




GREENGUARD ENVIRONMENTAL INSTITUTE TESTING AND CERTIFICATION AGREEMENT

COVER SHEET

Effective Date: July 31st 2009

Territory: U.S.A (includes the fifty states of the United States of America) and Asia

Licensed Marks:

	Registration Status/Number	Goods/Services
GREENGUARD INDOOR AIR QUALITY CERTIFIED		Goods with low chemical and particulate emissions for use indoors, namely, appliances, furniture, furnishings, building materials, cleaning and maintenance products, and personal care products.
GREENGUARD INDOOR AIR QUALITY CERTIFIED (AND DESIGN) 		Goods with low chemical and particulate emissions for use indoors, namely, appliances, furniture, furnishings, building materials, cleaning and maintenance products, and personal care products.

Manufacturer Contacts:

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Email: eve@matsu.cn

Testing Laboratory: Air Quality Sciences, Inc.

GREENGUARD ENVIRONMENTAL INSTITUTE TESTING AND CERTIFICATION AGREEMENT

This Testing and Certification Agreement (**Agreement**), is entered into as of this 31st day of July, 2009 (**Effective Date**) by and between GREENGUARD Environmental Institute, a non-profit District of Columbia corporation located at 2211 Newmarket Parkway, #110, Marietta, Georgia 30067, U.S.A (**GEI**) and **SHANGHAI MATSU FURNITURE CO., LTD.**, a corporation organized and existing under the laws of the People's Republic of China, located at: No.8 Nansha Road, Minhang Economic & Technological Development Zone, Shanghai 200245, China ("PRC") (**Manufacturer**).

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

BACKGROUND

- A. GEI is an independent nonprofit corporation whose purpose is to improve public health and quality of life by encouraging manufacturers to build better, safer products and to uphold environmental standards in product development, manufacturing, and distribution. GEI has established environmental standards for indoor products and building materials, and a certification program for certifying such products and materials (the **Certification Program**) that comply with its **Certification Standards**.
- B. Manufacturer seeks to have certain products manufactured and/or distributed by it evaluated for compliance with the Certification Standards. GEI outsources the administration and performance of the emissions testing, reviews, analysis, and reporting required under the Certification Program (**Certification Testing**) to manufacturer-independent air quality product emissions testing laboratories. GEI has designated the **Testing Laboratory** identified on the Cover Sheet to conduct such Certification Testing.
- C. If GEI determines that certain products and materials of Manufacturer comply with the Certification Standards, Manufacturer may participate in further Certification Testing and seek Certification of such products and materials. All forms, standards and procedural documents referenced in this Agreement have been or shall be made available to Manufacturer on GEI's website, a customer-access only extranet, or otherwise. GEI may amend such documents from time to time in its sole discretion, which changes shall become part of this Agreement thirty (30) days after the earlier of (i) posting at GEI's website or (ii) notice to Manufacturer via e-mail or pursuant to the notice procedures set forth in Section 12.3; provided that GEI shall not make material changes to its standards and procedures more frequently than once every twelve (12) months.
- D. GEI has the right to license the certification marks and other marks set forth on the Cover Sheet (**Licensed Marks**). Upon satisfactory completion of Certification Testing, Manufacturer may license the Licensed Marks for use on Manufacturer's products and materials that satisfy the Certification Standards (**Certified Products**). Such licenses shall

be contingent on Manufacturer's continued compliance with Ongoing Certification Testing and reporting obligations, among others.

1 INITIAL TESTING OF PRODUCTS

- 1.1 **Products.** GEI shall provide the Manufacturer with a copy of the "**Manufacturer's Packet**". For each Manufacturer product (**Product(s)**) that Manufacturer desires to have tested, Manufacturer shall (a) submit to GEI a completed **Product Form** and **GEI License Application**, and (b) within thirty (30) days thereafter, provide to the Testing Laboratory newly manufactured, representative samples of each Product for the initial **Testing Services** (as hereinafter defined). At Manufacturer's expense, Manufacturer shall deliver the Products, and any and all materials required in the Manufacturer's Packet, to the Testing Laboratory according to GEI's handling and shipping instructions. The Testing Laboratory will not begin the Testing Services until (i) it receives all Products and the materials and items required in the Manufacturer's Packet, and (ii) the Initial Certification Program Fees set forth in Exhibit 1(a) have been paid.
- 1.2 **Fees.** Manufacturer agrees to pay GEI all fees in accordance with the stages set forth in Exhibit 1 hereto. Manufacturer acknowledges and agrees that any refusal by GEI to license the Certification Marks, resulting from non-compliance of the Manufacturer or Products with the criteria of the Certification Program or Certification Standards, will not entitle Manufacturer to seek any refund of any fees paid GEI.
- 1.3 **Testing Services.** GEI, by itself or through the Testing Laboratory, will perform the testing, reviews, analysis and reporting services requested by Manufacturer on each Product and/or product category (**Testing Services**) in accordance with the specifications set forth in GEI's then-current Certification Standards (**Testing Procedures**) and will determine whether the Product and/or product category comply with the Certification Standards. Manufacturer acknowledges and agrees that any Testing Services performed by the Testing Laboratory on a Product and/or product category will be valid only for the Product and/or product category.
- 1.4 **Results.** Following completion of the Testing Services for each Product in a product category, GEI will (a) notify the Manufacturer of the results of the testing and whether the applicable Products comply with the Certification Standards, and (b) provide Manufacturer with an "**Emissions Report**" that outlines the emissions test results for the applicable Products, which will include (i) an executive summary of emissions testing procedures and results, (ii) a summary of analytical methodologies, test procedures, and quality control procedures followed by the Testing Laboratory in the emissions testing, (iii) a summary of emission levels for contaminants, and (iv) a summary that compares the applicable Product's emission levels with the levels required for compliance with the Certification Standards. The Emissions Report is subject to the confidentiality and non-disclosure obligations imposed on Confidential Information pursuant to Section 8. GEI represents and warrants that the summary of emissions levels for contaminants shall be accurate within a range of error customary in the industry.
- 1.5 **Product Samples.** Tested Product samples will be retained by the Testing Laboratory at no charge to the Manufacturer for thirty (30) days following completion of the applicable test of the applicable Product. Thereafter, GEI may discard, dispose of or donate to charity any samples and finished products.

