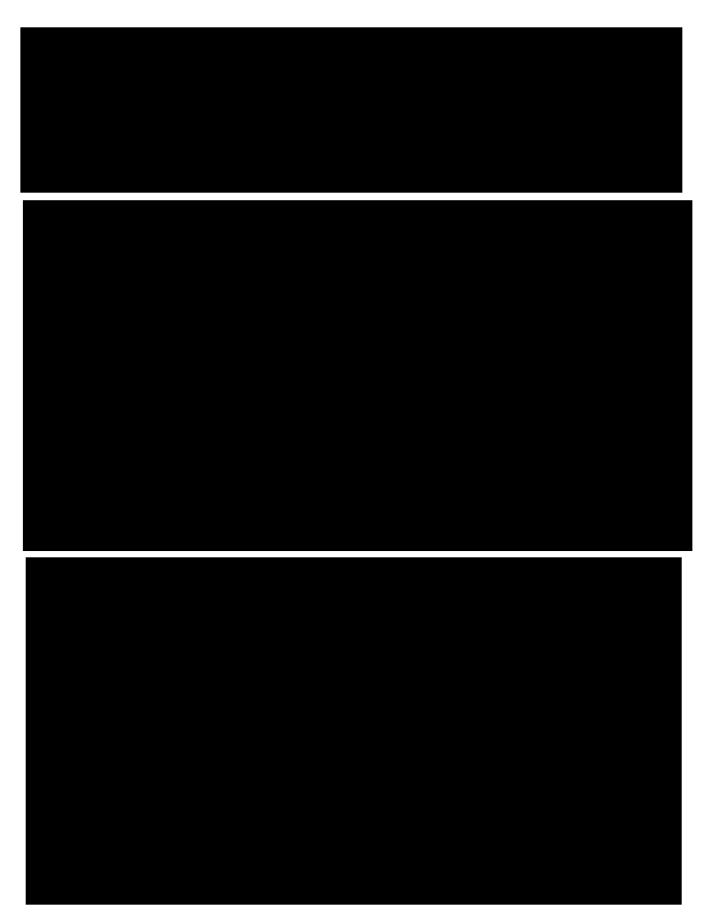
(865) 220-5050

Fax: (865) 220-5090



Initials DD

Page 17





IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement on the dates indicated below.

UNIVERSITY OF FLORIDA RESEARCH FOUNDATION, INC.

David L. Day

Date:  $\frac{5/9}{2}$ ,

Director, Office of Technology Licensing

LICENSEE

COO

Date:  $\frac{1/5}{6}$ , 200

Page 20

Initials DD

<u>Ap</u> 1	<u>pendix A - Development Plan</u>	

Appendix B - Development Report

Page I

EXHIBIT A



Appendix C - UFRF Royalty Report	

Page 1



## AMENDMENT TO PATENT LICENSE AGREEMENT NOS. A5872 AND A8258

WHEREAS, the University of Florida Research Foundation, Inc., a not-for-profit corporation duly organized and existing under the laws of the State of Florida and having its principal office at 223 Grinter Hall, Gainesville, Florida 32611 U.S.A. (hereinafter referred to as "UFRF), and Nucsafe, Inc. (hereinafter called "Licensee"), a corporation organized and existing under the laws of the State of Delaware; and having its principal office at 601 Oak Ridge Turnpike, Oak Ridge, TN 37830, (hereinafter referred to "Licensee") entered in the three license agreements described below (hereinafter "License Agreements");

WHEREAS, the parties now wish to amend the License Agreements:

NOW THEREFORE, in consideration of the premises and mutual covenants contained herein the parties hereto agree as follows:

1. This Amendment is a clarification of the understanding and agreement that Nucsafe, Inc. is required to meet the minimum royalties and license fees of each License Agreement. The Royalty Rate (3%) and terms of each agreement indicated below are the same. The University and Nucsafe, Inc. agree that only one royalty payment at 3% will be paid for each product sold, regardless of how many of the agreements indicated below cover such Licensed Product:

### Agreement No. A5872 on:

UF#11064 - U.S. Issued patent No. 6,735,279 entitled: "Snapshot Backscatter Radiography System and Protocol"; issued on 5/11/2004 and all United States patents and foreign patents and patent applications claiming priority to this U.S. application;

