

FORM PTO 1595  
(Rev. 6-93)  
OMB No. 0651-0011 (exp. 4/94)

07-21-2003



U.S. DEPARTMENT OF COMMERCE  
Patent and Trademark Office

To the Honorable Commissione

102502066

Attached original documents or copy thereof.

1. Name(s) of conveying party(ies):  
David B. Klass

Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

3. Nature of conveyance:

- ☒ Assignment ☐ Merger  
☐ Security Agreement ☐ Change of Name  
☐ Other \_\_\_\_\_

Execution Date: March 27, 2001

2. Name and address of receiving party(ies)

Name: Vigilanz Corporation

Internal Address: \_\_\_\_\_

Street Address: 2402 University Ave.

City: St. Paul State: MN ZIP: 55114

Country: United States

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) 60/272,019; 09/970,320;  
10/175,345

B. Patent No.(s)

Additional numbers attached? ☐ Yes ☒ No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Devan V. Padmanabhan

Internal Address: Customer Number 25763

Dorsey & Whitney LLP

Intellectual Property Department

Street Address: Suite 1500, 50 South Sixth Street

City: Minneapolis State: MN ZIP 55402-1498

6. Total Number of applications and patents involved: 3

7. Total fee (37 CFR 3.41)...3 x \$40.....\$120

- ☒ Enclosed  
☐ Authorized to be charged to deposit account

8. Deposit Account number: 04-1420

(Attach duplicate copy of this page if paying by deposit account)

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.

Devan V. Padmanabhan

Name of Person Signing

Reg. No. 38,262

Devan V. Padmanabhan  
Signature

July 15, 2003  
Date

Total number of pages including cover sheet, attachments, and document: 6

Mail documents to be recorded with required cover sheet information to:

Mail Stop Assignment Recordation Services  
Director of the US Patent and Trademark Office  
P.O. Box 1450  
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**TECHNOLOGY TRANSFER, CONTRIBUTION, INVENTIONS**  
**ASSIGNMENT AND CONFIDENTIALITY AGREEMENT**

This Agreement (the "Agreement") is made and entered into as of March 27, 2001 (the "Effective Date"), by and between VigiLanz Corporation, a Delaware corporation located in Minneapolis, Minnesota (the "Company") and David Klass, an individual residing in Illinois (the "Co-Inventor").

**RECITALS**

A. The Co-Inventor has intimate knowledge of the Company's business plans, strategy and purposes to fund the development of a new medical services product and concept relating to a pharmacovigilance software system, the Practice Guidelines System (for purposes related thereto) and recognizes that the Company will be engaged in continuous research and business development of this new medical services product and related technologies.

B. The Co-Inventor wishes to transfer and assign to the Company, all right, title and interest in and to all existing technology and proprietary information conceived, developed or owned by the Co-Inventor that relates to the Company's proposed medical services products and concepts in which the Company plans to invest research and business development funds.

C. The Company desires to obtain this assignment and other rights and benefits hereunder to protect its confidential business and technical information that has been or will be acquired and will be developed by the Company at substantial expense and the Co-Inventor is willing to grant to the Company the benefits of this Agreement for these express purposes.

**AGREEMENT**

For good and valuable consideration, the receipt of which is hereby acknowledged, the Company and the Co-Inventor, each intending to be legally bound, agree as follows:

1. **Technology Transfer and Contribution.**

Co-Inventor hereby assigns, sells, transfers and conveys to the Company all right, title and interest in and to all information, inventions, discoveries, ideas, drawings, designs, concepts, developments, methods, procedures, processes and technologies, whether or not patentable, copyrights and copyright applications and other proprietary information with respect to a pharmacovigilance software system and the Practice Guidelines System (for purpose related thereto) in consideration for 250,000 shares of the Company's Common Stock, (the "Shares") and the Company agrees to issue to the Co-Inventor, effective as of the Effective Date, the Shares.

## 2. Inventions.

(a) **Definition.** "Inventions" as is used in this Section 2, includes any inventions, discoveries, improvements, ideas, drawings, designs, concepts, patent applications, know-how, trade secrets, prototypes, techniques, processes, software code and documentation (whether or not they are in writing or reduced to practice) or works of authorship (whether or not they can be patented or copyrighted) that the Co-Inventor has in the past made, and will or might in the future make, own or conceive regarding the Company's medical service products and concepts for a pharmacovigilance software system and the Practice Guidelines System (for purposes related thereto).

