Development &

Distribution Agreement

THIS AGREEMENT made as of January 1, 2009.

BETWEEN:

NESCH, LLC, a Limited Liability Company under the laws of Indiana with its principal place of business at 9800 Connecticut Drive, Crown Point, IN 46307

(the "Company")

- and -

EIGER DIFFRACTION ENHANCED IMAGING, S.A., a company incorporated under the laws of Panama with its principal place of business at 41st Street, IPASA Bldg., 3rd Floor, Bella Vista District, Panama City, Panama

(the "Distributor e County Recorder!

WHEREAS:

- The Company owns various intellectual property rights, patents and trademarks (A) pertaining to Diffraction Enhanced Imaging (DEI) apparatus bearing the trademarks listed on Exhibit "A" hereto (the "Products");
- The Company is seeking investment capital to create and manufacture apparatus designed (B) to employ enhanced diffraction imaging; once said capital is obtained, specific designs and apparatus will be produced to facilitate sales and distribution of this technology.
- The Company requires sufficient time to obtain the manufacturing facilities, tooling and (\mathbb{C}) production capacity which is estimated between four (four) to ten (10) months once funding is received:
- The Distributor desires to obtain the exclusive right to promote, distribute and sell the (D)Products in the Territory (as hereinafter defined);
- The Distributor has assured the Company that it possesses the necessary technical and (E) commercial competence and the ability to structure the organization necessary to ensure efficient performance of its contractual obligations hereunder;

(F) The Company is willing to sell the Products to the Distributor for marketing in the Territory (as hereinafter defined) under the terms and conditions of this Agreement;

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

Article 1 Appointment of Distributor

- Appointment. Subject to the terms and conditions of this Agreement, the Company grants to Distributor the exclusive right to promote, market, finance, distribute, maintain and sell the Products in the Territory including the right to sell used or repossessed DEI equipment. The Distributor hereby accepts such exclusive appointment and agrees to use its best efforts to develop and promote the sale of the Products in the Territory during the Term, in accordance with the terms and conditions of this Agreement.
- License. Subject to the provisions of Article 12 hereof, the Company hereby grants to Distributor the exclusive right and license to use in the Territory, only for so long as this Agreement is in force, the trademarks set forth on Exhibit A hereto, as it may be amended from time to time (the "Trademarks") for the sole purpose of promoting and selling the Products in the Territory, financing, maintaining, reselling and for no other purpose.
- Discontinuations; New Products. Nothing in this Article 1 or elsewhere in this Agreement shall preclude the Company from discontinuing the sale of any Product which the Company reasonably concludes is no longer profitable or otherwise feasible for the Company to sell, provided the Company gives the Distributor at least ninety (90) days prior written notice of such discontinuation. If the Company shall desire the Distributor to sell additional products, the Company shall so advise the Distributor in writing, and the Distributor shall have thirty (30) days from the date of such notice to determine whether it wishes to have such new product, added to Exhibit "A" as a Product. If the Distributor so declines, the Company may distribute the new product itself or through another distributor or commission agent in the Territory, as described in section 3.1
- Limitations. The Distributor shall buy and sell the Products in its own name and for its own account. The Distributor is an independent contractor, and not an employee, agent, joint venturer or partner of the Company. The Distributor and employees of the Distributor shall identify themselves as such, and shall make clear the limitations of their authority to any potential or actual customers of the Products. The Distributor may not, in any manner, accept any obligation, incur any liability, promise any performance or pledge any credit on behalf of, or for the account of, the Company except those expressly permitted under this Agreement. Each party shall pay any and all expenses and charges relating to their performance of contractual obligations hereunder.

Article 2 Products

2.1 Products. The Products covered by this Agreement shall include Diffraction Enhanced X-ray Imaging (DEXI) machines and all related components manufactured by the Company, as more specifically set forth on Exhibit "A" attached hereto, as it may be amended from time to time. Excluded are DEXI machines and components specifically developed for small-animal imaging, for non-destructive testing and evaluation, and other components and machines the export of which is prohibited by US laws.

Article 3 Territory

3.1 Territory. The territory covered by this Agreement shall be Latin America which is defined for the purpose of this Agreement as Mexico and all countries in Central and South America including the Caribbean (the "Territory").