UF#11595 – U.S. Issued patent No. 7,224,772 entitled: "Radiography by Selective Detection of Scatter Field Velocity Components" issued on 5/29/2007 and all United States patents and foreign patents and patent applications claiming priority to this U.S. application;

UF#11877 – U.S. Issued patent No. 7,130,374 entitled: "Snapshot Backscatter Radiography (SBR) Systems with Dynamic Collimation" issued on 10/31/2006 and all United States patents and foreign patents and patent applications claiming priority to this U.S. application;

### Agreement No. A8258 on:

UF#12688 – U.S. Provisional patent application No. 61/045,823 entitled: "Method And Apparatus For Computed Imaging Backscatter Radiography" filed in the United States Patent Office on 4/17/2008 and all United States patents and foreign patents and patent applications claiming priority to this U.S. application;



- 2. All other provisions of the License Agreements shall remain in full force and effect and unmodified by this Amendment.
- 3. This amendment shall be executed in duplicate.

UNIVERSITY OF FLORIDA RESEARCH FOUNDATION, INC.

NUCSAFE, INC.

Name: David L. Day

Title: Director of Technology Licensing

Date:

Name: Lester Sideropoulos

Title: COO

Date: 6/21/09

### SECOND AMENDMENT TO LICENSE AGREEMENT NO. A5872

WHEREAS, the University of Florida Research Foundation, Inc., a not-for-profit corporation duly organized and existing under the laws of the State of Florida and having its principal office at 223 Grinter Hall, Gainesville, Florida 32611 U.S.A. (hereinafter referred to as "UFRFI), and Nucsafe, Inc., a corporation duly organized under the laws of the State of Delaware, and having its principal office at 601 Oak Ridge Turnpike, Oak Ridge, TN, 37830, (hereinafter referred to as "Licensee") entered into a license agreement effective March 15, 2007 (hereinafter "License Agreement");

WHEREAS, the parties amended the License Agreement on June 25, 2009 to clarify minimum royalty payments and royalty rates by a First Amendment to Patent License Agreement Nos. A5872 And A8258;

WHEREAS, the parties now wish to further amend the License Agreement as follows:

NOW THEREFORE, in consideration of the premises and mutual covenants contained herein the parties hereto agree as follows;

1. The following sections of the license agreement shall be re-written to read as follows:

### Section 4.3 Other Payments

4.3.1 Licensee agrees to pay UFRF minimum royalty payments, as follows:

Minimum Royalty	Year
\$2,000	Year First Commercial Sale Occurs
\$2,000	Year Two After First Commercial Sale
\$25,000	Year Three After First Commercial Sale
\$50,000	Years Four and Five After First Commercial Sale
\$75,000	Year Six After First Commercial Sale and every year
·	thereafter during the term of this Agreement

The minimum royalty shall be paid in advance on a quarterly basis for each year in which this Agreement is in effect, commencing with the year in which the first commercial sale occurs, the minimum royalty for the quarter in which the first commercial sale occurs (or \$500.00) shall be prorated based on the number of days occurring during such quarter and such prorated minimum royalty shall be due and payable within thirty (30) days after the date of the first commercial sale. Thereafter, the minimum royalty shall be due in advance and shall be paid in quarterly installments on March 31, June 30, September 30, and December 31 for

the following quarters. Any minimum royalty paid in a calendar year will be credited against the earned royalties for that calendar year. It is understood that the minimum royalties will be applied to earned royalties on a calendar year basis, and that sales of Licensed Products and/or Licensed Processes requiring the payment of earned royalties made during a prior or subsequent calendar year shall have no effect on the annual minimum royalty due UFRF for other than the same calendar year in which the royalties were earned.

In addition to all other payments, the Company will pay an annual license maintenance fee of \$1,000. The annual license maintenance fee is payable on the anniversary of this Agreement until the calendar year after the first commercial sale occurs.

