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OMB No. 0651-0011 (exp. 4/94)	PATENTS ONLY	Attorney Docket No.: SMW1112957	
To the Director - U.S. Patent and Trademark O	office: Please record the attached of	original documents or copy thereof.	
1. Name of conveying party: Execution Walter Schmied November Additional name(s) of conveying party(ies) attached	er 2, 2000		
3. Nature of conveyance: Assignment Merger	Nama	Willow, AK 99688 Gary H. Pohl Ester, AK 99725	
Security Agreement Change	e of Name Name:	Ronald K. Pohl Warrenton, VA 22186	
Execution date: See Above	Additional n	ame(s) & address(es) attached? Yes No	
Application number(s) and/or patent number A. Patent Application No(s). Add	B. Patentitional numbers attached?		
	a new patent application, enter the	date the patent application was signed by the first	
5. Name and address of party to whon	o correspondence 6. Total num	nber of applications and/or patents involved:	
concerning document should be mailed: John D. Denkenberger, Esq. Customer No. 26389 CHRISTENSEN O'CONNOR	Enclosed fee.	(37 C.F.R. 3.41): \$\\$\\$\\$\\$\\$\\$\\$\\$\\$\\$\\$\\$\\$\\$\\$\\$\\$\\$\	
JOHNSON KINDNESSPLLC 1420 Fifth Avenue, Suite 28 Seattle, WA 98101-2347 206.682.8100	8. The Dire 37 C.F.R. during th overpaym authorizat of time o	8. The Director is hereby authorized to charge any fees under 37 C.F.R. §§ 1.16, 1.17 and 1.18 which may be required during the entire pendency of the application, or credit any overpayment, to Deposit Account No. 03-1740. This authorization also hereby includes a request for any extensions of time of the appropriate length required upon the filing of any reply during the entire prosecution of this application.	
	DO NOT USE THIS SPACE	E	
9. Statement and signature: To the best of my knowledge and belief, the original document. John D. Denkenberger Name of Attorney or Agent Registration No. 44,060 Direct Dial 206.695.1749	Signature	3.12.01 Date	
I hereby certify that this correspondence is being postage thereon fully prepaid and addressed to the state of the state o	g deposited with the U.S. Postal Se	ervice in a sealed envelope as first class mail with demark Office, Washington, D.C. 20231, on the	
below date.	\mathcal{M}	6 Kudo	
Date: (10) (0) (0) (0) (0) (0) (0) (0) (0) (0) (ch. trund	
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PATENT

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JOINT PATENT RIGHT AGREEMENT

Steven P. Pohl

	alter Schmied ("Assignor") has assigned to Ronald K. Poh (
("Assignee") a <u>tw</u> o	percent undivided ownership interest in U.S. Patent Application Serial
No. 08/926,088, entitle	d INTERNAL COMBUSTION CYLINDER ENGINE, in an assignment
document executed	11/02/2000

WHEREAS third parties may also have been assigned or may also be assigned ownership interests in said patent application by virtue of separate agreements; and

WHEREAS Assignor and Assignee are desirous of mutually agreeing on controls of the rights to make, use, sell and offer to sell the invention disclosed and claimed in said application and share in the proceeds resulting from said invention, said application, and all continuations of said application, and patents issuing therefrom on said invention;

NOW THEREFORE, in consideration of the obligations of the respective parties hereinafter set forth, Assignor and Assignee agree as follows:

I. **DEFINITIONS**

- 1. "Invention" shall mean the invention disclosed in said application, all continuations of said application and patents issuing therefrom.
- 2. "Net Proceeds" shall mean all consideration resulting from said Invention, including, but not limited to:
 - (i) all royalties generated from agreements or licenses to third parties to make, use, sell, or offer to sell said Invention, less the cost, including attorneys' fees, to draft, negotiate and finalize said agreements or licenses; and
 - (ii) net income received from the manufacture, use, sale or offer to sell said Invention as defined by generally accepted accounting principles.
- 3. "Majority of Ownership" shall mean an ownership interest in said Invention of a party or group of parties totaling fifty-one percent (51%) or greater.