(b) **Assignment and Ownership of Inventions.** The Co-Inventor agrees that all Inventions will be the sole and exclusive property of the Company. The Co-Inventor will, with respect to any Invention: (i) keep current, accurate, and complete records, which will belong to the Company and be kept and stored on the Company's premises; (ii) promptly and fully disclose the existence and describe the nature of the Invention to the Company in writing (and without request); (iii) assign (and the Co-Inventor hereby assigns) to the Company all of the Co-Inventor's right, title and interest in and to the Invention, including but not limited to all technology, design and proprietary information conceived, developed or owned by the Co-Inventor that relates to the Invention, and any applications the Co-Inventor makes for patents or copyrights in any country, and any patents or copyrights granted to the Co-Inventor in any country; (iv) acknowledge and deliver promptly to the Company any and all written and computerized instruments, including but not limited to all information, computer data, computer programs, notes, codes, product development codes, computer database, any and all other material pertaining to the Invention; and (v) perform any other acts necessary in the Company's opinion to preserve property rights in the Invention against forfeiture, abandonment or loss and to obtain and maintain letters patent and/or copyrights on the Invention and to vest the entire right and title to the Invention in the Company. The Co-Inventor agrees to perform promptly (without charge to the Company but at the expense of the Company) all acts, such as execution of assignment or date of presentation, as may be necessary in the Company's opinion to preserve all patents and/or copyrights granted upon the Co-Inventor's Inventions forfeiture, abandonment or loss. This obligation to assist and support any patent prosecution and intellectual property protection efforts will survive any termination of this Agreement.

(c) **Presumption.** In the event of any dispute, arbitration or litigation concerning whether an invention, improvement or discovery made or conceived by the Co-Inventor is the property of the Company, such invention, improvement or discovery will be presumed the property of the Company and the Co-Inventor will bear the burden of establishing otherwise.

## 3. Confidential Information.

(a) **Definition.** "Confidential Information," as used in this Section 3, means information or material which is not generally available to or used by others, or the utility or value of which is not generally known or recognized as standard practice, whether or not the underlying details are in the public domain, including without limitation:

(1) information or material relating to the Company and its businesses as conducted or anticipated to be conducted, business plans, financial information, operational data, sales and marketing plans, past, current or anticipated products or services, customers or prospective customers, ideas, concepts, drawings, designs, plans, technical information, techniques, processes, discoveries, improvements, specifications, patent applications or activities relating to research, engineering, development, manufacturing, purchasing, accounting, or marketing;

(2) information or material relating to the Company's inventions or medical product ideas and concepts;

(3) information regarding the Company which when received is marked as "proprietary", "private" or "confidential";

(4) trade secrets of the Company; or

(5) any similar information of the type described above which the Company obtained from another party and which the Company treats as or designates as being proprietary, private or confidential, whether or not owned or developed by the Company.

Notwithstanding the foregoing, "Confidential Information" does not include any information that (1) is now or later becomes lawfully in the public domain; provided, however, that information which is published by or with the aid of the Co-Inventor contrary to the requirements of this Agreement will not be considered to be lawfully in the public domain for purposes of this Agreement (2) is lawfully received by the Co-Inventor from a third party having no obligations of confidentiality to the Company, (3) is already lawfully in the possession of the Co-Inventor through independent means at the time of disclosure, or (4) is required to be disclosed by order of a governmental agency or by a court of competent jurisdiction.

(b) ***Prohibition on Use of Confidential Information.*** The Co-Inventor will not use Confidential Information for any purpose other than the business of the Company or publish or disclose it to any person who is not an officer or director of the Company except to the extent consistent with the best interest of the Company, and will use all reasonable care to protect the confidential nature of such Confidential Information, and in any event shall use no less care than it takes to protect its own confidential information of similar importance.

#### 4. **Representatives and Warranties.**

(a) ***Ownership Rights.*** Co-Inventor hereby represents and warrants to the Company that he owns all right, title and interest to the Inventions assigned hereunder, free and clear of any claims, restrictions or obligations to third parties (with the exception of the rights of the co-inventor, Adam Klass) and that, to his knowledge, such Inventions do not infringe upon the rights of third parties.