2 CERTIFICATION PROCEDURE

- 2.1 **Certification Notification.** Promptly upon notification to Manufacturer that a Product has been approved as a Certified Product, Manufacturer shall pay to GEI the Initial Certification Program Fees set forth in Exhibit 1(b) for the Certified Product. GEI shall have no obligation to issue GREENGUARD Certification until receipt of all applicable fees from Manufacturer. The Initial Certification Program Fees are not refundable even if any or all Certified Products become de-certified or this Agreement is terminated pursuant to Section 6 during the year of the Initial Term covered by such Fees.
- 2.2 **Designation of Contacts.** GEI and Manufacturer each shall designate Contractual Notice Persons, Operational Contacts for day-to-day communications regarding implementation of the Certification Program (including, but not limited to, for notifications of products selected for testing and of scheduling requirements) and Marketing Contacts. GEI hereby appoints TaiSiDeChen Environmental Technology Company (a corporation organized and existing under the laws of the People's Republic of China, located at: Lido Daphne Suite 6011, Jiangtai Road, Chaoyang District, Beijing, 100004, China) or its affiliates as the point of contact in China.
- 2.3 **Assignment of Certification Date.** Upon receipt of all Initial Certification Program Fees due, GEI shall notify Manufacturer in writing of the **Certification Date** (the date of written notice from GEI to Manufacturer that the applicable Product complies with the Certification Standards), and the schedule of dates for Ongoing Certification Testing (as hereinafter defined), for each Certified Product, by providing to Manufacturer a completed **Notification of Certification Date** form. GEI shall assign the dates for Ongoing Certification Testing pursuant to GEI's then-current **Ongoing Certification Testing Procedures**.
- 2.4 **Grant of License.** Subject to the terms and conditions of this Agreement, GEI grants to Manufacturer, effective upon Manufacturer's receipt of notice of the Certification Date for a Certified Product, a nonexclusive, nontransferable license to use the Licensed Marks (**License**) solely on the Certified Products, provided however, that such products must (i) be manufactured by Manufacturer or a supplier under contract to Manufacturer after the Certification Date, and (ii) comply with the Certification Standards when manufactured and delivered; and further provided, that such Certified Products must be sold within the **Territory**, or be shipped for intended distribution within the Territory. Advertising for such Certified Product(s) must be directed within the Territory. Manufacturer may use the Licensed Marks on an Internet website in connection with advertisement for the Certified Products provided that such website is operated and targeted within the Territory. Manufacturer may not sublicense the foregoing rights without GEI's prior written consent; however, Manufacturer may, with prior written notice to GEI identifying the distributor) and Certified Products to be distributed thereby, grant those Distributors that distribute Products on behalf of Manufacturer (**Sublicensed Distributor(s)**) the right to sell Certified Products bearing the Licensed Marks and to use the Licensed Marks in advertising such Certified Products; provided that Manufacturer shall ensure that all use of the Licensed Marks by such Sublicensed Distributors is subject to the terms and conditions of this Agreement regarding the Certified Products and use of the Licensed Marks, including, but not limited to, Sections 2.4, 3, 4 and 7 and Manufacturer shall instruct such Sublicensed

Distributors on the appropriate use, provide such Sublicensed Distributors with a copy of the Use Guidelines, monitor the use of the Licensed Marks by such Sublicensed Distributors and notify GEI immediately of any use by such Sublicensed Distributors inconsistent with this Agreement. Any breach of the terms and conditions applicable to use of the Licensed Marks by such Sublicensed Distributors shall constitute a breach of this Agreement by Manufacturer.

