

MRO 5-11-98



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TO THE ASSISTANT COMMISSIONER  
SIR: PLEASE RECORD THE ATTACHMENT

100715097

HEREOF.

1. NAME OF CONVEYING PARTY(IES) (ASSIGNORS(S)):

1. Tito U. DE LIMA C.

3.

5.

7.

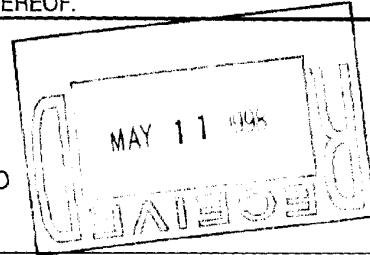
2.

4.

6.

8.

ADDITIONAL NAME(S) OF CONVEYING PARTY(IES) ATTACHED?  YES  NO



2. PARTY(IES) (ASSIGNEE(S)) RECEIVING INTEREST:

NAME: FCO International Corp.

ADDRESS: Tortola, British Virgin Islands

ADDITIONAL NAME(S) & ADDRESS(ES) ATTACHED?  YES  NO

3. NATURE OF CONVEYANCE (DOCUMENT):

(Submit herewith only one document for recordation—multiple copies of same Assignment signed by different inventors is one document)

ASSIGNMENT OF  WHOLE  PART INTEREST

EXEC. DATE: 13 June 1997

CHANGE OF NAME  VERIFIED TRANSLATION

SECURITY

MERGER  OTHER:

EXECUTION DATE(S) ON THE DECLARATION IF FILED HEREWITH: (NOTE: IF DATES ON DECLARATION AND ASSIGNMENT DIFFER SEE ATTY!)

4.5 APPL. NO.(S) OR PAT NO.(S). OTHERS ON ADDITIONAL SHEET(S) attached?  YES  NO

A. PAT. APP. NO.(S) series code/serial no	M#	1 <sup>st</sup> INVENTOR if not in item 1	B. PATENT NO(S)	M#	1 <sup>st</sup> INVENTOR if not in item 1
08/580,008	241942				

5. Name & Address of Party to Whom Correspondence Concerning Document Should be Mailed:

**Pillsbury Madison & Sutro LLP**  
**Intellectual Property Group**  
1100 NEW YORK AVENUE, N.W.  
NINTH FLOOR, EAST TOWER  
WASHINGTON, D.C. 20005-3918

6. NUMBER INVOLVED:  
APPLNS 1 + PATS \_\_\_\_\_ = TOTAL 1

7. AMOUNT OF FEE ENCLOSED: (Code 581)  
ABOVE TOTAL x \$40 = \$40

5.5 ATTY DKT:

PMS 241942

8. IF ABOVE FEE IS MISSING OR INADEQUATE CHARGE INSUFFICIENCY TO DEPOSIT ACCOUNT NUMBER: 03-3975

UNDER ORDER NO 71464 241942

MATTER NO.

CLIENT REF.

dup. sheet not required

CLIENT NO.

MATTER NO.

9. STATEMENT AND SIGNATURE.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

*Ruth N. Morduch*

Signature

Attorney: Ruth N. Morduch

Reg. No. 31044

Atty/Sec: RNM/lmr

TEL: (202) 861-3617

Date: May 8, 1998

FAX: (202) 822-0944

10. Total number of pages including this cover sheet, attachments and document (do not file dup. Cover sheet)

5

FILE WITH PTO RETURN RECEIPT (PAT-103A)

05/18/1998 TTD11 000054-0658008 40 20 00 01 FC:561

**ASSIGNMENT OF INVENTION AND APPLICATIONS FOR PATENTS**

This Assignment is made and entered into this 13<sup>th</sup> day of June, 1997, by and between TITO U. DELIMA C., a resident of the Republic of Venezuela, having an address at Calle Terepaim, Quinta Montserrat, Urb E. Marquez, Caracas 1070, Venezuela, hereinafter referred to as the "Inventor," and FCO International Corp., a corporation organized under the laws of the British Virgin Islands, having its principal place of business at Tortola, B.V.I., hereinafter referred to as the "Company."

