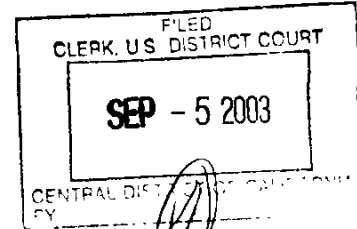


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 10 Defendants
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 12 HAMON RESEARCH-COTTRELL INC.
 13 and WAHLCO, INC.



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14 Attorneys for Defendant/Counterclaimant
 15 ENVIRONMENTAL ELEMENTS
 16 CORPORATION

17 UNITED STATES DISTRICT COURT
 18 CENTRAL DISTRICT OF CALIFORNIA

19 EC&C TECHNOLOGIES INC., a
 20 California corporation, HAMON
 21 RESEARCH-COTTRELL, INC., a
 22 Delaware corporation, and
 23 WAHLCO, INC., a California
 24 corporation,

Case No. CV 01-10331 JFW (Ex)

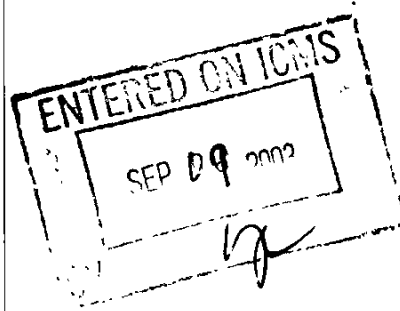
~~Proposed~~ **CONSENT JUDGMENT
 AND PERMANENT INJUNCTION**

25 Plaintiffs,

26 vs.

27 ENVIRONMENTAL ELEMENTS
 28 CORPORATION, a Delaware
 corporation,

Defendants.



(Handwritten signature/initials)

and related counterclaims.

On November 30, 2001, Plaintiff EC&C Technologies, Inc. filed and served its complaint against Defendant Environmental Elements Corp. alleging that

**[Proposed] CONSENT JUDGMENT
 AND ORDER OF DISMISSAL**

1 Defendant willfully infringed EC&C's U.S. Patent No. 6,077,491 ("the '491
2 patent"), titled "Methods for the Production of Ammonia from Urea And/Or Biuret,
3 and Uses for Nox and/or Particulate Matter Removal". Among other things, the
4 Complaint sought damages and a permanent injunction prohibiting Defendant from
5 directly or indirectly infringing any claim of the '491 patent.

6 On October 1, 2002, EC&C, Hamon Research-Cottrell and Wahlco, Inc. filed
7 a First Amended Complaint in the Action accusing Defendant of willfully
8 infringing the '491 Patent;

9 On January 2, 2003, Defendant filed and served its answer and counterclaims
10 denying the allegations and filed counterclaims that sought a declaration that the
11 '491 patent is unenforceable, not infringed and/or invalid.

12 Plaintiffs and Defendant have entered into a Settlement Agreement ("the
13 Agreement") pursuant to which each party has agreed to forego the right to further
14 contest its claims and defenses and to enter into certain agreements with the other
15 party to resolve the dispute that is the subject of this action.

16
17 NOW, THEREFORE, upon consent of Plaintiffs and Defendant, upon all
18 prior proceedings herein, it is

19
20 **ORDERED, ADJUDGED AND DECREED that:**

- 21 1. This Court has jurisdiction over the parties to this Action.
- 22 2. The Parties have entered into a Settlement Agreement providing for
23 the entry of this Consent Judgment.
- 24 3. Defendant Environmental Elements Corporation ("Environmental")
25 will not directly or indirectly aid, assist, or participate in any action contesting the
26 validity or enforceability in any forum or tribunal in the world, including but not
27 limited to the courts and the U.S. Patent Office, of the patents and patent
28 applications identified as follows: U.S. Patent Nos. 6,077,491, 6,322,762,

[Proposed] CONSENT JUDGMENT
AND ORDER OF DISMISSAL

1 6,436,359, and 6,506,350, and U.S. Patent Application Serial No. 09/535,597 filed
 2 on March 27, 2002 including any reissues, reexaminations, continuations,
 3 divisionals and continuations-in-part thereof, and related foreign patents (“EC&C
 4 Patents”).