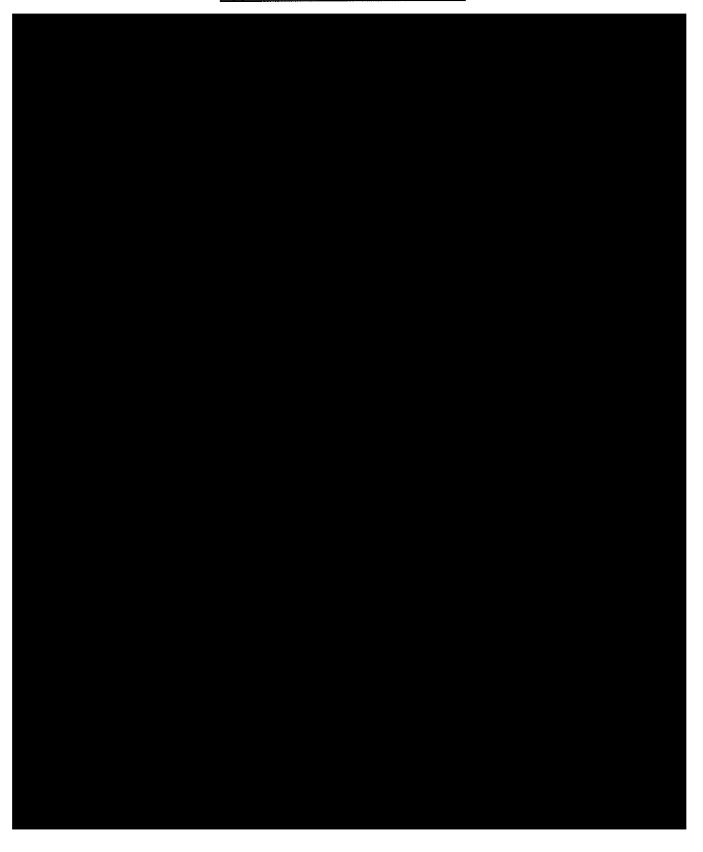
**Appendix D** – **Milestones** – shall be revised as follows:

- - 2. All other provisions of the License Agreement shall remain in full force and effect and unmodified by this Amendment.
  - 3. This amendment shall be executed in duplicate and shall be referred to as the Second Amendment.

UNIVERSITY OF FLORIDA RESEARCH FOUNDATION, INC.	NUCSAFE, INC.
By: Duid & By	By:
Name: David L. Day	Name: Lester Sideropoulos
Title: Director of Technology Licensing	Title: COO
Date: 10/12/09	Date: $10/9/63$

1 17

## Appendix C - UFRF Royalty Report



## THIRD AMENDMENT TO LICENSE AGREEMENT NO. A5872

WHEREAS, the University of Florida Research Foundation, Inc., a not-for-profit corporation duly organized and existing under the laws of the State of Florida and having its principal office at 223 Grinter Hall, Gainesville, Florida 32611 U.S.A. (hereinafter referred to as "UFRFI), and Nucsafe, Inc., a corporation duly organized under the laws of the State of Delaware, and having its principal office at 601 Oak Ridge Turnpike, Oak Ridge, TN, 37830, (hereinafter referred to as "Licensee") entered into a license agreement effective March 15, 2007 (hereinafter "License Agreement");

WHEREAS, the parties amended the License Agreement by a First Amendment on June 25, 2009;

WHEREAS, the parties amended the License Agreement by a Second Amendment on October 12, 2009;

WHEREAS, the parties now wish to further amend the License Agreement by this Third Amendment effective December 14, 2012;

NOW THEREFORE, in consideration of the premises and mutual covenants contained herein the parties hereto agree as follows;

1. **Appendix D – Milestones** shall be revised as follows:

UNIVERSITY OF FLORIDA

Title: Director of Technology Licensing

2. All other provisions of the License Agreement shall remain in full force and effect and unmodified by this Amendment.

NUCSAFE INC

3. This amendment shall be executed in duplicate and shall be referred to as the Third Amendment.

CITI BIRSTI OF FEORIDIT	110 00111111, 1110.
RESEARCH FOUNDATION, INC.	1
- 0-000	$\mathcal{A}\mathcal{A}$
By: Mull L Nan	By: XX
Name: David L. Day	Name:/Lester Sideropoulos

Title: COO

Date: 12/17/17. Date: \_/2//8//2



Research Foundation, Inc. Business Office

April 13, 2016

288 Grinter Hall PO Box 115500 Gainesville, FL 32611-5500 352-392-5221 352-846-0505 Fax http://rgp.ufl.edu/ufrf

### Via Federal Express

Lester Sideropoulos, President Nucsafe, Inc. 601 Oak Ridge Turnpike Oak Ridge, TN 37830 Ph.: 865.220.5050

Re: Limited Exclusive License Agreement No. A5872 between the University of Florida Research Foundation, Inc. and Nucsafe, Inc. executed on March 15, 2007

Dear Mr. Sideropoulos:

Please be advised that this letter will serve as a Notice of Default of the terms of the License Agreement No. A5872 between the University of Florida Research Foundation, Inc., and Nucsafe, Inc., effective 03/15/07. Licensee has failed to comply with terms of the License Agreement including but not limited to Section 4.3 Minimum Royalty and Section 7.2 Patent Prosecution.