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II. GRANT

- 1. Assignor hereby agrees to pay to Assignee a percentage of Net Proceeds, equal to Assignee's percent ownership in said Invention and in accordance with the payment schedule of Section III herein.
- 2. Subject to consent of the Majority of Ownership interest in said Invention, each assignee may sell, assign, or transfer onto a third party an ownership interest in said Invention equal to or less than Assignee's said percent ownership interest in said Invention, wherein consent of Majority of Ownership will not be unreasonably withheld.
 - 3. A Majority of Ownership interest in said Invention is required to:
 - (i) License said Invention to third parties the right to make, use, sell, or offer to sell;
 - (ii) Exclude others from making, using, selling, or offering to sell said Invention; or
 - (iii) To make, use, sell or offer to sell said Invention.
- 4. So long as Assignee owns or controls less than a Majority of Ownership interest in said Invention, said Assignee is prohibited from:
 - (i) Licensing said Invention to third parties the right to make, use, sell, or offer to sell;
 - (ii) Excluding others from making, using, selling, or offering to sell said Invention and all applications and patents on said Invention; or,
 - (iii) Making, using, selling or offering to sell said Invention.

III. PAYMENTS

1. The party or group of parties having a Majority of Ownership interest shall, within sixty (60) days after each calendar year, render a written report to each party, with accompanying payment for Net Proceeds in accordance with Section II herein, indicating the quantity, the price of said Invention sold and the expenses associated with said sale, during the calendar year. If no royalty is due for the calendar year, the report shall so state.

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2. The party or group of parties having a Majority of Ownership interest shall keep true books of account adequate to establish payments for Net Proceeds due hereunder and are to be kept according to generally accepted accounting principles, and the party or group of parties having a Majority of Ownership interest shall make the books available for inspection by representatives of Assignor and Assignee(s) to the extent necessary for determining the completeness and accuracy of such payments for Net Proceeds and other information for period of seven (7) years.

IV. TERM AND TERMINATION

- 1. This agreement shall terminate upon expiration of the last expiring patent licensed hereunder; however, in no event shall the party or group of parties having a Majority of Ownership interest be obligated to pay any payment for Net Proceeds under this agreement after each the expiration of any patent licensed herein, or the holding invalid by a court of competent jurisdiction of any claim covering said Invention assigned hereunder, or the holding of noninfringement by a court of competent jurisdiction of said Invention that is substantially the same as said Invention assigned hereunder.
- 2. Either Assignor or Assignee may cancel this agreement at any time, after written notice to the other, for breach or default (including failure to make any payment for Net Proceeds when due) on the part of the other, unless the defaulting party has remedied such breach or default within thirty (30) days after such notice.

V. MISCELLANEOUS

- 1. If any of the provisions or portions thereof of this agreement are invalid under any applicable statute or rule of law, they are, to that extent, to be deemed omitted. Otherwise, the remaining part or parts of this agreement shall be enforced and fully performed.
- 2. This agreement will be interpreted, construed and enforced in all respects in accordance with the laws of the state of Washington. Any controversy or claim arising out of or relating to this agreement, or the default or breach thereof, will be finally settled in a court of

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competent jurisdiction located within the state of Washington. In the event of adjudication of any dispute, whether by arbitration or judicially, the prevailing party will be entitled to reasonable adjudication costs, attorneys' fees and collection costs, including any appeals, as may be set by the adjudicator in such proceeding.

This agreement and earlier executed Assignment constitutes the entire agreement between the parties and supersedes all prior and/or contemporaneous written or oral agreements. Any changes or modifications to this agreement must be in writing and executed by each party in order to be binding.

IN WITNESSES THEREOF, Assignor and Assignee have caused these presents to be signed by their respective corporate officers hereunto duly authorized.

ASSIGNOR

Date:

Walter Schmied

STATE OF

SS.

