

SETTLEMENT AGREEMENT AND GENERAL AND MUTUAL RELEASE

This Settlement Agreement and General and Mutual Release (the "Agreement") is made by and among Easton Technical Products, Inc., for itself and its directors, officers, employees, agents, affiliates, shareholders, and any other representatives (hereinafter, collectively, referred to as "Easton"), and Firenock, LLC, for itself and its directors, officers, employees, agents, affiliates, shareholders, and any other representatives (hereinafter, collectively, referred to as "Firenock, LLC"), and Dorge O. Huang, for himself and his heirs, agents, and any other representatives (hereinafter, collectively, referred to as "Mr. Huang"). Hereinafter, Firenock, LLC, and Mr. Huang, collectively, are referred to as "Defendants."

WHEREAS, Easton filed a civil action in the United States District Court for the District of Utah, styled as *Easton Technical Products, Inc. v. Firenock, LLC and Dorge O. Huang*, Case Number 2:07-CV-559 TS, in which it has stated claims involving allegations of patent infringement by Defendants, in which Firenock, LLC and Mr. Huang alleged various counterclaims against Easton, and in which the Court entered a Temporary Restraining Order ("TRO") against Defendants on October 30, 2007. This civil action is, hereinafter, referred to as "the civil action;"

WHEREAS, the parties desire to settle all of their claims and defenses against each other in order to avoid the expense and inconvenience of any further litigation;

NOW, THEREFORE, in consideration of the promises contained herein, the parties acknowledge, promise, and agree as follows:

1. Except for those obligations of the parties set forth below, Easton and Defendants do forever release and discharge all parties to this Agreement, including their present or former officers, directors, employees, agents, attorneys, and insurers from all manner of actions or causes of action for damages and claims for relief or any other relief arising out of conduct alleged in the Complaint filed by Easton in the civil action and in the counterclaim filed by Defendants in the civil action, including all claims, counterclaims, and defenses asserted by any party in the civil action, except for any breach of this Agreement, whether known or unknown and suspected or unsuspected, that either party may have had in the past, now has, or may have in the future relating in any manner to the civil action or the past relationship and dealings between Easton and Firenock, LLC or Easton and Mr. Huang.
2. The parties agree that counsel for the parties shall cooperate in the execution and filing of Consent Judgment in the form attached to and incorporated as part of this Agreement as Exhibit A, through which the TRO is converted into a permanent injunction.
3. The parties agree that, in connection with the filing and entry of the Consent Judgment identified in the preceding paragraph, counsel for the parties shall cooperate in the preparation, execution, and filing of a joint motion and stipulation in which the parties agree to dismiss all remaining claims, counterclaims, and prayers for relief. The parties agree that each party shall bear their own costs, attorney's fees and expenses in connection with the civil action.
4. In consideration of the promises contained in this Agreement, the parties further agree as follows:

a. Defendants, through their counsel, shall provide to Easton's counsel copies of documents that they maintained showing compliance with the TRO;

b. Defendants acknowledge that Easton has valid patent rights as determined by the Court in its TRO entered in the civil action; and further acknowledge that the Court determined, in connection with the issuance of the TRO, that Infringing Products (as defined in the TRO) previously made and sold by Firenock, LLC infringed on those patent rights. This agreement is reflected as part of the Acknowledgment set forth in Exhibit B to this Agreement, which is incorporated as part of this Agreement.

c. Defendants have agreed not to sell, directly or indirectly, the Infringing Products that were the subject of the TRO in the United States; and to cease any attempts to sell any of the Infringing Products through advertising, marketing or promotion, including Internet advertising and sales of promotional products that depict, promote, or otherwise mention any of the Infringing Products. This agreement is also reflected as part of the Acknowledgment set forth in Exhibit B to this Agreement that is incorporated as part of this Agreement.

d. Defendants shall not make disparaging comments about Easton, its attorneys, its patent rights, or its products in any form or media, including by way of online or printed media; provided, however, that Defendants may, as part of their marketing efforts of products that are not Infringing Products as determined by the Court in the TRO, state actual differences and make factual comparisons between Easton's products and any such non-infringing product that Defendants offer for sale. If Defendants reference Easton in any advertisement, they must acknowledge that Easton Technical Products has all rights to the EASTON trademark in connection with archery products.

e. Defendants may sell a nock lighting system that does not require the presence of a magnet to operate and is not capable of being activated by a magnet that can reasonably be attached to a bow. By way of example, a magnet that is of the type, weight and size that was previously used in the Infringing Products can reasonably be attached to a bow. The intent of this provision is to allow Defendants to make and sell a non-infringing product that is not also reasonably capable of operating in an infringing manner.