Nucsafe, Inc. currently owes outstanding patent prosecution invoices totaling \$5,737.71 (plus accrued interest), as well as \$37,500 for minimum royalty payments, for a total owing of \$43,237.71.

Pursuant to the terms of Section 9.3 of the License Agreement, Licensee must remedy the breach of this Agreement within thirty (30) days of the receipt of this Notice or risk termination of the License Agreement.

Sincerely,

David L. Day

Director of Technology Licensing

cc: Richard Croley, Assistant Director

Ms. Maureen Upshaw, UFRF Business Office

Mr. Greg Neal, UFRF Business Office



# Aged Receivables - All Revenue

Printed Date: 04/12/2016 Settlement Date: 04/12/2016

		, a susaccomment		Past Due			
Agreement	Invoice No.	Current	0-30	31-60	61-90	90+	Total
A5872:Snapshot Backscatter Radiography System							
Nucsafe, Inc.	39666	\$0.00	\$0.00	\$0,00	\$0.00	\$80.88	\$80.88
Nucsafe Inc.	39312	\$0,00	\$0.00	<b>\$</b> 0.00	\$0.00	\$3,909.00	\$3,909.00
Ninceafe Inc	39349	\$0.00	\$0.00	\$0.00	\$0.00	\$22.24	\$22.24
Nucesto Inc	39121	\$0.00	\$0.00	\$0.00	\$0.00	\$1,432.95	\$1,432.95
Ninesafe Inc	38615	\$0.00	\$0.00	\$0.00	\$0.00	\$50.00	\$50.00
Ninesafe Inc	39514	\$0.00	\$0.00	\$0.00	\$18,750.00	\$0.00	\$18,750.00
Nicsafe Inc	39885	\$0.00	\$0.00	\$0.00	\$80.88	\$0.00	\$80.88
Ninesafe Inc.	39957	\$0.00	\$0.00	\$80.88	\$0.00	\$0.00	\$80.88
Nineste Inc	40372	\$0.00	\$80.88	\$0.00	\$0.00	\$0.00	\$80.88
Nucsafe. Inc.	40181	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Nucsafe, Inc.	40180	\$18,750.00	\$0.00	\$0.00	\$0.00	\$0.00	\$18,750.00
	Subtotal:	\$18,750.00	\$80.88	\$80.88	\$18,830.88	\$5,495.07	\$43,237.71
	Grand Totals;	\$18,750.00	\$80.88	\$80.88	\$18,830.88	\$5,495.07	\$43,237.71



Research Foundation, Inc. Business Office

June 9, 2016

Via Federal Express

Lester Sideropoulos, COO Nucsafe, Inc. 765 Emory Valley Rd. Oak Ridge, TN 37830 Ph.: 865.220.5090 288 Grinter Hall PO Box 115500 Gainesville, FL 32611-5500 352-392-5221 352-846-0505 Fax http://rgp.ufl.edu/ufrf

Re: Limited Exclusive License Agreement No. A5872 executed on March 15, 2007

Dear Mr. Sideropoulos:

This letter is in follow up to our previous Notice of Default dated April 13, 2016, which was served to Nucsafe on April 18, 2016. Please be advised that pursuant to Section 9.3 of the above-referenced License Agreement, this letter will serve as Notice that the License Agreement will terminate in thirty (30) days of receipt of this notice for failure to comply with terms of the License Agreement including, but not limited to, Section 4.3 Minimum Royalty and Section 7.2 Patent Prosecution.

NucSafe, Inc. currently owes for Outstanding Patent Prosecution Invoices Totaling \$5,949.47 (plus accruing interest). NucSafe also owes Outstanding Minimum Royalty Invoices Totaling \$56,250.00; for a total owing of \$62,199.47.

Pursuant to Section 9.5 of the License Agreement, termination does not release Nucsafe, Inc. from obligations that incurred up through the date of termination. Therefore, we will send an invoice for any additional charges that are incurred through date of termination.

