

A letter to The Pavement Professional and Entrepreneur

I would like to take the opportunity to present our *Technology Licensing Program* for your kind consideration. STAR, INC. is a major manufacturer of sealcoatings and a comprehensive range of pavement maintenance products. Our sealcoatings encompass the technology range from STAR TRITON, a novel resin based technology to mature technologies based on Refined Tar (RT) and Asphalt based sealcoatings.

STAR has several licensees throughout the continental United States and overseas plants in China, India and Australia. We are actively exploring opportunities to expand our *Technology Licensing Program* in many domestic and international regions, with companies that are well recognized in the industry and have the total commitment to quality and service. STAR will specifically design our *Technology Licensing Program* to suit your business and strategies for future growth. In addition to full disclosure of the formulation and manufacturing details for all STAR sealcoating brands, we will support and assist you in all major aspects of your business.

Our *Technology Licensing Program* is the only program of its kind in the entire industry, with all the emphasis on **your growth** with our support and little to no interference with your operations. STAR's interest and success is tied with yours; your success is our success. Our goal is to present you the facts that may help you in making the right decisions for your business. STAR strives to provide opportunities for the expansion of your business, while working towards a common goal that we share, i.e. satisfying the customer with excellence in products and services. We aim to have your business excel in the industry with the most strategic, leading edge and unequivocal support that we provide in the industry. Your business will benefit from our advanced Research and Development, Technical Support as well as our innovative marketing and advertising strategies. We offer you the most advanced and sought after specialty products available on the market today. We will provide you with the national recognition of STAR's line of products, which would take your competitors years to achieve. For reference, we encourage you to talk to our current STAR MEMBERS, who own and operate independent businesses like you, to realize STAR's relentless pursuit of providing expert assistance in achieving their goals.

Please review our program and contact us at **800-759-1212**. We will promptly send a more detailed information package for your review.

Thank you for your time and consideration of our *Technology Licensing Program*.

Warmest regards,



Girish C. Dubey,
President

Introduction to STAR, INC.

STAR (Specialty Technology And Research), Inc. is one of the largest manufacturers of sealcoatings, and with a comprehensive range of products that are used in the pavement maintenance industry. Sealcoatings are specialty coatings that have been used in the U.S. since late 1950's for the protection and preservation of asphalt surfaces; commercial parking lots, home driveways, schools, airports, gas stations, fast food restaurants, etc. Sealcoatings serve as barrier coats to shield the asphalt surface against the damaging elements of weather, sun's ultraviolet rays, salts and chemicals. Such coatings are based either on refined coal tar or asphalt emulsions and STAR has well established sealcoating products based on both materials along with some of the newest technology in the industry.

STAR.(Specialty Technology And Research), Inc. was established in 1986 with the expressed goal to deliver the very best in product performance, Research & Development, and technical support to its members and emerged as the leader in the pavement maintenance industry. These goals have been accomplished and largely surpassed. STAR is a well-recognized name in the sealcoating industry for its technical excellence and performance of its sealcoating and other products.

We have steadily grown over the years and today we have sixteen (16) licensee plants in the various states of the contiguous U.S., Australia, China and India. We also have a full line of distributors in Chile, Mexico who are slated to step up to manufacturing in the near future. We envision tremendous growth opportunities, in both U.S. and especially in the overseas markets, where sealcoatings and their value in preservation of asphalt pavements are relatively unknown. Being indigenous, the industry has not done much over the last 50-60 years to propagate the sealcoating technology to other countries.

STAR is the only company in the U.S. that offers Technology Licensing opportunity to independent entrepreneurs for manufacturing sealcoatings. Our Technology Licensing program is quite unique and highly cost effective, when compared to a typical run-of-the-mill franchise program. We allow our licensees to grow in their business environments, with the least amount of restriction on their business activities, as long as they conform to the quality standards of our sealcoatings.

Our program is well established and time-tested. Most of our licensees have had their operations for over 20-25 yrs. STAR TECHNOLOGY PROGRAM, compared to a typical franchised operation, we will:

- Cost much less (fractions) of a franchise program,
- Let the licensee maintain independence in running his/her operation, with the least interference from STAR.
- Avoid costly errors and mistakes. Have the benefit of a wealth of experience and expertise through group interaction.
- Save you money in material costs. The licensee buys directly from a supplier at group negotiated prices,
- Offer special pricing on STAR products, which will more than offset the fees to STAR.