- 2.5 Initial Term.** Unless earlier terminated in accordance with Sections 5, 6 or 7, the term of this Agreement shall commence on the Effective Date and expire **four (4)** years from the Certification Date (**Initial Term**). If Manufacturer desires to maintain certification after expiration of the Initial Term, Manufacturer shall give GEI written notice thereof at least sixty (60) calendar days prior to the expiration of the Initial Term. Within ten (10) business days of receipt of such notice, GEI shall provide to Manufacturer's Operational and Contractual Notice Persons a copy of GEI's then-current Certification Program Agreement. The parties agree to negotiate in good faith to enter into the Certification Program Agreement to govern terms after expiration of the Initial Term (**Subsequent Term(s)**). If the parties have not executed a new Testing and Certification Agreement by the date of expiration of the Initial Term nor agreed in writing to extend the Initial Term of this Agreement, the Agreement and all licenses granted to Manufacturer herein shall expire.

3 OWNERSHIP AND USE OF GEI INTELLECTUAL PROPERTY

- 3.1 Ownership of Licensed Marks.** GEI represents and warrants that it has sufficient rights in the Licensed Marks to grant Manufacturer the license granted in Section 2.4 in those jurisdictions within the Territory in which the Licensed Marks are registered. Manufacturer (i) acknowledges that, as between Manufacturer and GEI, GEI owns all rights, title and interests in the Licensed Marks, (ii) agrees that it will do nothing inconsistent with such ownership and that nothing in this Agreement shall give Manufacturer any right, title or interest in the Licensed Marks other than the right to use the Licensed Marks in accordance with this Agreement, (iii) acknowledges that all use of the Licensed Marks by Manufacturer shall inure to the benefit of GEI, and (iv) agrees (a) to assist GEI in recording this Agreement with appropriate government authorities at GEI's request, (b) not to challenge GEI's title to the Licensed Marks, or attack the validity of the Licensed Marks, the Certification Program, the Certification Standards, or this Agreement while this Agreement is in effect and thereafter, and (c) not to seek registration anywhere in the world of the Licensed Marks or domain names incorporating any of the Licensed Marks or oppose any application of GEI to register the Licensed Marks anywhere in the world.
- 3.2 Modifications to the Licensed Marks.** Manufacturer acknowledges and agrees that GEI has the right to modify or replace the Licensed Marks in the Territory from time to time during the Term. GEI shall provide Manufacturer a drawing of the new Licensed Marks, and Manufacturer shall, within thirty (30) days of receipt, begin using such Licensed Marks on the Certified Products and related materials and phase out its use of the replaced Licensed Marks (in preexisting materials) over a reasonable period of time, which shall not extend longer than twelve (12) months.
- 3.3 Standards for Use of Licensed Marks.** Manufacturer agrees: (i) to use the Licensed Marks only in the form and manner and with appropriate legends as prescribed by GEI, including in accordance with GEI's **Certification Mark Usage Guidelines**; (ii) to cooperate with GEI in facilitating its control of all uses of the Licensed Marks; (iii) to permit,

from time to time at GEI's request, GEI to inspect at Manufacturer's facilities uses of the Licensed Marks; and, (iv) if and as requested by GEI, to supply GEI with physical and/or photographic specimens showing Manufacturer's use of the Licensed Marks. Within ninety (90) days of the Certification Date of a Certified Product, or within ten (10) days of any reasonable GEI request, Manufacturer shall submit sample Certified Product(s), advertising and/or packaging materials for GEI's review. If GEI determines, in its sole discretion, that Manufacturer is not using the Licensed Marks in accordance with the Certification Mark Usage Guidelines or other instructions, GEI may so notify Manufacturer and Manufacturer agrees to correct its usage of the Licensed Marks as requested by GEI, and provide new samples to GEI, within fifteen (15) days of receipt of notice. If GEI notifies Manufacturer that the revised samples are also non-compliant, Manufacturer shall have a further fifteen (15) days to correct its usage. If Manufacturer fails to do so, GEI may terminate the License granted pursuant to Section 2.4 or this Agreement, at GEI's sole discretion, without further right of cure pursuant to Section 6.3.2.

3.4 Infringement by Others. Manufacturer agrees to notify GEI of any unauthorized use of the Licensed Marks by others promptly as it comes to Manufacturer's attention. GEI shall have the sole right and discretion to bring infringement or unfair competition proceedings involving the Licensed Marks. Nothing in this License, however, shall require GEI to take any action concerning any unauthorized use of the Licensed Marks.

3.5 Testing Methodologies. As between the parties, GEI shall own all rights, title and interest in and to, and nothing herein shall grant Manufacturer any rights to use any of, the testing methodologies, processes, analyses, know-how, formulae, techniques and algorithms used by GEI or the Testing Laboratory in the performance of the services under this Agreement.