f. Upon receipt of written notice from Easton sent by certified mail and return receipt requested that a third party is selling Infringing Products identified in the TRO in the United States, Defendants shall write and send a letter, certified mail and receipt requested with a copy also mailed to Easton or its counsel, informing the third party of the existence of his United States rights to sales of the product, that the products are the subject of a permanent injunction prohibiting their sale in the United States, and demand the person or entity to discontinue selling Firenock products and components to anyone in the United States.

g. Defendants shall notify eBay in writing of the Court's permanent injunction, and also request that eBay discontinue all sales activity pertaining to the Infringing Products sold in the United States.

h. Defendants agree to advise Heartland Archery Ltd., in writing, and any other Firenock dealers, of the existence of the permanent injunction applicable to the Infringing Products, and to discontinue selling Firenock products and components to anyone in the United States.

i. Easton agrees to withdraw the motion for contempt that it filed as part of the civil action and to request that the Court take no further action on the motion; provided, however, that both parties acknowledge that the Court may, *sua sponte*, decide to take action on Easton's motion; and that this Agreement shall nonetheless remain binding on both parties in the event the Court does so.

5. In the event either of the Defendants breaches this Agreement, including but not limited to the provisions set forth in the Consent Judgment and Acknowledgment attached to this Agreement, respectively, as Exhibits A and B, Plaintiff agrees that such breach will cause damage to Easton's legitimate interests in an amount that is difficult to quantify and that, upon establishing such a breach in a court of competent jurisdiction by a preponderance of the evidence, Easton shall be entitled to a payment from Defendants as liquidated damages to compensate Easton for its loss, and not as a penalty, in the amount of \$40,000.

6. The parties each fully understand and warrant that if any fact on which they have relied in executing this Agreement is found hereafter to be other than or different from the facts now believed by them to be true, the parties expressly accept and assume the risk of such possible difference in fact and acknowledge that this Agreement shall be and remain effective notwithstanding any such difference in fact.

7. The notice address of the parties for purposes of all notification stated in this Agreement, from the date of execution by both parties forward, shall be as follows:

- a. For Easton: Brett L. Foster, Esquire
 Holland & Hart LLP
 60 East South Temple, Suite 2000
 Salt Lake City, UT 84111-1031

- b. For Defendants: Dorge O. Huang
 511 Robert Street
 Henry, IL 61531

Such notice address may be changed upon written notice, sent certified mail and return receipt requested, from any party to any party.

8. Utah law shall govern the validity and interpretation of this Agreement and the Agreement shall be subject to enforcement in the State of Utah. This Agreement constitutes the entire understanding and agreement among the parties, and any prior or contemporaneous agreements, understandings, promises, representations, warranties, and/or covenants, whether written or oral, and whether express, implied or apparent are hereby deemed superseded by this Agreement. This Agreement may not be modified in any manner except in writing signed by each of the parties.

9. The terms of this Agreement are contractual and not merely a recital. Should any of the provisions set forth herein be determined to be invalid by any court, agency or any other tribunal of competent jurisdiction, such determination shall not affect the enforceability of the other provisions herein and, to this end, the provisions of this Agreement are declared to be severable. This Agreement shall be interpreted in accordance with the plain meaning of its terms and not strictly for or against any of the parties. No other consideration has been or will be furnished or paid other than the consideration herein recited.


10. The parties agree and acknowledge that they have read this Agreement, have consulted with his or its attorney or attorneys, and enter into this Agreement voluntarily. The parties to this agreement and their respective counsel mutually contributed to the preparation of and have had the opportunity to review and revise this Agreement. Accordingly, no provision of this Agreement shall be construed against any party because that party, or its counsel, drafted the provision. This Agreement and all of its terms shall be construed equally as to all parties

11. This Agreement may be executed in counterparts such that an Agreement with a complete set of signatures, whether or not on different copies of the page on which the signatures appear, shall constitute a fully-executed agreement; all executed copies of this Agreement shall constitute duplicate originals; and a copy or facsimile signature shall be treated for all purposes as an original signature.

12. The undersigned each represents that he or it has full authority to sign this Agreement and to enter into this Agreement on behalf of the party to the Agreement so reflected below each signature.

IN WITNESS THEREOF, the undersigned have executed this Agreement, which consists of four pages and Exhibits A and B, on the dates shown.

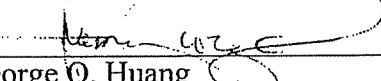
On Behalf of Easton Technical Products, Inc.:

 2/29/08

Name: Date

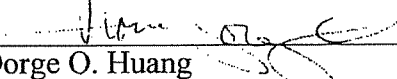
Title: *President*

On Behalf of Firenock, LLC:

 2/27/08

Dorge O. Huang Date
President

Individually:

 2/27/08

Dorge O. Huang Date