Article 4 Prices and Payment Terms

- The selling price to the Distributor for the Products will be the Company's list price in effect at the time of the Distributor's order. The Distributor shall submit purchase orders for the Products to the Company in writing, which purchase orders shall set forth, at a minimum identification of the Products ordered, quantity and requested delivery dates. Unless stated otherwise, prices, shipments and risk of loss are Ex Works the Company's facilities. Title and risk of loss pass to Distributor in accordance with the definition of Ex Works in Incoterms 2000.
- The Company's price list is subject to change on thirty (30) days prior written notice to the Distributor, and any such price changes shall take effect only on orders placed after such thirty (30) day period.
- 4.3 Payment shall be in U.S. Dollars by irrevocable and confirmed letter of credit issued at the time of the Distributor's order and payable at sixty (60) days from the date of bill of lading. The letter of credit shall be on terms acceptable to the Company, shall be issued by a bank acceptable to the Company and confirmed by a bank acceptable to the Company. All bank charges along with for amendment and confirmation will be on the Distributor's account.
- In the event of any delay in payment of any amounts due to the Company hereunder, the Company shall have the right to suspend deliveries and may, at its option, terminate the order, as well as any and all other orders and contracts with the Distributor. In the event that the Company does not receive any payment when due, the Distributor shall pay to the Company as a late charge and not as a penalty, interest on the unpaid balance from the due date until payment is actually received by the Company, at the varying prime

. (sometimes called base) announced by the Company's banker. The Company's right to such interest shall be in addition to and not in lieu of all other rights and remedies arising by reason of such non-payment. Any payment received by the Company may be applied by the Company first to any outstanding interest due and then to any outstanding balance owed by the Distributor to the Company, as the Company in its sole discretion shall determine. The Distributor shall make all payments in accordance with the terms of this Agreement notwithstanding any claim for any alleged fault, defect or irregularity in the Products, in the event of any delay in payment, the Company may, at its option, terminate the order and hold the Distributor liable for damages.

Article 5 Security Interest

Security Interest. The Company shall retain title to the Products and shall have a 5.1 security interest in the Products sold to the Distributor and all accounts receivable arising from the sale of such Products, including their respective proceeds (for purposes hereof, the "Collateral") until paid in full. The Distributor, upon the Company's request, shall give, execute, file and/or record any notice, financing statement, continuation statement, instrument or document which the Company shall consider necessary to create, preserve, continue, effect or validate the security interest in the Collateral granted hereunder or to enable the Company to exercise or enforce its rights hereunder. The Distributor hereby authorizes the Company to file any financing statements, continuation statements or other documents in any jurisdiction at any time it deems necessary to protect and maintain the Company's interest in the Collateral, with or without the Distributor's signature, and the Distributor hereby specifically authorizes the Company as the Distributor's attorney-infact to execute and file such statements on the Distributor's behalf. In the event the Distributor intends to utilize other warehouse facilities, change its business address or in any other way to transfer the Products, or any records relating to such Products, including accounts receivable, to any location other than the address set forth above, the Distributor shall notify the Company in writing at least thirty (30) days prior to such change or transfer.

Article 6 Duties of Distributor

- The Distributor, at its own cost and expense, shall use all reasonable commercial efforts to develop and exploit the maximum sales for the entire line of the Products in the Territory. This covenant to use all reasonable commercial efforts shall include without limitation the following obligations:
 - (a) Sales Organization. Distributor shall establish and maintain a sales organization of personnel who are fully trained and knowledgeable about the Products.
 - (b) Inventory. The Distributor shall maintain an adequate selection and stock of the Products as is necessary to fulfill customers' demands and to guarantee requests

