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To the Honorable Commissioner of Patents and Trademarks

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all documents or copy thereof.

1. Name of conveying party(ies) Cyclone Technologies, Inc. AM 11: 25 OPR/FINANCE Additional name(s) of conveying party(ies) attached?  Yes  No

2. Name and address of receiving party(ies) Name: V-Stax, LLC Internal Address: Street Address: P.O. Box 691117 City: Orlando State: FL ZIP: 32869 Additional name(s) & address(es) attached?  Yes  No

3. Nature of conveyance:  Assignment  Merger  Security Agreement  Change of Name  Other Side Letter to Agreement Patent and Proprietary Information Assignment Agreement Execution Date: 28 August 1997

4. Application number(s) or patent number(s): If this document is being filed together with a new application, the execution date of the application is: A. Patent Application No.(s) B. Patent No.(s) 5,672,187 Additional numbers attached?  Yes  No

5. Name and address of party to whom correspondence concerning document should be mailed: Name: L. Grant Foster Internal Address: Street Address: 602 East 300 South City: Salt Lake State: Utah ZIP: 84102

6. Total number of applications and patents involved: 1 7. Total fee (37 CFR 3.41).....\$ 40.00  Enclosed  Authorized to be charged to deposit account 8. Deposit account number: 06-1620 (Attach duplicate copy of this page if paying by deposit account)

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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. L. Grant Foster Name of Person Signing Signature Date 13 March 2000

Total number of pages including cover sheet, attachments, and document: 12

Mail documents to be recorded with required cover sheet information to: Commissioner of Patents & Trademarks, Box Assignments Washington, D.C. 20231

PATENT REEL: 010703 FRAME: 0297

**SIDE LETTER TO AGREEMENT**

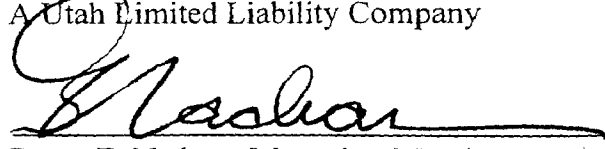
This is a Side Letter to the Agreement entitled PATENT AND PROPRIETARY INFORMATION ASSIGNMENT AGREEMENT ("Agreement"), made effective as of 22 April 1997, by and between V-STAX, L.L.C., a Utah limited liability company ("V-Stax"), and CYCLONE TECHNOLOGIES, INC., a Utah corporation ("Cyclone").

V-Stax and Cyclone wish to clarify their intentions when they entered into the Agreement. This Side Letter to the Agreement is made with the understanding that Article 8 of Exhibit B of that Agreement requires that any additional document that forms part of the prior Agreement shall be in writing and executed by both parties.

Cyclone and V-Stax confirm that, pursuant to the assignment set forth in Article 1 of the Agreement, V-Stax has the right to exercise ownership over the Transferred Technology in any manner that it sees fit, including without limitation the right to institute and prosecute suits for patent infringement and related causes of action, enjoin infringement and collect for its own use patent infringement damages (past, present, and future), profits, and awards of whatever nature may be recoverable for such causes of action, compromise and settle disputes arising with respect to the Transferred Technology, and exercise all other ownership rights as the assignee of the Transferred Technology.

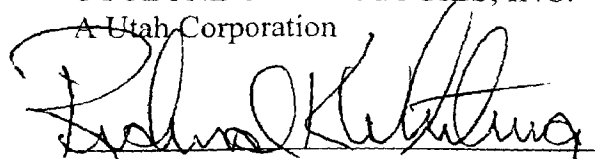
V-STAX, L.L.C.  
A Utah Limited Liability Company

Date: 7 September 1997

  
Bruce E. Nadeau, Managing Member

CYCLONE TECHNOLOGIES, INC.  
A Utah Corporation

Date: Aug. 28, 1997

  
Richard K. Whiting, President

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**PATENT AND PROPRIETARY INFORMATION  
ASSIGNMENT AGREEMENT**

entered into by and between

V-STAX, L.L.C.,  
a Utah limited liability company,

and

CYCLONE TECHNOLOGIES, INC.,  
a Utah corporation

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Effective as of April 22, 1997  
Salt Lake City, Utah

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**PATENT  
REEL: 010703 FRAME: 0299**

**PATENT AND PROPRIETARY INFORMATION  
ASSIGNMENT AGREEMENT**

This PATENT AND PROPRIETARY INFORMATION ASSIGNMENT AGREEMENT (this "Agreement") is made and entered into on the dates set forth below, to be effective as of April 22, 1997, by and between V-STAX, L.L.C., a Utah limited liability company ("V-Stax"), and CYCLONE TECHNOLOGIES, INC., a Utah corporation ("Cyclone"). V-Stax and Cyclone are referred to collectively herein as the "Parties" and sometimes individually as a "Party."