Sincerely,

David L. Day

Director of Technology Licensing

cc: Nucsafe; Attn: Rick Seymour, CEO, 765 Emory Valley Rd., Oak Ridge, TN 37830,

Ph.: 865.220.5090 (via Federal Express)

Nucsafe, Inc.; Attn: VP Contracts & Intellectual Property, 765 Emory Valley Rd., Oak

Ridge, TN 37830, Ph.: 865.220.5050 (via Federal Express)

Richard Croley, Assistant Director

Julie Rhee, UFRF Business Office Maureen Upshaw, UFRF Business Office Greg Neal, UFRF Business Office Edward T. Dugan (via email: edugan@ufl.edu)



# Aged Receivables - All Revenue

Printed Date: 06/08/2016 Settlement Date: 06/08/2016

		Nucsafe, Inc.	Nucsafe, Inc.	A8258:Computed Imaging Backscatter		Nucsafe, Inc.	A5872:Snapshot Backscatter Radiography System	Agreement																
				Backscatter																		er Radiography System		
Grand Totals:	Subtotal:	41053	40221		Subtotal:	40925	40991	40992	40756	40543	40180	40181	40372	38615	39121	39349	39312	39666	39885	39514	39957		Invoice No.	
\$18,800.00	\$0.00	\$0.00	\$0.00		\$18,800.00	\$50.00	\$18,750.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		Current	£ constant
\$80.88	\$0.00	\$0.00	\$0.00		\$80.88	\$0.00	\$0.00	\$0.00	\$80.88	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		0-30	
\$18,830.88	\$0.00	\$0.00	\$0.00		\$18,830.88	\$0.00	\$0.00	\$0.00	\$0.00	\$80.88	\$18,750.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		31-60	Past Due
\$80.88	\$0.00	\$0.00	\$0.00		\$80.88	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$80.88	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	1. 1. 2. 2.	61-90	
\$24,406.83	\$0.00	\$0.00	\$0.00		\$24,406.83	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$50.00	\$1,432.95	\$22.24	\$3,909.00	\$80.88	\$80.88	\$18,750.00	\$80.88	6 1 5 1-	90+	
\$62,199.47	\$0.00	\$0.00	\$0.00	\$ <sup>26</sup> 1	\$62,199.47	\$50.00 Ex				\$80.88	\$18,750.00	\$0.00	\$80.88	\$50.00	\$1,432.95	\$22.24	\$3,909.00	\$80.88	\$80.88	\$18,750.00	\$80.88		Total	



Research Foundation, Inc. Business Office

August 1, 2016

288 Grinter Hall PO Box 115500 Gainesville, FL 32611-5500, 352-392-5221 352-846-0505 Fax http://rgp.ufl.edu/ufrf

### Via Federal Express

Lester Sideropoulos, COO Nucsafe, Inc. 765 Emory Valley Rd. Oak Ridge, TN 37830 Ph. 865.220.5090

Re: License Agreement No. A5872 between the University of Florida Research Foundation,

Inc. and Nucsafe, Inc. executed on March 15, 2007

Dear Mr. Sideropoulos:

We have made a diligent effort to collect past due amounts owed to the University of Florida Research Foundation, Inc. under the above-referenced License Agreement. However, to date, those efforts have been unsuccessful. Therefore, please be advised that if your account has not been satisfied within fourteen (14) days of the date of this letter, your account will be placed with a collections firm in an effort to resolve this matter.

Nucsafe currently owes outstanding legal and licensing fees plus interests totaling \$62,411.98.

Sincerely,

David L. Day

Director of Technology Licensing

cc: Nucsafe; Attn: Rick Seymour, CEP, 765 Emory Valley Rd., Oak Ridge, TN 37830,

Ph. 865.220.5090 (via Federal Express)