- for replacement under warranty, as set forth in Article 9 of this Agreement, as determined by the Distributor based upon its prior business operations and experience and upon the fixed delivery times.
- (c) Monthly Reports. Distributor shall deliver to the Company no later than the tenth (10th) day after the end of each calendar month a written report in regard to operations of the Distributor for the preceding calendar month.
- Advertising and Promotion. The Distributor agrees to conduct, at its own expense, advertising and public relations campaigns and to attend trade shows. The Distributor shall spend no less than Percentage of Sales Revenue of 3% of the total amount of net sales of the Products (the "Advertising Budget") on advertising of the Products in the Territory. The Company reserves the right to inspect the records of the Distributor to confirm the Distributor's compliance with the Advertising Budget. The Company will provide advertising materials, to use in promoting and advertising the Products. All advertising and promotional materials not supplied by the Company shall be submitted to the Company for its written approval prior to the use of any such material.
- (e) Licenses and Permits. The Distributor agrees that it shall obtain any and all licenses and permits which may be required under all applicable Federal, State or local law in order to perform the duties and obligations hereunder.
- The Distributor undertakes to comply with the rules of fair competition and all other applicable Federal, State of local laws and regulations operty of
- Except as expressly provided by this Agreement, any and all expenses and /or charges connected wit the fulfillment of the Distributor's obligations and activity pertaining to this Agreement shall be exclusively borne by the Distributor.
- The Company's representatives may, upon prior written notification, visit the Distributor's offices at any reasonable time during normal business hours, in order to assist in the improvement of the sales and marketing of the Products.
- The Distributor agrees to provide the Company with regular information as is necessary to keep the Company up to date regarding sales of the Products, market trends, and the products and advertising of competitors. Upon the Company's request and at the Company's expense, the Distributor shall furnish the Company with brochures, advertising, illustrations and samples of competitors' products.

Article 7

Minimum Purchases

7.1 The minimum purchases to be made by Distributor during each twelve (12) month period of the Term of this Agreement are as follows:

- (a) Distributor shall purchase at least six units during the first 12 months of the first year subject to satisfactory production levels.
- (b) Distributor shall purchase at least one unit per month for a minimum of 12 units during the 12 months of the second year subject to satisfactory production levels.
- (c) Distributor shall increase minimum purchase by 20% in the successive years.

Article 8 Exclusivity

- During the Term, the Distributor shall not, directly or indirectly (by equity or management participation, beneficial ownership, rendering of advice or consultation, contractual arrangement or otherwise), solicit orders for, sell, distribute or otherwise deal in, any products competitive with the Products.
- During the Term of this Agreement, the Distributor shall not solicit orders, nor act as agent, representative or employee for any other person or entity, whether directly or indirectly, and whether or not such other person or entity is in competition with the Company or the Products hereunder.

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- THE COMPANY WARRANTS TO THE DISTRIBUTOR EACH PRODUCT SOLD BY IT TO BE FREE FROM DEFECTS IN MATERIAL AND WORKMANSHIP, WHEN PROPERLY MAINTAINED UNDER NORMAL USE, FOR A PERIOD OF TWELVE (12) MONTHS FROM THE DATE OF PURCHASE BY THE DISTRIBUTOR OF THE PRODUCT (THE WARRANTY PERIOD").
- 9.2 PRODUCTS WHICH DO NOT CONFORM TO THEIR DESCRIPTION OR WHICH ARE DEFECTIVE IN MATERIAL OR WORKMANSHIP WILL, BY THE COMPANY'S DECISION, BE REPLACED OR REPAIRED, OR, AT THE COMPANY'S OPTION, CREDIT FOR THE ORIGINAL PURCHASE PRICE MAY BE ALLOWED PROVIDED THAT DISTRIBUTOR NOTIFIES THE COMPANY IN WRITING OF SUCH DEFECT WITHIN THIRTY (30) DAYS OF DISCOVERY AND DISTRIBUTOR RETURNS SUCH PRODUCTS IN ACCORDANCE WITH THE COMPANY'S INSTRUCTIONS. NO PRODUCTS MAY BE RETURNED BY THE DISTRIBUTOR WITHOUT THE COMPANY'S PRIOR WRITTEN AUTHORIZATION.
- 9.3 THIS WARRANTY DOES NOT APPLY TO ANY PRODUCT WHICH HAS BEEN SUBJECTED TO MISUSE, ABUSE, NEGLIGENCE OR ACCIDENT BY THE DISTRIBUTOR OR THIRD PARTIES.