Recitals

A. In a letter agreement dated March 24, 1997 from V-Stax to Cyclone, as amended by a letter dated April 4, 1997 from V-Stax to Cyclone (the "Letter Agreements"), V-Stax offered to purchase and acquire from Cyclone certain patented and other technology and intellectual property rights. Such rights are referred to in the Letter Agreements as the "Transferred Technology." The Transferred Technology is described in Exhibit A attached. Unless otherwise indicated herein, capitalized terms used in this Agreement have the meanings given in the Letter Agreements.

B. The Letter Agreements were approved by the shareholders of Cyclone at an meeting of the shareholders of Cyclone that was held on April 4, 1997. After the meeting, the board of directors of Cyclone adopted, by unanimous written consent, resolutions that also approve the Letter Agreements and that adopt, consent to and ratify the Letter Agreements as the binding obligation of Cyclone.

C. The Letter Agreements require Cyclone, as soon as it is practical to do so after the meeting described above, to enter into a technology assignment agreement with V-Stax, and to provide V-Stax with an instrument or document conveying the Transferred Technology to V-Stax.

D. The Parties wish to enter into this Agreement to satisfy the obligations of Cyclone under the Letter Agreements as described in the preceding Recital C.

Agreement

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, the sufficiency and receipt of all of which are hereby acknowledged, the Parties hereby agree as follows.

1. Assignment. Cyclone hereby assigns to V-Stax all of Cyclone's right, title,

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interest, claims and demands of Cyclone in and to the Transferred Technology. The assignment provided for and effectuated in the preceding sentence shall include, without limitation, all ownership rights of Cyclone to the Transferred Technology, together with all future improvements pertaining to the Transferred Technology, whether such rights are legal or equitable, and shall include, without limitation, any and all interest of Cyclone in the letters patent owned or possessed by Cyclone to the extent that they are a part of the Transferred Technology, together with all inventions of any kind, and any interest in them, and any licenses or contracts in respect to them, which are now owned or possessed by Cyclone or to which patents, inventions, or licenses or contracts in respect to them Cyclone is beneficially entitled, whether in possession, reversion, remainder or expectancy, and together with any foreign patents and/or any applications for foreign letters patent or similar instruments, rights or arrangements that may be granted in the future to the extent that they affect or pertain to the Transferred Technology. Cyclone also hereby sells and conveys to V-Stax the entire right, title and interest of Cyclone in and to any applications for letters patent to the extent that they affect or pertain to the Transferred Technology. Cyclone also hereby sells and conveys to V-Stax the entire right, title and interest of Cyclone in and to any future improvements in domestic or foreign patents and/or any applications for foreign letters patent or similar instruments, rights or arrangements to the extent that they affect or pertain to the Transferred Technology. All of the assignments by Cyclone that are described in this paragraph are referred to herein as the "Assignment."

2. Authorization of Patent and Trademark Office and Other Officials and Offices. Cyclone hereby authorizes the United States Office of Patents and Trademarks, and the Commissioner of Patents and Trademarks of the United States of America, and any officer or office of any foreign country, to issue letters patent, or any other rights, certificates, letters or instruments, consistent with the provisions of this Agreement, to V-Stax as the assignee of the entire right, title and interest of Cyclone, to the full end of the term for which such letters patent or other rights, certificates, letters or instruments may be granted, as fully and entirely as they would have been held by Cyclone had this Agreement not been entered into, to the extent that they affect or pertain to the Transferred Technology.

3. Recordation Form Cover. To allow the Assignment to be recorded with the United States Patent and Trademark Office, Cyclone, whenever requested by V-Stax, shall execute and deliver to V-Stax or its designee one or more forms of PTO-1595 "Recordation Form Covers" or any and all other similar documents, as well as any similar documents or instruments required by foreign countries or governments.

4. Injunctive Relief. Cyclone agrees that a breach by Cyclone of this Agreement will cause irreparable injury to V-Stax not adequately compensable in monetary damages alone or through other legal remedies. Therefore, in the event of a breach, V-Stax shall be entitled to preliminary and permanent injunctive relief and other equitable relief, in addition to and without limiting V-Stax's rights to damages or any other legal remedies.