COUNTY OF

I certify that I know or have satisfactory evidence that Watter Schmied is the person who appeared before me, and said person acknowledged that he/she signed this instrument and acknowledged it to be his/her free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: 11/2/00

Signature

Printed Name: William L. WiAlt

Public

Public My appointment expires

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ASSIGNEE

X

Date: 1 - 13 - 00

Name: X Stun P TIM

Title: ASIGNEE

STATE OF Alaska

) ss.

I certify that I know or have satisfactory evidence that Steven P. Pohl is the person who appeared before me, and said person acknowledged that he/she signed this instrument and acknowledged it to be his/her free and voluntary act for the uses and purposes mention

Dated: 11-13-00

(Seal or stamp)

Signature

Signature

Printed Name: Gloria L. Phillips

Notary Public

My appointment expires April 9, 2003

JDD:teb

	ASSIGNEE
Date: 11/15/2000	Name: X CAPY H. POHL Title: PSSIONES
STATE OF	
) SS.	
1	
I certify that I know or have satisfactory exist the person who appeared before me, and said instrument and acknowledged it to be his/her free mention	person acknowledged that he/she signed this
Dated:///5/00	Melody Tranklin
(Seal or stamp)	Signature Printed Name: Melody Franklin Notary Public My appointment expires 8/2/04

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JDD:teb

	ASSIGNEE
Date: 27 November 2000	Name: X Signee Title: Assignee
STATE OF Virginia County of Faugueri ss. I certify that I know or have satisfactory evis the person who appeared before me, and said pinstrument and acknowledged it to be his/her free mention	person acknowledged that he/she signed this
Dated:(Seal or stamp)	Signature Printed Name: USa Kung Notary Public My appointment expires 11/30/03

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JDD:teb

Assignment of Invention and Patent Application

For value received, Fifteen Thousand U.S. Dollars (\$ 15.000-)
Welfer Schmied
of Rt. 1 Box 459 Bonners Ferry, Idaho 83805
(hereinafter ASSIGNOR), hereby sells, assigns, transfers, and sets over unto Steven P. Pohl
P.O. Box 97, Willow AK 99688; Gary H. Pohl Ester AK 99725;
of Ronald K. Pohl, Warrenton, Va. 22186
and her or his successors or assigns:(hereinafter ASSIGNEE)% of the following: (A) ASSIGNOR'S right, title and interest in and to the invention entitled "Internal Combastion Cylinder
Engine, clescribed in Patent Application Number 08/926,088
invented by ASSIGNOR; (B) the application for Untied States patent therefor, signed by ASSIGNOR on 0/22/97, U.S. Patent and Trademark Office Serial Number 00/926, 0 88;
Filed; $\frac{09/02/97}{}$ (C) any patent or reissues of any patent that may be granted thereon; and (D) any applications which are continuations, continuations-in-part, substitutes, or divisions of
said application. ASSIGNOR authorizes ASSIGNEE To enter the date of signature and/or Serial Number and Filing Date in the spaces above. ASSIGNOR also authorizes and requests the Commissioner of Patents
and Trademarks to issue any resulting patent(s) as follows: 27 % to ASSIGNOR and 2 %
to ASSIGNEE. (The singular shall include the plural and vice-versa herein.)
ASSIGNOR hereby further sells, assigns, transfers, and sets over unto ASSIGNEE, the above percentage of ASSIGNOR'S entire right, title and interest in and to said invention in each and every country foreign to the United States; and ASSIGNOR further conveys to ASSIGNEE the above percentage of all priority rights resulting from the above-identified application for United States patent. ASSIGNOR agrees to execute all papers, give any required testimony and perform other lawful acts, at ASSIGNEES expense, as ASSIGNEE may require to enable ASSIGNEE to perfect ASSIGNEE'S interest in any resulting patent of the United States and countries foreign thereto, and to acquire, hold, enforce, convey, and uphold the validity of said patent and reissues and extensions thereof, and ASSIGNEE'S interest therein.
In testimony whereof ASSIGNOR has hereunto set its hand and seal on the date below.
Walk Som
State
State } ss County: Bandary } ss
Subscribed and sworn to before me ///2/pu
(date)
Notary Public
SFA1

RECORDED: 03/20/2001

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