(b) ***Investment Representations.*** Co-Inventor hereby represents that he is purchasing the common stock of the Company for his own account for investment purposes only and has no present intention to sell or distribute any of the securities purchased hereunder. Co-Inventor also

understands that he must be able to bear the economic risk of the investment, which may be illiquid for an indefinite period of time, that the shares of common stock of the Company have not been registered or qualified under the Securities Act of 1933 or any state securities laws or regulations in reliance upon exemptions from such registration or qualifications for sales not involving a public offering; that the shares must be held indefinitely and may not be transferred unless there is a subsequent registration or qualification or an exemption is available from applicable registration and qualification requirements. Co-Inventor also agrees to sign a subscription agreement substantially similar to those executed and delivered by the other founder/investors in the Company.

(c) *Capitalization of the Company.* As of the Effective Date, after giving effect to the issuance of the Shares and of the common stock contemplated under that certain Technology Transfer, Contribution, Inventions Assignment and Confidentiality Agreement by and between the Company and Adam Klass dated the Effective Date (together with this Agreement, the "Assignments"), (1) the authorized capital stock of the Company consists of 5,000,000 shares of common stock of which 1,500,000 shares are issued and outstanding and 1,000,000 shares of undesignated Preferred Stock, none of which has been issued, and (2) all of the outstanding shares of the Company are duly authorized, validly issued and fully paid and nonassessable. The Company has no other securities outstanding, and there are no outstanding subscriptions or other agreements under which the Company is obligated to issue any securities of the Company. No holder of any security of the Company is entitled to any preemptive or similar rights to purchase any securities of the Company from the Company. The Company has no outstanding or contingent obligations to repurchase or redeem any of its securities.

## 5. Miscellaneous.

(a) *No Adequate Remedy.* The Co-Inventor understands that if the Co-Inventor fails to fulfill Co-Inventor's obligations under this Agreement, the damages to the Company would be very difficult to determine. Therefore, in addition to any rights or remedies available to the Company at law, in equity, or by statute, the Co-Inventor hereby consents to the specific enforcement of this Agreement by the Company through an injunction or restraining order issued by an appropriate court.

(b) *Successors and Assigns.* This Agreement is binding on and inures to the benefit of the Company's successors and assigns; and the Co-Inventor's heirs, successors and assigns and legal representatives.

(c) *Modification and Termination.* This Agreement may be modified, amended or terminated only by a writing signed by the Company and the Co-Inventor.

(d) *Governing Law.* The laws of Minnesota will govern the validity, construction, and performance of this Agreement. Any legal proceeding related to this Agreement will be brought in an appropriate Minnesota court, and the Company and the Co-Inventor hereby consent to the exclusive jurisdiction of that court for this purpose.

(e) *Construction.* Whenever possible, each provision of this Agreement will be interpreted so that it is valid under the applicable law. If any provision of this Agreement is to

any extent declared invalid by a court of competent jurisdiction under the applicable law, that provision will remain effective to the extent not declared invalid. The remainder of this Agreement also will continue to be valid, and the entire Agreement will continue to be valid in other jurisdictions.

(f) *Waivers.* No failure or delay by the Company or the Co-Inventor in exercising any right or remedy under this Agreement will waive any provision of the Agreement. Nor will any single or partial exercise by either the Company or the Co-Inventor of any right or remedy under this Agreement preclude either of them from otherwise or further exercising these rights or remedies, or any other rights or remedies granted by any law or any related document.

(g) *Entire Agreement.* This Agreement supersedes all previous and contemporaneous oral negotiations, commitments, writings and understandings between the parties concerning the matters in this Agreement, including without limitation any policy or personnel manuals of the Company.

(h) *Notices.* All notices and other communications required or permitted under this Agreement will be in writing and sent by registered first-class mail, postage prepaid, and will be effective five days after mailing to the addresses which the parties have provided to each other. These addresses may be changed at any time by like notice.

IN WITNESS WHEREOF, the Company and the Co-Inventor have executed this Agreement as of the date first above written.

VIGILANZ CORPORATION

DAVID KLAAS

By: [Signature]

[Signature]

Its: [Signature]

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