11-12-2002

Form PTO-150 ALENT & TRAD U.S. DEPARTMENT OF COMMERCE RE U.S. Patent and Trademark Office OMB No. 0651-0027 (exp. 5/31/2002) 102277870 Tab settings □ □ □ To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof. 2. Name and address of receiving party(ies) 1. Name of conveying party(ies): 11-4-07 Name: Global Manufacturing Shih-Hsin Chang Systems Corp. Internal Address: 202 North Curry St., Suite 100 Additional name(s) of conveying partyfes) attached? 🛄 Yes 🛂 No Carson City, NV 89703 3. Nature of conveyance: Merger Assignment Street Address: _____ Security Agreement Change of Name Other License _____State:_____Zip:____ Execution Date: Sept. 2, 2002 Additional name(s) & address(es) attached? 📮 Yes 🤷 No 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) 6,009,662 5. Name and address of party to whom correspondence 6. Total number of applications and patents involved: 1 concerning document should be mailed: 7. Total fee (37 CFR 3.41).....\$ 40.00 Name: Steven W. Webb Internal Address: 655 Second Street Authorized to be charged to deposit account Encinitas, CA 92024 8. Deposit account number: Street Address: (Attach duplicate copy of this page if paying by deposit account) State:____Zip: DO NOT USE THIS SPACE 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. Steven W.Webb Name of Person Signing Total number of pages including cover sheet, attachments, and documents: Mail documents to be recorded with required cover sheet information to: 00000231 6009662 11/08/2002 DBYRNE Commissioner of Patents & Trademarks, Box Assignments

Washington, D.C. 20231

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PATENT REEL: 013456 FRAME: 0701

LICENSE AGREEMENT

Introduction.

This License Agreement (the "Agreement") is made between **Shih-Hsin Chang** (referred to as "Licensor"), a citizen of the Republic of China (Taiwan) residing at

7-3 Floor, Room No. 122, Omei Street, Wan Hua District, Taipei, Taiwan and Global Manufacturing Systems Corporation, a Nevada Corporation (referred to as "Licensee"). Licensor and Licensee shall be collectively referred to as "the parties." Licensor is the owner of U.S. Patent No. 6,009,662 for a new cockroach trap, referred to as "the invention". Licensee desires to license certain rights in the invention from Licensor. Therefore the parties agree as follows:

The Property The Property refers to all proprietary rights to the invention, including but not limited to the patent to the invention, as well as any trademark rights and associated good will. A more complete description of the invention is provided in the attached Exhibit A.

Licensed Products. Licensed Products are defined as the Licensee's products incorporating the Property and specifically described in Exhibit A (the "Licensed Products").

Grant of Rights. Licensor grants to Licensee an exclusive license to make, use and sell the Property solely in association with the manufacture, sale, use, promotion or distribution of the Licensed Products within the Territory defined below.

Sublicense Licensee may sublicense the rights granted pursuant to this agreement provided Licensee obtain Licensor's prior written consent to such sublicense. Licensee's consent to any sublicense shall not be unreasonably withheld, and Licensor will receive such revenue or royalty payment as provided in the Payment section below. Any sublicense granted in violation of this provision shall be void.

Territory. The rights granted to Licensees are limited to North America defined as the Northem Continent of the Western Hemisphere (north of the Columbia-Panama border, the United States of America, Canada, the Caribbean Islands, the Arctic Archipelago, and Greenland (the "Territory").

Term. This Agreement shall commence upon the Effective Date as specified in Exhibit A and shall continue for Four (4) Years. Licensee shall have the option to extend this agreement for an additional Five (5) Years at the expiration of the original term of this agreement. All rights conveyed to licensee by this agreement shall terminate upon expiration of this agreement.

License Fee Structure. The licensee shall pay licensor Two US Dollars (\$2.00) per unit sold on the first 20,000 sold under this agreement, One US Dollar (\$1.00) per unit sold on all units sold by licensee thereafter.

Minimum Annual Fee. Licensee agrees to pay an annual minimum license fee of \$7,500 per year. The minimum annual fee shall be prepaid for the first license fiscal year upon the receipt of all executed documents from the licensor. The annual minimum fee shall be prepaid for each subsequent license fiscal year on the anniversary of the start date of this agreement. Payments shall be remitted to the licensor via bank wire transfer per the licensor's instructions within 30 days of said anniversary date.

Additional Payments. Once the annual prepayment is consumed, the licensee shall make monthly payments to the licensor, per the License Fee Structure, for the remainder of the license fiscal year.

Statements to Licensor. Within thirty days after the end of each fiscal year, an accurate statement of Sales of Licensed Products shall be provided to Licensor, regardless of whether any Licensed Products were sold during the Royalty Period.