5. Representations and Warranties. Cyclone hereby represents, warrants and covenants with and to V-Stax that the following statements are true, correct, complete and

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accurate on and as of the effective date of this Agreement, and that the same will continue at all times after the effective date of this Agreement to be true, correct, complete and accurate:

(a) Cyclone is a Utah corporation that is duly organized, validly existing, and in good standing in all material respects under the laws of the State of Utah.

(b) Cyclone has full actual and legal power and authority to execute and deliver this Agreement and to perform its obligations hereunder, and the execution and performance of this Agreement by Cyclone have been duly and validly authorized by Cyclone and its shareholders and all other persons and parties having a right of consent or approval relating to this Agreement or the transactions contemplated herein.

(c) This Agreement constitutes the valid and legally binding obligation of Cyclone, enforceable by V-Stax against Cyclone in accordance with this Agreement's terms.

(d) Except for the rights, if any, of CyTech International, Inc. ("CyTech") under that certain Exclusive Licensing Agreement entered into by Cyclone and CyTech and dated as of April 23, 1996, which rights, if any, are acknowledged by V-Stax to have been asserted by CyTech in litigation with Cyclone, neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated hereby will (i) violate any statute, law, regulation, rule, judgment, order, decree, stipulation, injunction, charge, or other restriction of any government, governmental agency, or court to which Cyclone is subject or any provision of the articles of incorporation or bylaws or similar governing rules or documents of Cyclone or (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify or cancel, or require any notice under any governmental rule, law or regulation or under any contract, lease, sublease, license, sublicense, franchise, permit, indenture, agreement or mortgage or instrument of indebtedness or under any other arrangement to which Cyclone is a party or by which it or the Transferred Technology is bound or to which it or any of the Transferred Technology is subject, (iii) nor result in the imposition of any lien, encumbrance, claim or security interest in, to or affecting any of the Transferred Technology. Cyclone does not need to give any notice to, make any filing with, or obtain any authorization, consent, or approval of any government or governmental agency in order for the Parties to consummate the transactions contemplated by this Agreement. The rights of CyTech described in the first sentence of this paragraph are referred to herein as the "CyTech Rights." Nothing in this Agreement shall be construed as an admission or agreement by either of the Parties that the CyTech Rights are valid or have merit.

(e) Except for the CyTech Rights, and except for the claims, if any, of Grant R. Wood for certain consideration from Cyclone in connection with that certain Patent Assignment Licensing Agreement between him and Cyclone dated September 16, 1996, immediately prior to the Assignment Cyclone owned the Transferred Technology free and clear of any and all claims of third parties or persons, and, except for the CyTech Rights, as a result of the Assignment Cyclone conveys and has conveyed good, marketable and valid title to the Transferred Technology to V-Stax, free and clear of any and all claims of third parties or persons,

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and free and clear of any and all liens, encumbrances or similar defects in title.

(f) Except for the CyTech Rights, neither Cyclone nor the Transferred Technology is subject to any unsatisfied judgement, order, decree, stipulation, injunction, or charge nor is either a party to or threatened to be made a party to any charge, complaint, action, suit, proceeding, hearing, or investigation of or in any court or quasi-judicial or administrative agency of any federal, state or local jurisdiction or before any arbitrator that relates in any way, directly or indirectly, to the transactions contemplated in this Agreement.


(g) No representation or warranty made in this Agreement by Cyclone, nor any statement or certificate or other information, written or oral, furnished or to be furnished to V-Stax pursuant hereto or in connection with any of the transactions contemplated hereby or in connection with the Letters of Intent, contains any untrue statement of a material fact, or omits or will omit to state any material fact necessary to make the representation, warranty, statement or certificate not misleading.

6. General Provisions. The provisions of Exhibit B attached are a part of this Agreement.

**IN WITNESS WHEREOF**, the Parties hereto have executed and delivered this Agreement on the dates set forth below, to be effective as of the date first set forth above.


V-STAX, L.L.C., a Utah limited liability company

Date: 22 April 1997

By:   
Name: BRUCE E. NADEAU  
Title: MANAGING MEMBER

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Date: APRIL 22, 1997

  
By: Richard K. Whiting  
Name: RICHARD K. WHITING  
Title: PRESIDENT



## EXHIBIT A

(Attached to and a part of the Patents and Proprietary Information Assignment Agreement dated as of April 22, 1997, entered into by and between V-Stax, L.L.C., a Utah limited liability company, and Cyclone Technologies, Inc., a Utah corporation)