**RECITALS**

**WHEREAS**, Inventor has conceived of and produced a fuel consumption optimizer and exhaust emissions reducer based on an air-vacuum liquid compensation system known as a "TITO" which is capable of: (a) reducing gasoline consumption; (b) increasing engine return; and (c) reducing contamination of gas emissions (the "Device"), as more particularly set forth in applications filed in the United States Patent Office and Venezuelan Patent Office and identified as follows (the "Applications"):

(1) United States Patent Office Application

Serial No.	<u>09/580008</u>
Filed	<u>Dec. 20</u> , 19 <u>95</u>
Allowed	_____, 19____
Title of Invention:	Fuel Consumption Optimizer and Exhaust Emissions Reducer based on an Air-Vacuum Liquid Compensation System

(2) Venezuelan Patent Office Application

Application No.	001982
Filed	December 21, 1994
Allowed	_____, 19____
Title of Invention:	Optimizador de Gasolina por Alzada de Aire

**WHEREAS**, Inventor has, or may have, other new and useful improvements and ideas relating to the Device; and

**WHEREAS**, Company is desirous of securing an assignment of the invention, the proprietary rights of Inventor in and to the above identified applications for United States and Venezuelan patents and the inventions set forth therein, any letters of patent issued in connection therewith and any inventions relating to the Device which Inventor may hereafter make.

**TERMS**

**NOW, THEREFORE**, for and in consideration of the sum of Ten dollars (\$10.00) paid by the Company to Inventor and for other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged by Inventor, it is agreed as follows:

1. **Assignment.** Inventor does hereby sell, assign, transfer and convey to Company all of Inventor's right, title and interest in and to (a) the Device, including without limitation, all trade secrets, research and development data, scientific information, processes, manufacturing data and procedures, drawings, specifications and blue prints relating thereto; (b) the Applications; (c) any and all letters patent or patents issued in the United States, Venezuela and all other countries in which the same may be granted therefor and thereon; or application may have been made thereto (d) any and all divisions, continuations and continuations-in-part of said Applications, or reissues or extensions of said letters patent or patents; and (e) the right (but not the obligation) to sue for past, present and future infringements relating any of the items listed in 1(a) through 1(d) above and receive the proceeds thereof, including, without limitation, license royalties and proceeds of infringement lawsuits. Inventor shall, at Company's request, execute in Company's favor, all papers which may be necessary for the transfer, by complete assignment, of all of Inventor's proprietary rights in and to the above identified Device, Applications, and all proprietary rights in and to any inventions which Inventor may now have or make in the future relating to the Device on the terms and under the conditions as hereinafter provided.

2. **Representations of Inventor.** Inventor hereby represents and warrants to Company that as of the date hereof, he is the sole and lawful owner of the entire right, title and interest in and to the Device and the Applications and that same are unencumbered and that Inventor has good and full right and lawful authority to sell and convey the Device and the Applications in the manner set forth herein. Inventor hereby further represents and warrants to Company that no other person, firm, corporation or entity has been granted any rights by Inventor in respect of the Device, the Applications and/or any of the items listed in subsections 1(a) through 1(e) above.

3. **Instructions to Patent Offices.** Inventor hereby requests the Commissioner of Patents or other lawful authority in the United States and Venezuela and all other countries to issue any and all letters patent relating to the Device or issued pursuant to the Applications to Company, as assignee of the Device and such letters patent to be issued thereon for the sole use and benefit of Company.

4. **Filing of Applications.** Inventor shall, at Company's request, make and execute and have filed in the United States Patent Office, the Venezuelan Patent Office, and in the respective offices of other countries, applications for patents on such of Inventor's inventions relating to the Device as may be deemed advisable by Company.