STAR functions as the central Research and Development facility for all the members, while rendering technical services support, quality control, quality assurance, national marketing and promotion. STAR is actively involved in the industry's professional associations. It is a founding member of the industry's professional organization, PCTC (Pavement Coatings technology Council). It has been our mission to educate our customer base through knowledge sharing, so they can make intelligent decisions. Toward this goal, we frequently publish technical articles in prominent trade journals, lecture at conventions and participate in seminars.

STAR is highly regarded in the industry for its technical excellence, ethical business practices and unequivocal support to its members. We stay on the cutting edge of the technology, taking full advantage of the emerging materials and technologies. Our flagship products, STAR TRITON, STAR SEAL, STAR SEAL SUPREME, STAR AVIATOR, MICRO-PAVE, MICRO-PAVE PRO-BLEND products, MACRO-FLEX, ADVNTAGE-4, etc. are highly regarded in the industry for their excellence in performance. STAR's sealcoatings are a part of Federal, local, and numerous sealcoating



STAR TECHNOLOGY LICENSING PROGRAM

specifications due to their value and performance. Our sealcoatings meet and/or exceed the requirements of applicable specifications. STAR steadily evaluates its products against competitive products and has found them to be the best in their class.

STAR Members are highly regarded in their respective regions of business for their outstanding customer care, product performance, and above all, their integrity. We are very proud of our members and we strive to deliver the very best to support their endeavors.

Kindly visit our website www.statseal.com to learn more about STAR, our members, our product, and services. All of us at STAR will be delighted to answer any question that you may have.

Sincerely
STAR., INC.

Girish C. Dubey
President

QUALITY ▲ PERFORMANCE ▲ VALUE ▲ INNOVATION ▲ SERVICE

S.T.A.R. TECHNOLOGY LICENSING PROGRAM
We deliver the complete package

Our program is unique

S.T.A.R.'s Technology Licensing Program is offered to qualified companies who have built a solid reputation in the industry for their discriminating products and business ethics. We provide you the support and all the necessary expertise to successfully manufacture and market sealcoating while you still own and operate your independent business.

Technical Partnership: We are not a franchise

Ours is a technical partnership program where we both benefit and have sufficient room to grow through mutual cooperation and support. For example:

- We do not sell sealcoat-manufacturing plants, but we will give you very precise advice on equipment selection for plant set up, manpower to accomplish the desired level of production, and direct sales and marketing in your region, etc.
- We will negotiate the raw material prices for you but will not require you to purchase through S.T.A.R. I am sure you will find our program exceedingly supportive and of immense value.

Under S.T.A.R.'s Technology Licensing Program we transfer intellectual property. You maintain your independence with the security of knowing that you are part of a national organization with the support of other entrepreneurs most of which have been in the industry for over 35-40 years.

MAJOR BENEFITS

S.T.A.R. is the only company in the U.S. offering a technology-licensing program. Our sole responsibility is to support of our member companies, which are independently owned and operated. Our member plants are licensed to manufacture all our sealcoating products that are acclaimed in the industry for their performance and value. S.T.A.R.'s Technology Licensing Program includes all the necessary aspects of a successful sealcoating business: plant specifications and set up, technical service and support, and marketing and national advertising.

As a group, S.T.A.R. is one of the largest manufacturers of sealcoatings. In addition, S.T.A.R. corporate manufactures a range of specialty products to complement the sealcoatings produced by our member plants. These products are sold to our members at substantially discounted prices.

These are some of the major aspects of our technology-licensing program. Some may be directly applicable to your needs, and the rest can be custom designed.