### Description of the Transferred Technology

The "Transferred Technology" is a portion of the "Technology" that is described below. The "portion" is all of the Technology described below, except that part of the Technology that pertains or relates to applications used in four-wheeled cars and minivans whose primary design is for the transportation of passengers. The "Technology" is the following:

all property rights that comprise or relate to Cyclone's rights in the Cyclone Vortex System, including but not limited to any present or future technology, patents, trade secrets, ideas, know-how, copyrights, trademarks, secret formulas, processes, service marks and other intellectual property and information together with any and all rights, applications and registrations relating to any of them, together with any modifications, future improvements thereto or new applications thereof. "Patents" for purposes of this Agreement refer to all of Cyclone's patents and rights under patents granted by, and all applications pending before, the United States Patent and Trademark Office, including patent numbers 4,515,734, 4,568,500, 5,472,645 and 5,512,216, and all patents received by or applied for by Cyclone, and all patents granted to Cyclone by, and all of Cyclone's patent applications pending before, any foreign government authority.

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## EXHIBIT B

(Attached to and a part of the Patents and Proprietary Information Assignment Agreement dated as of April 22, 1997, entered into by and between V-Stax, L.L.C., a Utah limited liability company, and Cyclone Technologies, Inc., a Utah corporation)

### General Provisions

1. Costs and Fees. If either Party breaches any term of this Agreement, the breaching Party agrees to pay the non-breaching Party all reasonable attorneys' fees, expert witness fees, investigation costs, costs of tests and analysis, travel and accommodation expenses, deposition and trial transcript costs, court costs and other costs and expenses incurred by the non-breaching Party in enforcing this Agreement or preparing for legal or other proceedings, at the trial or appellate level, whether or not such proceedings are instituted. If any legal or other proceedings are instituted, the Party prevailing in any such proceeding shall be paid all of the aforementioned costs, expenses and fees by the other Party, and if any judgment is secured by such prevailing Party, all such costs, expenses, and fees shall be included in such judgment, attorneys' fees to be set by the court and not by the jury. References in this paragraph to "legal proceedings" refer to litigation as well as arbitration proceedings and any other similar or related proceedings.

2. Waiver. No delay by a Party in exercising any right or remedy shall constitute a waiver of a Party's rights under this Agreement, and no waiver by either Party of the breach of any covenant of this Agreement by the other shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Agreement.

3. Indemnification. Each Party (the "Indemnifying Party") shall protect, indemnify and hold harmless the other Party and its directors, officers, employees, agents, affiliates and representatives (each an "Indemnified Party") against any and all costs, expenses, damages, liabilities or losses, including attorney's fees, caused by, for or on account of the Indemnifying Party's negligence, gross negligence or willful misconduct or failure to perform its obligations under this Agreement or the negligence, gross negligence or willful misconduct of the Indemnifying Party's directors, officers, employees, agents affiliates or representatives.

(a) If an Indemnified Party intends to seek indemnification under this paragraph from any Indemnifying Party with respect to any action or claim, the Indemnified Party shall give the Indemnifying Party notice of such claim or action upon the receipt of actual knowledge or information by the Indemnified Party of any possible claim or of the commencement of such claim or action, which period shall in no event be later than the earlier of (i) fifteen business days prior to the last day of responding to such claim or action or (ii) one half of the period allowed for responding to such claim or action or, if no time period for responding exists, as soon as reasonably possible. The Indemnifying Party shall have no liability under this paragraph for any claim or action for which such notice is not provided, unless the failure to give such notice does not prejudice the Indemnifying Party. The Indemnifying Party shall have the right to assume the defense of any such claim or action, at its sole cost and expense, with counsel designated by the Indemnifying Party and reasonably satisfactory to the Indemnified Party; provided, however, that if the defendants in any such action include both the Indemnified Party and the Indemnifying Party, and the Indemnified Party shall have reasonably concluded that there may be legal defenses available to it which are different from or additional to those available to the Indemnifying party, the Indemnified Party shall have the right to select separate counsel, at the Indemnifying Party's expense, to assert such legal defenses and to otherwise participate in the defense of such action on behalf of such Indemnified Party. Should any Indemnified Party be entitled to indemnification under this Section as a result of a claim by a third party, and should the Indemnifying Party fail to assume the defense of such claim or action, the Indemnified Party may, at the expense of the Indemnifying Party, contest (or, with the prior consent of the Indemnifying Party, which consent shall not be unreasonably withheld, settle) such claim or action. Except to the extent

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expressly provided herein, no Indemnified Party shall settle any claim or action with respect to which it has sought or intends to seek indemnification pursuant to this Section without the prior written consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed.

(b) In the event that an Indemnifying Party is obligated to indemnify and hold any Indemnified Party harmless under this Agreement, the amount owing to the Indemnified Party shall be the amount of such Indemnified Party's actual out-of-pocket loss, net of any insurance or other recovery.