- 9.4 . THE COMPANY MAKES NO OTHER WARRANTY OR REPRESENTATION OF ANY KIND WITH RESPECT TO THE PRODUCTS, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, THAT OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE. FAILURE TO MAKE ANY CLAIM IN WRITING, OR WITHIN THE THIRTY (30) DAY PERIOD SET FORTH ABOVE, SHALL CONSTITUTE AN IRREVOCABLE ACCEPTANCE OF THE PRODUCTS AND AN ADMISSION BY THE DISTRIBUTOR THAT THE PRODUCTS FULLY COMPLY WITH ALL TERMS, CONDITIONS AND SPECIFICATIONS OF DISTRIBUTOR'S PURCHASE ORDER. THE COMPANY SHALL NOT BE LIABLE FOR DIRECT, INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, UNDER ANY CIRCUMSTANCES, INCLUDING, BUT NOT LIMITED TO, DAMAGE OR LOSS RESULTING FROM INABILITY TO USE THE PRODUCTS, INCREASED OPERATING COSTS OR LOSS OF SALES, OR ANY OTHER DAMAGES. TO MAKE A CLAIM UNDER THIS WARRANTY, DISTRIBUTOR MUST NOTIFY THE COMPANY IN WRITING WITHIN THE WARRANTY PERIOD.
 - 9.5 THE FOREGOING CONSTITUTES THE DISTRIBUTOR'S SOLE AND EXCLUSIVE REMEDY AND THE COMPANY'S SOLE OBLIGATION WITH RESPECT TO PRODUCTS FURNISHED HEREUNDER.

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- The duration of this Agreement shall be for a period of Five years from the date of this Agreement (the "Initial Term"). Thereafter, this Agreement shall be automatically renewed, at the same terms and conditions, for additional, successive three (3) year periods (each, a "Renewal Term") unless either party hereto gives to the other party written notice to terminate this Agreement no later than ninety (90) days prior to the end of the Initial Term or any Renewal Term. The Initial Term and the Renewal Term are hereinafter collectively referred to as the "Term".
- Anything in section 10.1 above to the contrary notwithstanding, this Agreement may also be terminated at any time by the Company immediately upon written notice to the Distributor in the event that after the date hereof.
 - (a) Distributor breaches its covenants of exclusivity set forth in Article 8 hereof;
 - (b) The Distributor fails to comply with the applicable federal, State and local laws and regulations, pursuant to section 6.3 above;
 - (c) The Distributor fails to achieve the minimum purchase requirements set forth in Article 7 hereof;
 - (d) The Distributor fails to comply with the price and payment term provisions set forth in Article 4 hereof; or

- . (e) The Distributor fails to meet the Advertising Budget, set forth in 6.1(d) above.
- Anything in section 10.1 or 10.2 above to the contrary notwithstanding, this Agreement may also be terminated at any time by either party immediately upon written notice to the other party in the event that after the date hereof:
 - (a) Either party shall suspend or discontinue its business, or shall make an assignment for the benefit of, or composition with, creditors, or shall become insolvent or be unable or generally fail to pay its debts when due, or either becomes in any jurisdiction a party or subject to (voluntarily or involuntarily) any liquidation or dissolution action or proceeding with respect to itself, or to any bankruptcy, reorganization, insolvency or other proceeding for the relief of financially distressed debtors is commenced with respect to it, or a receiver, liquidator, custodian or trustee shall be appointed for it, or a substantial part of its assets (and with respect to any involuntary action or proceeding, an order entered in the proceeding is not dismissed within thirty (30) days) or it shall take any action to effect or which indicates its acquiescence in any of the foregoing;
 - (b) A change in control of either party takes place. For the purposes of this agreement, "control" shall mean possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of securities or partnership or other ownership interest, by contract or otherwise);
 - (c) Either party attempts to assign this Agreement or any rights or obligations hereunder without the prior written consent of the other party; or
 - (d) Either party materially breaches any provision of this Agreement and fails to cure such default within thirty (30) days of receipt of written notice thereof, with the exception of the reasons for default set forth in 10.2 above, the occurrence of which give the Company the right of immediate termination.
 - Procedure Upon Termination. Upon termination of this Agreement, the Company is entitled to restrict or cease deliveries of the Products to the Distributor, including deliveries on orders already received at the time of the notice of termination. Also upon termination of this Agreement, the Distributor shall cease to have any rights, liabilities or obligations hereunder, with the exception of the Distributor's obligations under Article 9 and Article 12, which obligations shall survive termination. Notwithstanding the foregoing, except in the event of termination by the Company pursuant to Section 10.3(a) above, the Company is required to make the Products available to the Distributor in such quantities so as to enable the Distributor to maintain the Distributor's own delivery commitments existing before the effective date of termination, subject to proof being given by the Distributor to the Company that it was under unconditional contractual obligations at the time it received notice of termination to make deliveries which it can not fulfill from its inventory. After any notice of termination is given, the Company may modify the terms of payment for any subsequent shipment.

