

PRESS RELEASE

FOR IMMEDIATE RELEASE

BARRIE, ON - March 8, 2019 - On February 20, 2019, Les Industries De Moulage Polymax, Inc. and NUDURA Corporation (collectively "NUDURA") filed a lawsuit against Stronghold Insulation Systems, Inc. ("Stronghold") for willful patent infringement. The Complaint alleges that this infringement is part of a pattern of infringement perpetrated by Cooper Stewart, founder of Defendant Stronghold.

NUDURA is the owner and exclusive licensee of U.S. Patent No. 6,792,729 (the "'729 patent'") directed to foam paneling used in casting and insulating walls. The Complaint alleges that, rather than being innovative, Stronghold manufactures and sells stackable insulated concrete forms called "FX Series" which infringe the '729 patent and allow Stronghold to benefit from NUDURA's patented technology without having to invest any of Stronghold's resources into research and development. Stronghold is accused of directly infringing the patent as well as inducing its customers to infringe the patent by instructing customers to assemble the insulated concrete forms in a manner that infringes the '729 patent.

According to the Complaint, Defendant Stronghold was founded by Cooper Stewart who also serves as its CEO. The Complaint asserts that Cooper Stewart was the CEO and agent of a previous company called Xtreme Insulation Technologies, LLC and that NUDURA previously filed suit against both Xtreme and Stewart for infringement of the '729 patent. To resolve this lawsuit, the parties entered into a Stipulated Permanent Injunction which permanently enjoined Xtreme and its agents and successors from making, using, selling, offering to sell, promoting, or marketing the product accused in that case and permanently enjoined Xtreme from engaging in any further conduct that infringed the '729 patent during its term. As alleged in the Complaint, Stewart negotiated the Stipulated Permanent Injunction in bad faith, intending to simply form another corporation and appropriate the patented features:

- The Stipulated Permanent Injunction was executed and filed on June 21, 2018;
- The Delaware Secretary of State's website shows that Stronghold was incorporated on May 29, 2018.

According to the Complaint, Stewart's knowledge of the '729 patent; his being a named party to a lawsuit alleging infringement of the '729 patent; and him being the CEO and sole member of Xtreme, which was permanently enjoined from infringing the '729 patent, support a finding of willful patent infringement.

NUDURA seeks actual damages, treble damages, attorneys' fees, and costs and injunctive relief for Stronghold's alleged willful infringement. The case is venued in the U.S. District Court for the District of Delaware, Case No. 19-353.

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