(c) The duty to indemnify under this Agreement will continue in full force and effect notwithstanding the expiration or termination of this Agreement, with respect to any loss, liability, damage or other expense based on facts or conditions which occurred prior to such termination.

4. Notices. No notice, consent, approval or other communication provided for herein or given in connection herewith shall be validly given, made, delivered or served unless it is in writing and delivered personally, sent by overnight courier, or sent by registered or certified United States mail, postage prepaid, with return receipt requested, to the addresses for each Party set forth below. Any Party hereto may from time to time change its address by notice to the other Parties given in the manner provided herein. Notices, consents, approvals, and communications by mail shall be deemed delivered upon the earlier of forty-eight (48) hours after deposit in the United States mail in the manner provided above or upon delivery to the respective addresses set forth above if delivered personally or sent by overnight courier. Addresses of the Parties are the following:

To Cyclone:

President  
Cyclone Technologies, Inc.  
372 Billy Mitchell Road, #B  
Salt Lake City, Utah 84116  
Telephone: (801) 595-6611  
Fax: (801) 595-6614

To V-Stax:

V-Stax, L.L.C.  
c/o Mark E. Rinehart, Esq.  
Parsons Behle & Latimer  
Suite 1800  
201 South Main Street  
Salt Lake City, Utah 84145-0898  
Telephone: (801) 532-1234  
Fax: (801) 536-6111.

5. Interpretation and Time. The captions of the paragraphs of this Agreement are for convenience only and shall not govern or influence the interpretation hereof. This Agreement is the result of negotiations between the Parties and, accordingly, shall not be construed for or against either Party regardless of which Party drafted this Agreement or any portion thereof. Time is of the essence under this Agreement.

6. Successors and Assigns. All of the provisions hereof shall inure to the benefit of and be binding upon the successors and assigns of the Parties.

7. No Partnership, No Third Party Beneficiaries. This Agreement is not intended to, and nothing contained in this Agreement shall, create any partnership, joint venture or other similar arrangement between the Parties. No term or provision of this Agreement is intended to, or shall, be for the benefit of any third party beneficiary, person, firm, corporation or other entity not a party hereto, and no third party shall have any right or cause of action

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against any of the Parties under this Agreement.

8. Amendments. No change or addition may be made to this Agreement except by a writing executed by all of the Parties.

9. Further Documents. Each of the Parties shall execute and deliver all such other and additional documents and perform all such acts, in addition to execution and delivery of this Agreement and performance of the Party's obligations hereunder, as are reasonably required from time to time in order to carry out the purposes, matters and transactions that are contemplated in this Agreement.

10. Incorporation of Exhibits. All exhibits attached to this Agreement are by this reference incorporated herein.

11. Governing Law This Agreement shall be governed by the laws of the State of Utah.

12. Counterparts. This Agreement may be executed in any number of counterparts. A set of counterparts showing signatures by all Parties, taken together, shall constitute a single copy of this Agreement. This Agreement may be signed by a Party in person or by fax.

13. Resolution of Disputes. In the event of any dispute between the Parties as to their rights and obligations under this Agreement, including, but not limited to, any question as to whether or not a Party has performed its obligations fully or remedied an alleged breach, and any and all other disputes arising under this Agreement, shall be resolved as follows: within fourteen days of notice by one Party to the other of the existence of a dispute under this Agreement, the Parties shall submit their dispute to at least four (4) hours of mediation in accordance with the mediation procedures of United States Arbitration and Mediation (USA&M). In the event the dispute does not then settle within 15 calendar days after the first mediation session, the Parties agree to submit the dispute to binding arbitration in accordance with the arbitration procedures of the USA&M except as modified in this Agreement. The arbitration hearing shall be concluded no later than 45 calendar days after the first mediation session. The arbitrator or arbitrators conducting the arbitration hearing shall render the arbitration decision in writing within seven days after the arbitration concludes, which writing shall explain the reasoning and bases for the decision. The Parties agree to share equally the costs of mediation. However, if the dispute is settled through arbitration, the prevailing Party shall be entitled to recover all costs incurred, including reasonable attorneys' fees, to enforce its rights hereunder, in addition to any damages recovered.

14. Severability. If any term or provision of this Agreement shall, to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforceable to the fullest extent permitted by law.

15. Recitals. The recitals set forth above are a part of this Agreement.

16. Jurisdiction and Venue. Venue for and jurisdiction over any legal proceedings available to the Parties hereunder shall lie in the appropriate courts of the State of Utah, located in Salt Lake City, Utah.

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