Highlights of the Benefits

- You maintain full independence and control of your business
- Higher profits and lower costs than a franchise program. Our royalty structure is based on the amount of sealcoating gallonage only, not a fixed percentage on your total company revenues.
- You receive step-by-step guidance in plant set up and production operations.
- Your company will enjoy special STAR MEMBER PRICING for our products, which are guaranteed to offer the best cost/performance value than competitive products.
- Your membership includes sales, marketing and national advertising support including on-going promotion for your business.
- As a member of the S.T.A.R family, you acquire the strength and support of a national company. STAR is the recognized industry leader in pavement maintenance technology.
- S.T.A.R is recognized for its cutting-edge technology and innovative products. Our technology & formulations developed and established over many decades are steadily evolving with market demands and with our own vision for future product needs.
- Your company will receive national recognition for your business through our association. Your business name will be synonymous with S.T.A.R., a highly acclaimed name in the industry.
- We assure full responsibility for quality control and quality assurance to your customers
- We provide technical support and recommendations for problem solving, specifications, or job bids.

RESPONSIBILITIES

S.T.A.R., Inc., will be responsible for:

1. Quality control and quality assurance
2. Raw material price negotiations.
3. Raw material selection and sources
4. Detailed engineering drawings and specifications, and assistance in equipment sourcing and purchase.
5. Visitation to a S.T.A.R. plant of your choice.
6. Production start-up.
7. Technical services support.
8. Technical literature development.
9. Specifications and recommendations.
10. Technical sales calls to targeted customers (at the request of members), limited to one time per year at S.T.A.R.'s expense. Additional calls at the member's expense and others as deemed necessary through mutual agreement.
11. Assistance in the development of marketing programs, national advertising for sealcoatings and other S.T.A.R. products along with the names of S.T.A.R. members, and conductance of seminars.
12. Members purchasing S.T.A.R. products at specially discounted S.T.A.R. member prices that will be guaranteed to be the best value.

S.T.A.R. Member will be responsible for:

1. Strict adherence to S.T.A.R. supplied formulations, without any alteration. Deviations must be mutually agreed upon and implemented with S.T.A.R. pre-approval.
2. Purchasing only approved raw materials from approved suppliers. Ordering raw materials and paying directly.
3. Keeping accurate and up-to-date production records and submitting weekly and monthly production data to S.T.A.R.
4. Retaining samples for at least one year from each batch. Sending the retained samples from the first ten production batches of the season and, thenceforth, from every tenth batch.
5. Not infringing upon the business territory of other S.T.A.R. members.
6. Maintaining the secrecy of the technical information. Only the most relevant personnel of the company will be given technical information.
7. Other as mutually agreed between S.T.A.R. and the Member Company.

Description & Declarations STAR TECHNOLOGY LICENSING PROGRAM

1. General Description:

STAR, INC. licenses the technology to manufacture sealcoatings based on Specialty resins, refined tar and asphalt.

1.1. The trade names are;

STAR TRITON, A specialty sealcoating-Does Not Contain Coal Tar but meets all the functional properties of Refined Tar Sealers.

STAR-SEAL- Std. Grade	based on refined coal tar
STAR PRO-BLEND- Professional Grade	based on refined coal tar
STAR SEAL SUPREME- Premium Grade	based on refined coal tar
STAR AVIATOR-Special Grade for airport	based on refined coal tar.
STAR MICRO-PAVE- Std. Grade	based on asphalt.
STAR MICRO-PAVE- PRO BLEND Professional Grade	based on asphalt.
STAR MICRO-PAVE- SUPREME Premium Grade	based on asphalt.
STAR MICRO-PAVE- AVIATOR Special Grade for airport	based on asphalt.

1.2. STAR provides a comprehensive program of technology transfer to the Licensee Company: formulations, quality control, technical and marketing support.

1.3. S.T.A.R. supplies a comprehensive range of products and sundry items to its licensees.

2. Declarations: All the sealcoatings products manufactured by the licensee plants are;

- 2.1. Water based involving non-flammable raw materials.
- 2.2. The manufacturing process does not create any liquid effluents. Sealcoating are manufactured in a batch process and stored in appropriate containers for distribution to the end user. No waste wash out water is created.
- 2.3. The raw materials and the finished products, for waste disposal considerations are treated only as industrial (non-toxic) waste.
- 2.4. All the emissions from the manufacturing process are well below the permissible EPA and OSHA limits.



Girish C. Dubey
President
S.T.A.R., INC.