4 CERTIFIED PRODUCT QUALITY STANDARDS AND MAINTENANCE

4.1 Quality Obligations of Manufacturer. Manufacturer covenants that: (i) all products sold as Certified Products shall comply with the Certification Standards upon which the Certified Product(s) were approved in the most recent Initial or Annual Re-certification Testing; (ii) Manufacturer and/or the manufacturer of the Certified Products shall maintain a Quality Control System that covers all Certified Products at all times while Manufacturer (or manufacturer) manufactures and distributes products as Certified Products, and shall follow such Quality Control System with respect to all such Products. Manufacturer acknowledges and agrees that (i) Manufacturer is responsible for the design and operation of its Quality Control System, and (ii) GEI will rely on such System to ensure consistent quality of any products that become Certified Products.

4.2 Improper Use. If at any time GEI determines that Manufacturer or a Sublicensed Distributor has used the Licensed Marks on, or in connection with, products or materials that are not Certified Product(s), GEI may notify Manufacturer in writing of the mislabeling or misuse of the Licensed Marks. Within the time frame set forth in such notification, Manufacturer shall correct or cause the Sublicensed Distributor to correct its labeling or usage of the Licensed Marks as requested by GEI, and notify GEI of the corrective actions it has taken.

4.3 Right to Communicate Certification Status. GEI shall have the right, but not the obligation, at all times, whether this Agreement is in effect, to communicate to the public

accurately Manufacturer's current and past certification status and any impending action that GEI might take with respect to such certification status. GEI shall have no liability to Manufacturer whatsoever for any harm caused Manufacturer by GEI's communication thereof.

- 4.4 Corrective Action.** Manufacturer agrees to take corrective actions and to cause its Sublicensed Distributors to take corrective actions, as instructed by GEI and in GEI's sole discretion, including but not limited to public notification and recall of mislabeled product(s), to remedy any misuse of the Licensed Marks or failure of Certified Product(s) to comply with the Certification Standards. All corrective actions shall be at Manufacturer's sole expense.

5 MANUFACTURER'S ONGOING CERTIFICATION TESTING AND REPORTING OBLIGATIONS

- 5.1 Compliance with Procedures.** Manufacturer agrees to comply with GEI's then-current **Ongoing Certification Testing Procedures**, including **Quarterly Confirmation Testing** and **Annual Certification Testing**. Manufacturer acknowledges that successful completion of Ongoing Certification Testing is solely Manufacturer's responsibility, and that GEI shall not be responsible for any failure of Manufacturer to complete testing prior to the applicable deadline for any reason, including but not limited to Manufacturer's unwillingness or inability to deliver products to the Testing Laboratory in sufficient time to permit completion of such Testing. All samples and other information submitted by Manufacturer in connection with Ongoing Certification Testing shall be provided by Manufacturer at Manufacturer's expense.
- 5.2 Product Changes/Additional Testing.** With each submission of a Product for the Quarterly Confirmation Testing and the Annual Certification Testing, Manufacturer will provide written notice to GEI of any changes in the manufacturing processes or changes in the materials and/or chemicals used by Manufacturer in the manufacturing or construction of such Product provided by Manufacturer since the most recent Quarterly Confirmation Testing or Annual Certification Testing for the applicable Product, except for insignificant changes that Manufacturer does not believe would affect the Findings (as defined in Section 7). If no such changes have been made or have occurred, Manufacturer will provide written confirmation to that effect to GEI.
- 5.3 Re-certification of Compliant Products.** Promptly upon notification by GEI that a Certified Product has successfully completed Annual Re-certification Testing, Manufacturer shall pay to GEI the Annual Certification Fees set forth in Exhibit 1(c) hereto. The Certified Product shall be deemed re-certified upon (i) receipt of all fees due GEI, and (ii) Manufacturer's meeting the requirements set forth in Section 5.1, both as determined by GEI in its sole discretion.
- 5.4 Non-Compliance.** If, by any Ongoing Certification Testing deadline, (i) any or all Certified Products have not successfully completed Ongoing Certification Testing, (ii) GEI has not received full payment of all fees owed by Manufacturer, or (iii) any Certified Product has failed such Testing, all affected Certified Products shall become provisionally non-compliant pursuant to the **Provisional Certification Procedures**.

6 TERMINATION

6.1 Termination by Manufacturer without Cause. Manufacturer may at any time, upon sixty (60) days notice to GEI, terminate this Agreement and/or the license granted under this Agreement with respect to certain Certified Products. GEI shall be under no obligation to refund any fees paid by Manufacturer. If Manufacturer discontinues any Certified Products, Manufacturer shall notify GEI and the license shall terminate with respect to those Discontinued Products (as defined in Section 7.1).

6.2 Termination for Breach. In addition to the other termination provisions provided for in this Agreement, either party may terminate this Agreement if the other party (i) breaches any material term or condition of this Agreement (except as otherwise provided in Sections 3, 4 and 5) and fails to cure such breach within thirty (30) days after being provided written notice of the breach; (ii) becomes the subject of a voluntary petition in bankruptcy or any voluntary proceeding relating to insolvency, receivership, liquidation, or the like, under the law of either the United States or PRC, as applicable, for the benefit of creditors; or (iii) becomes the subject of an involuntary petition in bankruptcy or any involuntary proceeding relating to insolvency, receivership, liquidation or the like, under the law of either the United States or PRC, as applicable, for the benefit of creditors, if such petition or proceeding is not dismissed within sixty (60) days of filing.