10.5. Effect of Termination. Upon termination or expiration of this Agreement, all of the Distributor's rights with respect to the Trade-marks shall immediately cease, provided, however, that the Distributor may utilize the Trademarks to sell any Products remaining in inventory or otherwise delivered after the said expiration or termination for a period of six (6) months from the date of termination.

Article II Confidentiality

Confidential Information. During the Term hereof and thereafter, the Distributor agrees The same to keep secret all Confidential Information and will take all steps and institute any internal secrecy procedures which may be necessary to maintain the secrecy of the Confidential Information and further agrees that it shall not use the Confidential Information except in connection with the performance of its obligations under this Agreement. Upon termination of this Agreement, Distributor shall immediately cease to use the Confidential Information and shall return to the Company all documents and copies in its possession or control which in any way embody or evidence the Confidential Information. As used herein, the term "Confidential Information" shall mean all information disclosed to the Distributor or otherwise acquired by the Distributor in connection with its performance of its obligations under this Agreement, concerning or relating in any way to the markets, customers, Products, procedures, plans, operating experience, marketing strategies, organization, employees, financial conditions or plans or business of the Company, its subsidiaries or Affiliates, except for such knowledge or information which: (i) is or later becomes publicly known under circumstances involving no breach of this Agreement by the Distributor; (ii) was already known to the Distributor at the time it received the information or knowledge; (iii) is made available to the Distributor by a third party without secrecy obligation and without breach of its obligations to the Company; or (iv) the Distributor is required by law to divulge.

Article 12 Trademarks

- During the Term of this Agreement, the Distributor shall have the limited, non-exclusive, royalty-free right to use the Trademarks in connection with the promotion and sale of Products in the Territory, provided however that the Distributor obtain the Company's prior written consent to use the Trademarks in catalogues, promotional materials, and advertising materials.
- 12.2 Use of the Trademarks shall conform to the following requirements:
 - (a) The Distributor shall not use the Trademarks in any manner other than as set forth in Section 12.1 above without the prior written approval of the Company.
 - (b) The Distributor shall not put or retain the Trademarks in the Distributor's own name or any business name;

- . (c) The Distributor shall not use the Trademarks in any manner which suggests an affiliation with the Company other than that of distributor of the Products;
 - (d) The Distributor shall not add to, or use with, the Trademarks, any other trade name, trademark, symbol or device without the prior written approval of the Company.
 - (e) The Distributor shall employ any symbol or notice with the Trademarks which the Company advises is necessary, from time to time, to identify and protect the interest of the Company in the Trademarks.
 - (f) The Distributor shall apply no other trade name or trade name, nor any labels, signs or markings of any kind to the Products without the prior written consent of the Company.
- The Distributor hereby acknowledges that the Company (or Licensors of the Company) are the sole owners of the Trademarks and the goodwill pertaining thereto and that nothing contained herein shall constitute an assignment of the Trademarks or grant to Distributor any right, title or interest therein, except the right to use it as set forth in this Article 12. The Distributor agrees that it will not contest the Company's (or the Company's Licensors') ownership of the Trademarks, either during or after the Term.
- The Distributor shall notify the Company in writing of any infringement of the Trademarks in the Territory, of any applications or tegistrations for the Trademarks or marks similar to the Trademarks within the Territory, of any suit or proceeding or action of unfair competition involving the Trademarks in the Territory, promptly after it has notice thereof.
- The Distributor agrees that, upon the termination of this Agreement, it shall have no interest in or right to use the Trademarks in any manner or for any purpose whatsoever, except for the limited right to sell its then remaining inventory of Products bearing the Trademarks.
- 12.6 If the Distributor acquires any rights to the Trademarks for any reason, it undertakes to promptly return such rights to the Company immediately and without expense to the Company.
- The Company represents and warrants to the Distributor that (i) it is the registered owner of the Trademarks and/or is the sole authorized licensee of such Trademarks in the Territory, pursuant to valid license agreements and (ii) it has the right, power and authority to enter into this Agreement and to grant to the Distributor the rights granted hereby.