Richard Croley, Assistant Director

Maureen Upshaw, UFRF Business Office

Greg Neal, UFRF Business Office Julie Rhee, UFRF Business Office



# Aged Receivables - All Revenue

Printed Date: 07/29/2016 Settlement Date: 07/29/2016

				Past Due			
Agreement	Invoice No.	Current	0:30	31-60	61-90	90+.	IBIOI
A8258:Computed Imaging Backscatter							
Nucsafe, Inc.	40221	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Nucsafe, Inc.	41053	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Subtotal:	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
A5872:Snapshot Backscatter Radiography System					:		
Nucsafe, Inc.	40181	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Nucsafe, Inc.	40180	\$0.00	\$0.00	\$0.00	\$0.00	\$18,750.00	\$18,750.00
Nucsafe, Inc.	40543	\$0.00	\$0.00	\$0.00	\$0.00	\$80.88	\$80.88
Nucsafe, Inc.	40372	\$0.00	\$0.00	\$0.00	\$0.00	\$80.88	\$80.88
Nucsafe, Inc.	39957	\$0.00	\$0.00	\$0.00	\$0.00	\$80.88	\$80.88
Nucsafe, Inc.	39514	\$0.00	\$0.00	\$0.00	\$0.00	\$18,750.00	\$18,750.00
Nucsafe, Inc.	39885	\$0.00	\$0.00	\$0.00	\$0.00	\$80.88	\$80.88
Nucsafe, Inc.	39666	\$0.00	\$0,00	\$0.00	\$0.00	\$80.88	\$80.88
Nucsafe, Inc.	39312	\$0.00	\$0.00	\$0.00	\$0.00	\$3,909.00	\$3,909.00
Nucsafe, Inc.	39349	\$0.00	\$0,00	\$0.00	\$0.00	\$22.24	\$22.24
Nucsafe, Inc.	39121	\$0.00	\$0.00	\$0.00	\$0.00	\$1,432.95	\$1,432.95
Nucsafe, Inc.	38615	\$0.00	\$0,00	\$0.00	\$0.00	\$50,00	\$50.00
Nucsafe, Inc.	40756	\$0.00	\$0.00	\$0.00	\$80.88	\$0.00	\$80.88
Nucsafe, Inc.	41211	\$0.00	\$0.00	\$80.88	\$0.00	\$0.00	\$80.88
Nucsafe, Inc.	41426	\$0.00	\$81,63	\$0.00	\$0.00	\$0.00	\$81.63
Nucsafe, Inc.	40925	\$0.00	\$50.00	\$0.00	S0.00	\$0.00	\$50.00
Nucsafe, Inc.	40992	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Nucsafe, Inc.	40991	\$18,750.00	\$0.00	\$0.00	\$0.00	\$0.00	\$18,750.00
Nucsafe, Inc.		\$50.00	\$0.00	\$0.00	\$0.00	\$0.00	\$50.00
	Subtotal:	\$18,800.00	\$131.63	\$80.88	\$80.88	\$43,318.59	\$62,411.98
	<b>Grand Totals:</b>	\$18,800.00	\$131.63	\$80.88	\$80.88	\$43,318.59	\$62,411.98





Akerman LLP 50 North Laura Street **Suite 3100** Jacksonville, FL 32202-3646 Tel: 904,798,3700 Fax: 904.798.3730

allison.stocker@akerman.com

### September 1, 2016

### Via Federal Express and Facsimile

Nucsafe, Inc.

President

765 Emory Valley Road

Oak Ridge, Tennessee 37830

Nucsafe, Inc.

in care of Lester Sideropoulos, COO and in care of its Vice President, Contracts and

Intellectual Property

765 Emory Valley Road

Oak Ridge, Tennessee 37830

Nucsafe, Inc.

President

601 Oak Ridge Turnpike

Oak Ridge, Tennessee 37830

Nucsafe, Inc.

in care of Lester Sideropoulos, COO and in care of Vice President, Contracts and

Intellectual Property 601 Oak Ridge Turnpike

Oak Ridge, Tennessee 37830

Re: Balance of \$62,493.61 due under Standard Exclusive License Agreement with Sublicensing Terms, as amended (Agreement No. A5872) (the "Agreement") between University of Florida Research Foundation, Incorporated ("UFRF") and Nucsafe, Inc. ("Nucsafe")

### Dear Mr. Sideropoulos:

This firm represents UFRF under the above-referenced Agreement. Nucsafe is in breach of the Agreement for, among other things, failing to make payments required under the Agreement.