6.3 Termination by GEI for Breach.

6.3.1 Termination of License with respect to certain Certified Products. GEI may terminate the License to use the Licensed Marks with respect to certain Certified Products without further right to cure if Manufacturer:

- (i) Fails to pay any fees due in connection with the Certified Products within thirty (30) days of the due date of such fees;
- (ii) Becomes de-certified in some, but not all, Certified Products pursuant to GEI's then-current procedures.

6.3.2 Termination of Agreement. GEI may terminate this Agreement if Manufacturer:

- (i) Fails to pay any Fees due in connection with all Certified Products then-certified within thirty (30) days of the due date of such Fees;
- (ii) Becomes de-certified in all Certified Products pursuant to GEI's then-current procedures;
- (ii) Fails to correct improper usage of the Licensed Marks within the thirty (30) day cure period as set forth in Section 3.3;
- (iii) Fails to correct use of the Licensed Marks on non-Certified Products within the time period designated by GEI for such correction in the written notice of default;
- (iv) Failure to take corrective action as required by GEI pursuant to Section 4.4.

7 EFFECT OF TERMINATION OR EXPIRATION

7.1 Termination or Expiration of License with respect to certain Certified Products. Upon termination or expiration of the License with respect to certain Certified Products, formerly Certified Products that are de-certified pursuant to Section 6.3.1 shall be deemed "**De-Certified Products**" and all De-Certified Products that were manufactured after the De-certification Date shall be deemed "**Non-Compliant Product(s)**". Formerly Certified Products that are discontinued with remaining inventory shall be deemed "**Discontinued Products**". Manufacturer agrees:

- (i) To cease marking Non-Compliant Products with the Licensed Marks immediately and to remove the Licensed Marks from any Non-Compliant Products previously marked, and to cause its agents and distributors to do the same;
- (ii) To amend all marketing and promotional materials so as to reflect accurately the certification status of the De-certified Products and Non-Compliant Products, and to cause its agents and distributors to do the same; and
- (iii) That GEI may take any and all actions necessary so as to communicate to the public the certification status of Manufacturer products.

7.2 Termination or Expiration of Agreement. Upon termination or expiration of this Agreement, Manufacturer agrees, in addition to that set forth in Section 7.1 above with respect to all De-certified Products and Discontinued Products:

- (i) To discontinue all uses of the Licensed Marks and any term confusingly similar thereto, including without limitation, removal of the Licensed Marks from all Certified Products and materials relating thereto in Manufacturer's inventory within six (6) months of such expiration or termination;
- (ii) To cooperate with GEI or its appointed agent to apply to the appropriate authorities to cancel any recording of this Agreement from all government records;
- (iii) To destroy all printed materials, including advertising and packaging, bearing the Licensed Marks for the Certified Product in Manufacturer's inventory within six (6) months of such expiration or termination and provide written notice of such destruction to GEI; and
- (iv) That, as between Manufacturer and GEI, all rights in the Licensed Marks and the goodwill associated therewith shall remain the property of GEI.

7.3 Survival. Notwithstanding the foregoing, Sections 7 - 12 shall survive the termination or expiration of this Agreement.

8. CONFIDENTIALITY

8.1 Confidential Information. The term "**Confidential Information**" shall mean information, in any form and regardless of whether it was developed by a party, the Testing Laboratory or acquired through a license, agreement or otherwise, that is not generally known to the public, including but not limited to any data, Emissions Reports, know-how, formula, technique, process, equipment, method, result, patent application, trade secret, business plan, marketing plan, financial information, customers, suppliers and other similar information with like characteristics. For the purposes of this Agreement, Confidential Information of the Testing Laboratory shall be considered Confidential Information of GEI. Confidential Information of a party does not include information that can be established by the recipient by competent proof that such information: (i) is generally available to the public through no fault of the recipient; (ii) was known by the recipient prior to receipt thereof as evidenced by prior written documents in the possession of such party; (iii) is subsequently disclosed to the recipient in good faith by a third party who is not under an obligation of confidentiality as to the information disclosed; or (iv) was or is independently developed by the recipient without reliance upon any Confidential Information of the disclosing party.

8.2 Use and Disclosure. Each party acknowledges and agrees that it will have access to and become acquainted with Confidential Information of the other party, and undertakes not (a) to, directly or indirectly, without the prior written consent of such other party, use

Confidential Information of the other party for any purpose other than exercising its rights or performing its obligations under this Agreement or (b) to divulge, discuss, provide, transmit, copy, make available or otherwise communicate the Confidential Information of the other to any third party. Notwithstanding the foregoing, each party shall be permitted to disclose Confidential Information of the other (i) to certain third parties, namely, the Testing Laboratory, employees, authorized representatives and agents, on a need to know basis who will be assisting such party to render its obligations under this License and (ii) as required by applicable law, provided, such party shall (a) give prompt notice of such requirement to the other party so that it will have the opportunity to seek a protective order or other appropriate remedy, and (b) cooperate in the other party's attempts to obtain confidential treatment of such Confidential Information.