5 4. Except as provided in paragraph 5 below, Defendant Environmental,
 6 and each of its officers, agents, employees, representatives, and all persons acting in
 7 concert or participating with them, are hereby permanently enjoined and restrained
 8 from engaging in, committing, or performing, directly or indirectly, by any means
 9 whatsoever, any of the following acts:

- 10 A. Making, using, selling, leasing, operating, starting up, installing,
 11 designing, engineering, procuring equipment for, licensing, or offering
 12 to sell any system, process, equipment, machinery, or technology for
 13 the purpose of generating ammonia from urea, and in particular, but
 14 not limited to, Environmental’s “Ammonia on Demand” (“AOD”)
 15 system.
- 16 B. Infringing, contributing to infringement of, and inducing infringement
 17 of any of the above-described EC&C Patents.
- 18 C. Using the name or mark “Ammonia on Demand” or “AOD.”

19 5. This injunction does not apply to the three additional projects
 20 described in the Settlement Agreement between the parties.

21 6. The Court reserves jurisdiction to modify this injunction as the
 22 interests of justice may require.

23 7. The Court shall retain jurisdiction over the parties to enforce the terms
 24 of this Consent Judgment and Permanent Injunction and the terms of the Settlement
 25 Agreement which are hereby incorporated herein by reference.

26 ///

27 ///

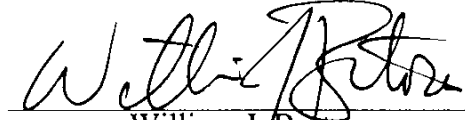
28 ///

1 8. All remaining claims and counterclaims are hereby dismissed with
2 prejudice.

3 9. All Parties shall bear their own costs and attorneys' fees.

4 Dated: September 3, 2003

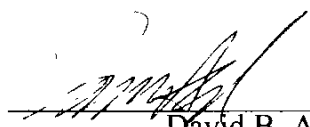
SHELDON & MAK, PC

5
6 By: 
7 William J. Brutocao

8 Attorneys for Plaintiffs
9 EC&C TECHNOLOGIES INC.,
10 HAMON RESEARCH-COTTRELL INC.
11 and WAHLCO, INC.

12 Dated: 9/3, 2003

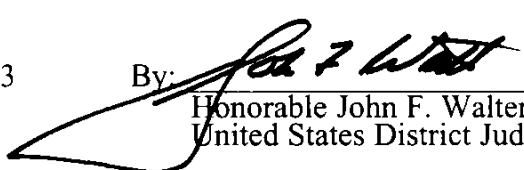
SQUIRE, SANDERS & DEMPSEY L.L.P.

13 By: 
14 David B. Abel

15 Attorneys for Defendant
16 ENVIRONMENTAL ELEMENTS
17 CORPORATION

18 IT IS SO ORDERED.

19 Dated: September 5, 2003

20 By: 
21 Honorable John F. Walter
22 United States District Judge

PROOF OF SERVICE

1013a (3) C.C.P. Revised 5/1/88

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18, and not a party to the within action; my business address is 225 South Lake Avenue, Ninth Floor, Pasadena, CA 91101.

On **September 4, 2003**, I served the foregoing document(s), described as: **[Proposed] CONSENT JUDGMENT AND PERMANENT INJUNCTION** on the interested parties in this action by placing a true copy thereof, enclosed in a sealed envelope addressed as follows:

David B. Abel
William C. Steffin
Squire, Sanders & Dempsey, L.L.P.
801 South Figueroa Street, 14th Floor
Los Angeles, California 90017-5554
Facsimile: (213) 623-4581

Sherry Hamburg Flax
Patrick E. Clark
Saul Ewing LLP
100 South Charles Street, 15 Floor
Baltimore, Maryland 21201-2773
Facsimile: (410) 332-8785

- (BY MAIL)** I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice, it would be deposited with the U.S. postal service on that same day, with postage thereon fully prepaid at Pasadena, California, in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.
- (BY PERSONAL SERVICE)** I caused such envelope to be delivered by hand to the above addressee(s).
- (VIA FEDERAL EXPRESS)** I caused such envelope to be delivered to the above addressee(s) via Federal Express.
- (FACSIMILE)** I caused such document(s) to be transmitted to the above addressee(s) via facsimile.

(FEDERAL) I declare that I am employed in the office of a member of the bar of this Court, at whose direction the service was made.

Executed on **September 4, 2003** at Pasadena, California.


Christina Champagne