5. **Disclosure of Inventions.** Inventor agrees to promptly disclose to Company any and all inventions made or acquired hereafter by Inventor with respect to the Device, and agrees to make a prompt and complete assignment to Company of his entire right, title and interest in and to any

inventions or patentable improvements which he may make or acquire in the future with respect to the Device; provided however, that Inventor will be adequately compensated for any such inventions which Company may at its discretion acquire from Inventor.

6. **Pending and Future Applications.** Inventor agrees to assign to Company his entire title, right and interest in and to any pending applications, patents, or applications which may be filed in the future and in and to any inventions therein set forth which relate in any manner to the Device.

7. **Control Over Filing Applications.** Inventor agrees that Company shall have complete control and regulation as to filing and prosecution of applications for patents in the United State, Venezuela and all other countries, based upon the Device or any of Inventor's present or future inventions relating to the Device.

8. **Expenses of Filing.** Company agrees to assume all financial expenditures necessary to prepare and prosecute Inventor's patent applications as herein outlined, and agrees to bear all expenses incidental to the upkeep of patent applications and patents issued thereon, such as payment of government taxes, fees, maintenance and normal working expenses.

9. **Infringement Suits.** Company shall have exclusive control of the prosecution of suits against infringers and shall be entitled to retain all proceeds as a result of such lawsuits.

10. **Further Assurance.** Inventor will, without additional consideration, assign, acknowledge, and deliver any other documents and take any other action necessary or appropriate and reasonably requested by Company to carry out the intent and purpose of this Assignment. Inventor hereby agrees that he shall execute all documents necessary or desired, take all lawful oaths and do all acts necessary or required to be done for the procurement, maintenance, enforcement and defense of the Applications and letters patent for the Device, without charge to Company, but at the cost of the Company, promptly upon request therefor by the Company.

11. **Partial Invalidity.** If any term of this Assignment, or the application of the term to any person or circumstance is, to any extent, invalid or unenforceable, the remainder of this Assignment, or the application of term to person or circumstances other than those as to which the term is held invalid or unenforceable, will not be affected by the application, and each term of this Assignment will be valid and will be enforced to the fullest extent permitted by law.

12. **Governing Law.** This Assignment shall be governed by and interpreted in accordance with the laws of the Republic of Venezuela without regard to conflicts of laws principles.

13. **Notices.** All communications provided for herein shall be in writing and delivered to each party at the addresses noted above or at such other address as each party shall designate in writing.


14. **Successors and Assigns.** This Assignment shall be binding upon, and shall inure to the benefit of, the respective heirs, personal representatives, successors and assigns of each party.

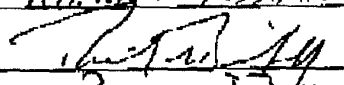
15. **Modification and Waiver.** No provisions of this Assignment shall be amended, waived or modified except by an instrument in writing signed by the party to be bound thereby.

18. **Headings.** All sections and descriptive headings in this Assignment are inserted for convenience only, and shall not affect the construction or interpretation hereof.


**IN WITNESS WHEREOF,** the parties hereto have executed this Assignment as of the date first above-written.

Witnesses:

  
 Name: Ramon Pimentel


  
 Name: RICHARD J. SCHUMP

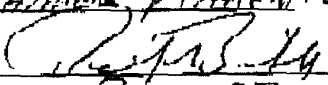
**INVENTOR**

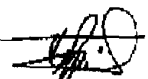
  
 \_\_\_\_\_  
 TITO U. DE LIMA C.

**COMPANY**

FCO International Corp., a corporation organized under the laws of the British Virgin Islands

  
 Name: Ramon Pimentel

  
 Name: RICHARD J. SCHUMP

By:   
 Name: TITO DE LIMA C.  
 Title: PRESIDENT.

[Please notarize before U.S. Consulate in Caracas]