- 8.3 Public Statements.** Manufacturer agrees that GEI may use Manufacturer's name and logo and display the Certified Products in the GREENGUARD Environmental Institute Product Guide in print and electronic form. Upon GEI's request, Manufacturer will promptly provide GEI with an electronic copy of its name and logo, as well as those of the Certified Products, if available, for use in connection with the GREENGUARD Environmental Institute Product Guide. Except as expressly provided in this Agreement, each party agrees that it shall not use, or permit a third party to use, the other party's name, logo, or marks without the prior written consent of such other party. Without the prior written consent of the other party, neither party shall make any press release or other public announcement of, or otherwise disclose, this Agreement or any provision thereof to any third party, except as may be required by applicable law.
- 8.4 Data.** Notwithstanding anything in this Agreement to the contrary, Manufacturer hereby grants to GEI, the Testing Laboratory and their affiliates a perpetual, worldwide, royalty-free, non-exclusive, irrevocable license to use, reproduce, distribute, display, modify, perform and prepare derivative works of the information, data or results obtained in the performance of the analysis and testing conducted by GEI or the Testing Laboratory on Manufacturer's samples, products and information as contemplated herein (**Data**); provided, however, that neither GEI, the Testing Laboratory nor their affiliates will use or distribute such Data in a manner that identifies such Data with Manufacturer. Manufacturer acknowledges that the type of Data obtained in the performance of the Testing Services and the format in which that Data is disclosed to Manufacturer (including but not limited to the Emissions Report) necessarily incorporates GEI's Confidential Information and agrees not to disclose the Data to any third party.

9 INDEMNITY

Manufacturer shall indemnify, defend and hold GEI, the Testing Laboratory and their respective representatives, employees, officers, directors and agents harmless against all claims, suit, costs, damages, liabilities, losses, judgments, expenses (including attorneys' and other professional fees and expenses) and settlements arising out of or resulting from any breach of this Agreement by Manufacturer or otherwise arising out of, resulting from or otherwise relating to the Certified Product(s) including, without limitation, the manufacture, use, advertising, distribution or sale of the Certified Product(s) by or on behalf of Manufacturer and claims that use of the Licensed Marks by Manufacturer or its Sublicensed Distributors or GEI's grant of a license in the Licensed Marks to Manufacturer, in jurisdictions in which the Licensed Marks are not registered, even if such jurisdictions are included in the Territory. GEI shall indemnify, defend and hold Manufacturer and its representatives, employees, officers, directors and agents harmless against all claims,

suit, costs, damages, liabilities, losses, judgments, expenses (including attorneys' and other professional fees and expenses) and settlements arising out of or resulting from any breach of this Agreement by GEI or otherwise arising out of, resulting from or otherwise relating to claims that use of the Licensed Marks by Manufacturer or its Sublicensed Distributors or GEI's grant of a license in the Licensed Marks to Manufacturer, in jurisdictions within the Territory in which the Licensed Marks are registered, infringes or contributory infringes the intellectual property rights of a third party.

10 DISCLAIMER OF WARRANTIES

Manufacturer acknowledges and agrees that any determinations, statements and/or findings made by GEI or the Testing Laboratory including, without limitation, the Emissions Report (collectively, the **Findings**), regarding the Products will be based on the Testing Laboratory's testing activities and analyses and shall be deemed opinions of the Testing Laboratory. Accordingly, the Testing Services provided hereunder shall not substitute for Manufacturer's own testing of its Products. GEI makes, neither on its own behalf nor on behalf of the Testing Laboratory, no warranties or representations regarding Manufacturer's ability to receive a license to the Licensed Marks. EXCEPT AS SET FORTH IN SECTION 1.4 HERETO, GEI EXPRESSLY DISCLAIMS, ON BEHALF OF ITSELF AND THE TESTING LABORATORY, ANY AND ALL WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, CONCERNING THE TESTING SERVICES, ANALYSES AND FINDINGS, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY, QUIET ENJOYMENT, NONINFRINGEMENT AND FITNESS FOR A PARTICULAR PURPOSE, THE LICENSED MARKS, CERTIFICATION STANDARDS, CERTIFICATION PROGRAM, AND THE CERTIFIED PRODUCT(S). OTHER THAN MANUFACTURER'S USE OF THE LICENSED MARKS IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THIS LICENSE, IN NO EVENT SHALL MANUFACTURER MAKE ANY WARRANTY, REPRESENTATION OR OTHER STATEMENT, DIRECTLY OR INDIRECTLY, THAT GEI ENDORSES, SPONSORS OR IS OTHERWISE RESPONSIBLE FOR THE CERTIFIED PRODUCT(S).