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PATENT REEL: 013456 FRAME: 0702 Accounting. All production units produced by the licensee shall be serialized and affixed with a serial number. The licensee agrees to provide the licensor with an annual report which summarizes all sales activity for the licensed products. In addition, the licensee agrees to make interim sales and inventory data available to the licensor upon request.

Licensee shall keep accurate records covering all transactions relating to the license granted in this Agreement, and Licensor or its duly authorized representatives shall have the right upon 30 days prior written notice, and during normal business hours, to inspect. Licensee's records relating specifically to the Property licensed under this Agreement. Licensor shall bear the cost of such inspection. All books of account and records shall be made available in the United States.

Licensor Warranties. Licensor warrants that it has the power and authority to enter into this Agreement and has no knowledge as to any third party claims regarding the proprietary rights in the Property which would interfere with the rights granted under this Agreement.

Indemnification by Licensor. Licensor shall indemnify Licensee and hold Licensee hamiless from any damages and liabilities (including reasonable attorneys' fees and costs), arising from any breach of Licensor's warranties as defined in Licensor's Warranties, above, provided: (a) such claim, if sustained, would prevent Licensee from marketing the Licensed Products or the Property; (b) such claim arises solely out of the Property as disclosed to the Licensee, and not out of any change in the Property made by Licensee or a vendor, or by reason of an off-the-shelf component or by reason of any claim for trademark infringement; (c) Licensee gives Licensor prompt written notice of any such claim; (d) such indemnity shall only be applicable in the event of a final decision by a court of competent jurisdiction from which no right to appeal exists; and (e) that the maximum amount due from Licensor to Licensee under this paragraph shall not exceed the amounts due to Licensor under the Payment Section from the date that Licensor notifies Licensee of the existence of such a claim.

Licensee Warranties. Licensor warrants that it has the power and authority to enter into this Agreement Licensee warrants that it will use its best commercial efforts to market the Licensed Products and that their sale and marketing shall be in conformance with all applicable laws and regulations, including but not limited to all intellectual property laws.

Indemnification by Licensee. Licensee shall indemnify Licensor and hold Licensor harmless from any damages and liabilities (including reasonable attorneys' fees and costs), (a) arising from any breach of Licensee's warranties and representation as defined in the Licensee Warranties, above, (b) arising out of any alleged defects or failures to perform of the Licensed Products or any product liability claims or use of the Licensed Products; and (c), any claims arising out of advertising, distribution or marketing of the Licensed Products.

Intellectual Property Protection. Licensor expressly warrants the validity and licensor's actual ownership of the cockroach trap patent, unlimited by previous or existing licenses or assignments.

Design Changes. The licensee is authorized to make design changes in the invention at the licensee's discretion, when deemed necessary for successful marketing in the Territory. Licensee shall retain exclusive intellectual property rights in any and all design changes made by licensee.

Compliance with Intellectual Property Laws. The license granted in this Agreement is conditioned on Licensor's compliance with the provisions of the intellectual property laws of the United States and any foreign country in the Territory. All copies of the Licensed Product as well as all promotional material shall bear appropriate proprietary notices.

Infringement Action Against Third Parties. In the event that either party learns of imitations or infringements of the Property or Licensed Products, that party shall notify the other in writing of the infringements or imitations. Licensor shall have the obligation to commence lawsuits against third persons arising from infringement of the Property or Licensed Products. In the event that Licensor

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does not commence a lawsuit against an alleged infringer within sixty days of notification by Licensee. Licensee may commence a lawsuit or lawsuit against said third party or parties and deduct reasonable attorney's fees and related legal costs from royalties due to the licensor. Said deductions shall be limited to an amount equal to the minimum annual licensing fee of US\$7,500 per year. In the event that a lawsuit is filed against an alledged infringer, licensor will cooperate fully and in good faith with Licensee for the purpose of securing and preserving Licensee's rights to the Property. Any recovery (including, but not limited to a judgment, settlement or licensing agreement included as resolution of an infringement dispute) shall be divided equally between the parties after deduction and payment of reasonable attorneys' fees to the party bringing the lawsuit. In the event

Confidentiality. The parties acknowledge that each may be furnished or have access to confidential information that relates to each other's business (the "Confidential Information"). In the event that Information is in written form, the disclosing party shall label or stamp the materials with the word "Confidential" or some similar warning. In the event that Confidential Information is transmitted orally, the disclosing party shall promptly provide a writing indicating that such oral communication constituted Information. The parties agree to maintain the Confidential Information in strictest confidence for the sole and exclusive benefit of the other party and to restrict access to such Confidential Information to persons bound by this Agreement, only on a need-to-know basis. Neither party, without prior written approval of the other, shall use or otherwise disclose to others, or permit the use by others of the Confidential Information.