Article 13 Force Majeure

- Neither party hereto shall be liable to the other for delay in any performance or for the failure to render any performance under this Agreement when such delay or failure is a direct result of any present or future statute, law, ordinance, regulation, order, failure to deliver on the part of its suppliers, judgment or decree, act of God, earthquake, epidemic, explosion, lockout, boycott, strike, labor unrest, riot, war, or similar catastrophic occurrence.
- In the event of any such delay or failure, the affected party shall send written notice by telefax or telex of the delay or failure and the reason thereof to the other party within fourteen (14) calendar days from the time the affected party knew or should have known of the Force Majeure in question.
- The provisions of this Article shall not be applicable to any obligation involving the payment of money.

Article 14 General Provisions

- Governing Law. This Agreement and all sales and commission transactions pursuant hereto shall be governed by the laws of Indiana, but without reference to the choice of law provisions thereof.

 the Lake County Recorder!
- Notices. Any notice, request, demand, waiver, consent, approval or other communication required to be given pursuant to this Agreement (each, a "Notice") shall be in writing and shall be deemed given: (i) upon delivery, if by hand; (ii) after two (2) business days, if sent by express mail or air courier; or (iii) upon transmission, if sent by facsimile (provided that a confirmation copy is sent in the manner provided in clause (ii) of this Section 14.2 within thirty-six (36) hours after such transmission), except that if notice is received by facsimile after 5:00 p.m. on a business day at the place of receipt, it shall be effective as of the following business day. All Notices are to be given or made to the parties at the addresses appearing on the first page hereof, or to such other address as any party may designate by a Notice given in accordance with the provisions of this Section 14.2.
- 14.3 Entire Agreement; Amendment. This Agreement, together with Exhibits hereto, contains the entire agreement and understanding of the parties hereto with respect to the matters herein set forth, and all prior negotiations and understandings relating to the subject matter of this Agreement are merged herein and are superseded and canceled by this Agreement. This Agreement may not be modified except in writing, signed by both of the parties hereto.

- Waiver. The failure by the Company to require the performance of any term of this 14.4 Agreement or the waiver by the Company of any breach under this Agreement shall not operate or be construed as a waiver of any subsequent breach by the Distributor hereto.
- Assignment. Neither party shall assign its rights nor delegate the performance of its 14.5 duties or other obligations under this Agreement, including any claims arising out of or connected with this Agreement, without the prior written consent of the other party.
- Arbitration. Any and all disputes, controversies and claims arising out of or relating to 14.6 this Agreement or concerning the respective rights or obligations of the parties hereto shall be settled and determined by arbitration in Crown Point, Indiana before a panel of three (3) arbitrators pursuant to the International Rules then obtaining of the American Arbitration Association. The parties agree that the arbitrators shall have the power to award damages, injunctive relief and reasonable attorneys' fees and expenses to any party in such arbitration. The arbitration award shall be final and binding upon the parties and judgment thereon may be entered in any court having competent jurisdiction.
- Severability. In case any one or more provisions contained in this Agreement or any 14.7 application thereof shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and other applications thereof shall not in any way be affected or impaired thereby.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first This Document is the property of above written.



EIGER ENHANCED DIFFRACTION HVAGING, S.A.

Date:

Name: Antonia (OTO Date:

President/Secreta 1st January 2009

Exhibit "A" Products and Trademarks

[List and Describe Products and Trademarks]