11 LIMITATION OF LIABILITY

IN NO EVENT SHALL GEI OR THE TESTING LABORATORY BE LIABLE TO MANUFACTURER, OR MANUFACTURER BE LIABLE TO GEI OR THE TESTING LABORATORY, FOR ANY CONSEQUENTIAL, INDIRECT, PUNITIVE, INCIDENTAL OR SPECIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS, GOODWILL OR BUSINESS, ARISING OUT OF OR RELATED TO THE TESTING SERVICES OR THIS LICENSE, EVEN IF THE OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY THEREOF.

12 MISCELLANEOUS

12.1 Controlling Law and Dispute Resolution. This Agreement shall be interpreted and construed under the laws of the District of Columbia. Any claims, disputes or controversies arising out of this Agreement between the Parties which cannot be settled by mutual agreement shall, upon written notice by one Party to the other Party, be finally settled by arbitration in accordance with and subject to the Commercial Arbitration Rules of the American Arbitration Association. The party desiring arbitration shall notify the other Party in writing of the matter to be arbitrated. The arbitration tribunal shall consist of three (3) arbitrators. GEI and Manufacturer shall each appoint one arbitrator and the two

appointed arbitrators shall jointly select the third arbitrator, who shall be the chairman of the arbitration tribunal. All arbitration hearings shall be held in Atlanta, Georgia and the arbitration proceedings shall be conducted in English. Pending a decision by the arbitrator, both parties agree to take no action which might upset the status quo or prejudice the respective positions of the parties with respect to the matter in controversy. A decision by the arbitrator with respect to the matter in controversy shall be final and binding on the parties and shall be issued in writing, and judgment on any award so rendered may be entered in any court having jurisdiction. Nothing herein shall be construed to deny the parties the right to seek an injunction in any court of competent jurisdiction, particularly, but not limited to, an injunction relating to Sections 2, 3 or 8.

12.2 Compliance with Laws. Each Party shall comply with all laws and regulations of federal, state, regional, local and other governmental bodies in the United States and within the Territory applicable to or affecting the parties' rights and obligations under this Agreement.

12.3 Notices. All notices, demands, requests, or other communications which may be or are required to be given, served, or sent by any party to any other party pursuant to this Agreement shall be in writing and shall be hand delivered, sent by overnight, courier or mailed by first-class, registered or certified mail, return receipt requested, postage prepaid to the following person (at the addresses set forth above), unless a new person and/or address is designated by notice to the other party pursuant to this Section 12.3.

To GEI:
President
GREENGUARD Environmental Institute
2211 Newmarket Parkway,
#110 Marietta, Georgia 30067
U.S.A

Tel: +1-800-427-9681

To Manufacturer:
President
SHANGHAI MATSU FURNITURE CO., LTD.
No.8 Nansha Road, Minhang Economic &
Technological Development Zone, Shanghai P.
R. China P. C.: 200245

Tel: +86-21-54758106

With a Copy to:
President
TaiSiDeChen Environmental Technology
Company, Ltd.
Lido Daphne Suite 6011, Jiangtai Road,
Chaoyang District, Beijing, 100004, P. R. China

Tel: +86-10-64366688

Notice shall be deemed sufficiently given, served, sent, received or delivered for all purposes at such time as it is delivered to the addressee's institution, with the return receipt, the delivery receipt being deemed conclusive, but not exclusive, evidence of such delivery or at such time as delivery is refused by the addressee upon presentation.

12.4 Assignment. Except to a successor of all or substantially all of the assets of Manufacturer that relate to the subject matter of this Agreement, Manufacturer may not assign, encumber, or otherwise transfer its rights and obligations under this Agreement without the prior written consent of GEI and any attempt to do so shall be null and void.

