



**ASSIGNMENT AGREEMENT**

This Agreement is between and among Channel Freeze Technologies, Inc. (hereinafter CFTI), a corporation of the State of Nevada, having a principal place of business at 103 Guadalupe Drive, Cibolo, Texas 78108; the recorded owners of U.S. Patent No. 5,029,453 entitled CHANNEL BLOCK ICE SYSTEM, issued July 9, 1991 (hereinafter "Said Patent"); SIR Worldwide, LLC (hereinafter SIR), a California limited liability company, of 418 South Central Avenue, Los Angeles, California 90013; and PowerCold Corporation (hereinafter PowerCold) having a principal place of business at 9480 Meadowbrook Avenue, Philadelphia, Pennsylvania 19118.

WHEREAS the Record Owners of U.S. Patent No. 5,029,453 recorded at Reel 5765, Frame 840, are as follows:

John Stirling Scherer  
Standard Southern Corporation  
Scherer Fund  
Frank J. Scherer

WHEREAS the foregoing listed Record Owners of the patent have a substantial ownership interest in SIR Worldwide, LLC (hereinafter SIR), a California limited liability company, of 418 South Central Avenue, Los Angeles, California 90013;

WHEREAS SIR, CFTI, and PowerCold, the parent corporation of CFTI, have entered into a Master Agreement effective September 14, 1998, relative to the transfer of intellectual property rights to CFTI and involving payments to be made by CFTI and/or PowerCold to SIR,

WHEREAS SIR and the Record Owners of the above-identified patent are owners of other trademarks, trade secrets, patent(s) and patent application(s), know-how and technology relating to the Channel Ice Technologies project (hereinafter referred to as CIT Proprietary Rights):

NOW, THEREFORE, in view of the foregoing premises, and the following mutual covenants, it is hereby agreed between the parties as follows:

1. (a). Upon the payment by CFTI and/or PowerCold to SIR of an initial down payment as set forth in said Master Agreement, the Record Owners and SIR (hereinafter referred to as "ASSIGNORS" herein) have sold and do hereby sell, assign, transfer and set over unto said CFTI, its successors and assigns, the entire right, title and interest in and to said patent and all CIT Proprietary Rights, and all improvements thereon, in and to said application for Letters Patent thereon, in and to applications pertaining to or based upon said inventions and applications, including divisional and continuing applications and continuations-in-part, and in and to any and all Letters Patent which may be granted and issued on said inventions and

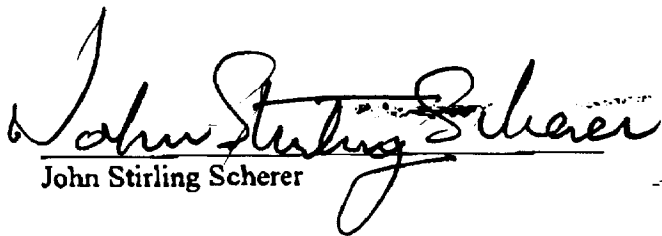
applications, or any of them, not only for, to and in the United States of America, its territories and possessions, but for, to and in all countries foreign thereto, together with and including all priority rights based upon any and all applications in the United States of America covered by this Assignment.

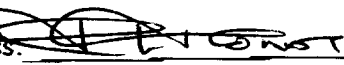
(b). And for the above-named considerations, the ASSIGNORS hereby agree that we will, at the request of said CFTI, execute any and all applications for Letters Patent for said inventions and any and all other papers and documents and do all other and further lawful acts that said CFTI may deem necessary or desirable to obtain Letters Patent on said inventions, to secure the grant of such Letters Patent and to perfect and vest in CFTI the entire right, title and interest in the inventions, applications and Letters Patent.

(c). And for the above-named considerations, we do hereby authorize and empower CFTI, its successors and assigns, to apply for and obtain, in its or their own names, Letters Patent for the said inventions before competent International Authorities and in any and all countries foreign to the United States in which applications for Letters Patent can be so made or Letters Patent so obtained.

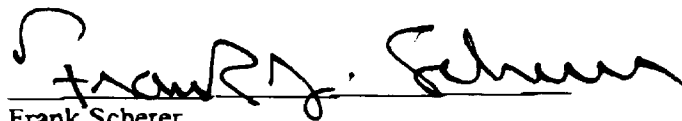
2. CFTI agrees to pay to SIR royalties, and to make additional incremental capital or "net fee" payments, as provided in said Master Agreement. CFTI agrees that, upon the default of this Agreement as by the failure to make royalty or other payments to SIR, all said patent, CIT Proprietary Rights, and said trademark rights and said good-will will automatically revert to Assignors, and CFTI will also forthwith reassign to Assignors the entire right, title and interest in and to the said patent, CIT Proprietary Rights, and said trademark "CIT Units" or "Channel Ice Technology Units," the good-will of the business in connection with which the mark is used, and any and all registrations of the trademark "CIT" units" or "Channel Ice Technology Units" in the United States and foreign countries.


Date: 10/5/98

  
John Stirling Scherer

Witness:   
Name: Thom L. Thoma

Date: 10-5-98

  
Frank Scherer

Witness:   
Name: Thom L. Thoma

**Standard Southern Corporation**

Date: 10/5/98

By [Signature]  
Name: LARRY RAUCH  
Title: Vice President

Witness: [Signature]  
Name: THOM L. THOMAS

**Scherer Fund**

Date: 10-5-98

By [Signature]  
Name: FRANK J. SCHERER  
Title: GENERAL PARTNER

Witness: [Signature]  
Name: THOM L. THOMAS

**Channel Freeze Technologies, Inc.**

Date: \_\_\_\_\_

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Witness: \_\_\_\_\_  
Name: \_\_\_\_\_

**SIR Worldwide LLC**

Date: 10/5/98

By John S. Scherer  
Name: JOHN S. SCHERER  
Title: PRESIDENT

Witness: [Signature]  
Name: THOM L. THOMAS

**PowerCold Corporation**

Date: \_\_\_\_\_

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Witness: \_\_\_\_\_  
Name: \_\_\_\_\_

**Standard Southern Corporation**

Date: \_\_\_\_\_

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Witness: \_\_\_\_\_  
Name: \_\_\_\_\_

**Scherer Fund**

Date: \_\_\_\_\_

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Witness: \_\_\_\_\_  
Name: \_\_\_\_\_

**Channel Freeze Technologies, Inc.**

Date: 10/6/95

By George C. Bailey  
Name: GEORGE C. BAILEY  
Title: PRESIDENT

Witness: Ray Heiber  
Name: Ray Heiber

FROM OPPENHEIMER - L. A.

(MOX) 10. 5 '98 16:07/ST. 15.98/NO. 4860067912 P. 7

**SAR Worldwide LLC**

Date: \_\_\_\_\_

By \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Witness: \_\_\_\_\_

Name: \_\_\_\_\_

**PowerCold Corporation**

Date: OCTOBER 5, 1998

By Frank Smith

Name: FRANK S. SMITH

Title: PRESIDENT and CEO

Witness: George C. Bailey

Name: GEORGE C. BAILEY