

# Hybrid Coating Enters Into Licensing Agreement With Major Coatings Manufacturer



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SAN FRANCISCO, July 17, 2013 (GLOBE NEWSWIRE) -- [Hybrid Coating Technologies Inc. \(HCTI\)](#) is pleased to announce that it has entered into an agreement with a major coatings manufacturer ("Licensee"), who sells its products through more than two thousand big box retail locations across the United States, for the development and licensing of an isocyanate free polyurethane coating. Under the terms of the agreement, Hybrid would make certain minor modifications to its existing [polyurethane](#) formulation to address certain specific requirements of the Licensee. "As the marketplace becomes more environmentally conscious and as governmental organizations such as the US EPA and the Department of Labor begin to crack down on [isocyanates](#), there is now a need for a high performance coating that is environmentally friendly without compromising on product quality and performance," said Joseph Kristul, president and CEO of [Hybrid Coating Technologies](#), "We are pleased to be collaborating with a major player in our industry and expect to enter into other similar type agreements in the near future."

The development phase of the agreement is expected to take approximately 30 to 45 days to complete, after which time, once the modifications to Hybrid's formulation are successfully completed and accepted, Hybrid will become a supplier and sell its coating products to the Licensee in the territory of the United States. As part of the confidentiality clause in the Agreement, Hybrid is not at liberty to divulge the identity of the Licensee at this time.

Hybrid's patented technology is the only formulation in the world today that produces polyurethane without the use of any isocyanates in the entire production process.

On June 25, 2013 the Occupational Safety and Health Administration (OSHA), a division of the US Department of Labor, initiated a National Emphasis Program to protect workers from the serious health effects from occupational exposure to isocyanates. Isocyanates are found in polyurethane based products. According to the OSHA, "Workers exposed to isocyanates can suffer debilitating health problems for months or even years after exposure which could result in death."

The US EPA (Environmental Protection Agency) is looking to control and potentially outright ban isocyanates and mentioned Hybrid's technology as an alternative to toxic polyurethane in its Action Plan against isocyanates (see page 4 Figovsky and Shapovalov) <http://www.globenewswire.com/newsroom/ctr?d=10040651&l=5&u=http%3A%2F%2Fwww.epa.gov%2Foppt%2Fexistingchemicals%2Fpubs%2Factionplans%2Fmdi.pdf><http://www.epa.gov/oppt/existingchemicals/pubs/actionplans/mdi.pdf>

#### CAUTIONARY DISCLOSURE ABOUT FORWARD-LOOKING STATEMENTS

This release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E the Securities Exchange Act of 1934, as amended and such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Statements in this news release other than statements of historical fact are "forward-looking statements" that are based on current expectations and assumptions. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied by the statements,

including, but not limited to, the following: the ability of [Hybrid Coating Technologies Inc.](#) to provide for its obligations, to provide working capital needs from operating revenues, to obtain additional financing needed for any future acquisitions, to meet competitive challenges and technological changes, and other risks. Hybrid Coating Technologies Inc undertakes no duty to update any forward-looking statement(s) and/or to confirm the statement(s) to actual results or changes in Hybrid Coating Technologies Inc. expectations.

## **About Hybrid Coating Technologies**

Hybrid Coating Technologies (HCT) is a San Francisco-based innovator focused on improving the quality and safety of coatings and paint for industrial and commercial customers around the world. We are the exclusive licensee of Green Polyurethane(TM) coatings and paint - the world's first-ever patent protected polyurethane-based coatings and paint products which eliminate toxic isocyanates from the entire production process (licensed by Nanotech Industries, Inc.).

## **The Problem of Conventional Coatings/Paint and Isocyanates**

Conventional [polyurethane](#) (PU) paint and coatings have many disadvantages: they are porous, permeable and maintain poor hydrolytic stability. This makes the material highly vulnerable to environmental degradation and ultimately leads to their chemical decomposition, especially when in contact with water; strict and costly health & safety measures have to be implemented in the manufacture and application of conventional polyurethane due to the toxicity of isocyanates. This is why regulatory bodies around the world are now looking toward phasing out the use of isocyanates.

## **The Green Polyurethane(TM) Solution**

Green Polyurethane(TM) (also referred to as "HNIPU" - hybrid non-isocyanate polyurethane) is a "hybrid" material, which combines the

high chemical resistance properties of epoxy and advanced durability and wear resistance properties of polyurethane, making it the perfect application for high traffic and corrosive surface areas. As a hybrid material with superior properties, Green Polyurethane (TM) can be applied in one coating in most cases, providing a welcome cost-saving substitute to currently used multi-layered flooring applications. Green Polyurethane(TM) also provides the first sound solution to the environmental and health hazards associated with isocyanates in polyurethane. Its safety features allow it to be applied without the interruption of business due to public exposure, creating an additional 30-60% savings on application costs for customers.