- 12.5 Entire Agreement/Construction.** This instrument contains the entire agreement between the parties with respect to the subject matter expressed herein. It supersedes and cancels any prior oral or written indications, undertakings, understandings, agreements, or negotiations concerning the subject matter of this Agreement. This Agreement may not be altered in any respect except in writing signed by both parties. No amendment, modification or discharge of this Agreement shall be valid or binding unless set forth in writing and duly executed by the Parties. Section headings contained in this Agreement are inserted for convenience of reference only, shall not be deemed to be a part of this Agreement for any purpose, and shall not in any way define or affect the meaning, construction or scope of any of the provisions of this Agreement. To facilitate execution, this Agreement may be executed in as many counterparts as may be required. All counterparts shall collectively constitute a single Agreement.
- 12.6 Severability.** The terms of this Agreement shall be severable such that if any term hereof is held to be illegal, invalid, or unenforceable, such holding shall not affect the validity of any of the other provisions of the Agreement, unless the severing of such term would defeat the purpose of this Agreement.
- 12.7 Injunctive Relief.** Each Party acknowledges that a violation of the parties' respective rights as provided for in Sections 3 and 8 of this Agreement may cause irreparable harm to the other party for which no adequate remedy at law may exist and each party therefore agrees that, in addition to any other remedies available, the aggrieved party shall be entitled to seek injunctive relief for any breach or violation thereof. The prevailing party shall be entitled to recover all costs and expenses, including reasonable attorneys' fees, incurred as a result of the other party's violation.
- 12.8 Waiver; Force Majeure.** No delay or failure on the part of either party in exercising any right, power or privilege under this Agreement shall impair any such right, power or privilege or be construed as a waiver of any default or any acquiescence thereof. No waiver shall be valid against any party, unless made in writing and signed by the party against whom enforcement of such waiver is sought, and then only to the extent expressly specified therein. Neither party shall be liable to the other party for failure or delay in the performance of any obligation under this Agreement to the extent such failure or delay is caused by riots, civil commotions, wars, governmental laws, orders or regulations, embargoes, actions by any governmental authority, acts of God, acts of terrorism, storms, fires, accidents, labor disputes or strikes, or other similar or different contingencies, in each case, beyond the reasonable control of the respective party.
- 12.9 No Agency.** Manufacturer is not an agent, partner, joint venture, or employee of GEI by virtue of this Agreement. This Agreement shall not prevent GEI from entering into similar agreements or relationships with third parties. The Testing Laboratory shall be an express third party beneficiary to this Agreement; otherwise, there are no third party beneficiaries to this Agreement.
- 12.10 Successors and Assigns.** This Agreement shall be binding on and shall inure to the benefit of the parties to this Agreement and their successors and permitted assigns, if any.

12.11 This agreement has both English and Chinese versions. The English version and Chinese version are intended to be identical. If there are any differences between the English version and the Chinese version which may or may not be caused by the language translation, the English version takes precedence.

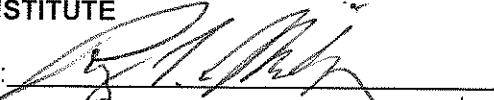
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date.

**GREENGUARD ENVIRONMENTAL
INSTITUTE**

By: _____

Name: _____

Title: _____



Name: RODNEY L. MILLIGAN


Title: TREASURER

SHANGHAI MATSU FURNITURE CO., LTD.

By: _____

Name: _____

Title: _____



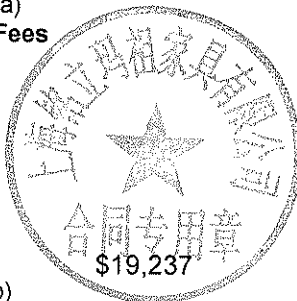
Name: _____

Title: _____

**Testing and Certification Agreement
EXHIBIT 1**

FEE SCHEDULE

- | | | |
|----------|---|-----------------|
| 1 | Fifty percent (50%) of Initial Certification Program Fees (a)
Initial Certification Program Fees including, but not limited to, Application Fee, Testing Fees, Administration Fee and Initial Licensing Fee. | \$19,238 |
| 2 | Fifty percent (50%) of Initial Certification Program Fees (b) | \$19,237 |
| 3 | Ongoing Certification Program Fees(c)
Begin on first Re-certification Anniversary. Including, but not limited to, Administration Fee and Licensing Fee | \$21,195 |
| 4 | Other Fees | |



-
- (a) Due upon signing within five (5) days and prior to commencement of Testing Services
- (b) Due upon notice within five (5) days that at least one Certified Product has successfully completed Certification Testing and complies with the applicable Certification Standards.
- (c) Due on or before the Re-certification Anniversary.
-

Manufacturer shall pay any fees due to GEI hereunder in U.S. dollars within five (5) days after receipt of GEI's invoice. Payments made under this Agreement after their due date will incur interest at a rate equal to one and one half percent (1.5%) per month or the highest rate permitted by applicable law, whichever is lower, from their due date. Manufacturer will pay all costs of collection including without limitation reasonable attorneys' fees.

All fees payable hereunder are exclusive of transfer, sales, use, and other taxes and duties and Manufacturer will pay all taxes assessed in connection with this Agreement, except for taxes payable on GEI's net income.

Ongoing Certification Fees are fixed for the Initial Term; provided that GEI may increase any or all of such fees upon increases in the number of Certified Products, effective the year following such observed increase or increases.

CONFIDENTIAL AND PROPRIETARY

GREENGUARD ENVIRONMENTAL INSTITUTE
Testing and Certification Agreement
EXHIBIT 2

INITIAL RANGE OF PRODUCTS APPLIED TO BE TESTED AND CERTIFIED

- | | | |
|----------|---|--|
| 1 | Manufacture Plant | The one manufacture plant of Shanghai Matsu Furniture Co., Ltd. located in Baiyun District of Guangzhou City. |
| 2 | Initial Range of Products Applied to Be Tested and Certified | All Panel Based Working Station Products of Matsu (Including Horizontal Table Board; Including Cabinets Used As The Legs of the Panel Based Working Station; Including Hanging Cupboards That Be Directly Connected On The Panels. Excluding Wood Veneers and Wood Veneers Products.). |
-