Nucsafe owes UFRF \$62,493.61 for its breach of the Agreement. Interest, attorneys' fees and costs continue to accrue on the unpaid balance. The foregoing amount is immediately due and payable to UFRF. If, within ten days from the date of this letter, \$62,493.61 plus accrued interest, attorneys' fees and costs, is not paid in full to UFRF, UFRF will enforce its rights and remedies under the Agreement. In such event, Nucsafe will be liable for, and UFRF shall seek to recover, all costs incurred in such enforcement and collection efforts, including, but not limited to, attorneys' fees and costs.

akerman.com

Nucsafe, Inc. September 1, 2016 Page 2

This letter also serves as UFRF's written notice to Nucsafe that UFRF intends to invoke the dispute resolution procedures set forth in Section 11 of the Agreement. As required by Section 11.1.3 of the Agreement, the following individuals are acceptable to UFRF to act as a neutral advisor in the dispute between Nucsafe and UFRF.

Stan Cushman Scruggs & Carmichael 1 SE 1<sup>st</sup> Ave. Gainesville, FL 32601 (352) 376-5242 Charles B. Carter The Resolution Center 4719 NE 53<sup>rd</sup> Ave., Suite A Gainesville, FL 32653 (352) 371-2630

Terry N. Silverman Terry N. Silverman, P.A. 500 E. University Ave., Suite D Gainesville, FL 32601 (352) 377-0770

Within fifteen days of this notice, please provide me with a list of the names and addresses of at least three individuals, any one of whom would be acceptable as a neutral advisor in this dispute and all of whom meet the criteria of Section 11.1.3 of the Agreement. Within ten days from the date of this letter, please provide me with dates within the next thirty days on which Nucsafe is available to meet with UFRF to engage in good faith negotiations to resolve this dispute.

Nothing in this letter is intended, nor shall it be deemed to modify, limit, release, reduce or waive any of UFRF's rights, remedies, and privileges at law or in equity under the Agreement or otherwise, all of which rights, remedies, and privileges are specifically reserved by UFRF. This notice is provided to Nucsafe as a courtesy, and not as an admission that the amount listed above is exact.

Please contact me if you have any questions regarding the amounts required to bring Nucsafe obligations current.

Very truly yours,

Allison M. Stocker

cc (via email):

University of Florida Research Foundation, Incorporated

alism Stocker

cc (via Federal Express):

Rick Seymour

CEO of Nucsafe, Inc.





Akerman LLP 50 North Laura Street Suite 3100 Jacksonville, FL 32202-3646 Tel: 904.798.3700 Fax: 904.798,3730

allison.stocker@akerman.com

### September 20, 2016

### Via Federal Express and Facsimile

Nucsafe, Inc. President

765 Emory Valley Road Oak Ridge, Tennessee 37830

Oak Ridge, Tennessee 37830

Nucsafe, Inc.

Nucsafe, Inc.

in care of Lester Sideropoulos, COO and in care of its Vice President, Contracts and

Intellectual Property 765 Emory Valley Road Oak Ridge, Tennessee 37830

Nucsafe, Inc. in care of Lester Sideropoulos, COO and in care of Vice President, Contracts and President 601 Oak Ridge Turnpike

Intellectual Property 601 Oak Ridge Turnpike Oak Ridge, Tennessee 37830

Re: Balance due under Standard Exclusive License Agreement with Sublicensing Terms, as amended (Agreement No. A5872) (the "Agreement") between University of Florida Research Foundation, Incorporated ("UFRF") and Nucsafe, Inc. ("Nucsafe")

### Dear Mr. Sideropoulos:

As you know, this firm represents UFRF under the above-referenced Agreement. On September 1, 2016, and on behalf of UFRF, I sent Nucsafe a letter notifying Nucsafe that it is in breach of the Agreement and invoking the dispute resolution procedures in Section 11 of the Agreement.

Nucsafe failed to timely provide me with dates to meet with UFRF. Nucsafe also failed to timely provide me with names and addresses of at least three individuals, any one of whom would be acceptable as a neutral advisor in the dispute, as required by Section Pursuant to Section 11.1.2 of the Agreement, UFRF declares that the negotiations are at an impasse and notifies Nucsafe that the remaining issue in dispute is whether Nucsafe will pay the amounts it owes to UFRF. As of August 24, 2016, Nucsafe owed UFRF \$62,493.61, exclusive of attorneys' fees and costs and interest accrued thereafter.

akerman.com

Nucsafe, Inc. September 20, 2016 Page 2

UFRF will now proceed with enforcing its rights and remedies under the Agreement.

Very truly yours,

Allison M. Stocker

cc (via email):

University of Florida Research Foundation, Incorporated

Allism Sucker