Validity of This Agreement. This agreement will be rendered invalid, null, and void in the event that the licensee fails to remit the initial license fee prepayment within 30 days of the execution of this agreement and registration of this license with the US Patent and Trademark Office.

Termination. Upon 90 days notice, licensee may, at its sole discretion, terminate this agreement by providing notice to the licensor.

Licensor's Right to Terminate. Licensor shall have the right to terminate this Agreement if Licensee fails to pay Royalties when due or fails to accurately report, as defined in the Payment Section of this Agreement, and such failure is not cured within sixty (60) days after written notice from the Licensor.

Effect of Termination. Upon termination of this Agreement, all Royalty obligations as established in the Payments Section shall immediately become due. After the termination of this license, all rights granted to Licensee under this Agreement shall terminate and revert to Licensor, and Licensee will refrain from further manufacturing, marketing, distribution, or use of the invention. Within sixty (60) days after termination, Licensee shall deliver to Licensor a statement indicating the number and description of the inventions which it had on hand or is in the process of manufacturing as of the termination date. Licensee may dispose of the inventions covered by this Agreement for a period of six (6) months after termination or expiration. At the end of the post-termination sale period, Licensee shall furnish a royalty payment and statement as required under the Payment Section.

Attorneys' Fees and Expenses. The prevailing party shall have the right to collect from the other party its reasonable costs and necessary disbursements and attorneys' fees incurred in enforcing this Agreement.

Alternative Dispute Resolution. If a dispute arises and cannot be resolved by the parties, either party may make a written demand for formal resolution of the dispute. The written request will specify the scope of the dispute. Within 30 days after such written notice, the parties agree to meet, for one day, with an impartial mediator and consider dispute resolution alternatives other than litigation. If an alternative method of dispute resolution is not agreed upon within 30 days of the one-day mediation, either side may start litigation proceedings.

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Governing Law and Venue. This Agreement shall be governed in accordance with the laws of the State of California, without regard to the United Nations Convention on Contracts for the International Sale of Goods, unless otherwise elected by Licensee. The parties consent to the exclusive jurisdiction and venue of the federal and state courts located in San Diego County in any action arising out of or relating to this Agreement. The parties waive any other venue to which either party might be entitled by domicile or otherwise.

The failure to exercise any right provided in this Agreement shall not be a waiver of prior Waiver. or subsequent rights.

If any provision of this Agreement is invalid under applicable statute or rule of law, it Severability. is to be considered omitted and the remaining provisions of this Agreement shall in no way be affected.

Entire Understanding. This Agreement expresses the complete understanding of the parties and supersedes all prior representations, agreements and understandings, whether written or oral. This Agreement may not be altered except by a written document signed by both parties.

The parties agree and acknowledge that all attachments, exhibits and Attachments & Exhibits. schedules referred to in this Agreement are incorporated in this Agreement by reference.

Any notice or communication required or permitted to be given under this Agreement Notices. shall be sufficiently given when received by certified mail, or sent by facsimile transmission or overnight courier.

No Joint Venture. Nothing contained in this Agreement shall be construed to place the parties in the relationship of agent, employee, franchisee, officer, partners or joint ventures. Neither party may create or assume any obligation on behalf of the other.

Assignability Licensee may not assign or transfer its rights or obligations pursuant to this Agreement without the prior written consent of Licensor. Any assignment or transfer in violation of this section shall be void.

Each party has signed this Agreement through its authorized representative. The parties, having read this Agreement, indicate their consent to the terms and conditions by their signature below.

Date: Shin-Ham Changy

Licensor Name: Shin-Ham Changy

Licensee Name/Title:

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EXHIBIT A

THE PROPERTY

US Patent 6.009.662 for an improved cockroach trap

RECORDED: 11/04/2002

A cockroach-trap mainly including a box having a top cover and a bottom tray pivotally hinged together, a metal net spread over inner surfaces of the box and being formed by alternately and densely arranging conductors of different polarities, and an intermittent-high-voltage generating circuit electrically connected to two conductors extended from the metal net. The box is provided with at least one entrance which is not covered by the metal net. When the box is closed, two pin holes separately provided on the top cover and the bottom tray opposite to the hinges together form a socket to receive a plug connected to a power source, so that power can be supplied to the intermittent-high-voltage generating circuit for the circuit to generate intermittent high voltage on the metal net. Cockroaches entering into the closed box can be killed by the high voltage. The cockroach-trap is absolutely safe when the top cover is lifted from the bottom tray and no high voltage current can be supplied to the metal net.

LICENSED PRODUCTS

Any product designed, manufactured and/or sold by the licensee which incorporates the property in whole or in part.

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PATENT REEL: 013456 FRAME: 0706