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Ples	ışe red	cord the attached document.	<u> </u>			
Tota	al nun	nber of pages including cover sheet, attacluments, and doc	ument: 10			
1.	A. B.	Name of conveying parties: Thomas F. WILTON Joshua J. ANDERSON Robert W. SCHMITZ Additional name(s) of conveying party(ies) attached? Yes No	2. A. Name and address of receiving party: TRANSPORTATION TECHNIQUES LLC 1705 EAST 39 TH AVENUE, DENVER, CO 80205			
3.	Λ.	Nature of conveyance: Assignment	B. Additional name(s) & address(es) attached? □Yes ⊠ No			
		Security Agreement				
	\square	Other Assignment by Operation of Law				
	В.	Execution Date: March 11, 2004				
4.	Α.	If this document is being filed together with a new application, the execution date of the application is:				
	в.	Patent Application No. 10/795,339	C. Patent No.(s)			
		Additional numbers atta	l uched? □ Yes ⊠ No			
5.		ne and address of purty to whom correspondence cerning document should be mailed:	6. Total number of applications and patents involved: 1			
	Na	me: Darle M. Short	7. Please charge Deposit Account No. 15-0461 the total fee (37 CFR 3.41) in the amount of \$40.00.			
	Ad	ldress: OLIFF & BERRIDGE, PLC P.O. Box 19928 Alexandria, VA 22320 Phone Number: 703-836-6400 Fax Number: 703-836-2787	8. Credit any overpayment or charge any underpayment to deposit account number 15-0461.			
9.	To the The Dar	tement and signature. the best of me knowledge and helief, the foregoing informoriginal adeuthent Te M. Short Registration No. 29,213 phon P. Catlin Registration No. 36,101	ation is true and correct and any attached copy is a true copy of Date: June 21, 2004			

PATENT REEL: 014758 FRAME: 0674

			ASSIGNMI	LINI	
		(1)	Thomas F WILTON	(5)	
(1-8)	Insert Name(s) of Inventor(s)	(2)	Joshua J. ANDERSON	(6)	
		(3)	Robert W. SCHMITZ	(7)	
		(4)		(8)	_
		to cac over to	h of the undersigned, each unde	one dollar (\$1.00) and other good and reigned agrees to assign, and hereby	
9)	Insert Name of Assignee Insert Address of Assignee	(9)	TRANSPORTATION TECH	HNIQUES LLC	
(10)		(10)	1705 East 39th Avenue, Denve	er, CO 80205	
		the en invent divisio	tire right, tit e and interest for thicon, and in all applications for ponal, continuation, substitute, ar	c) and Assignee's heirs, successors, ass le United States of America as defind batent including any and all provision ld reissue application(s), and all Lett s that may be granted on the invention	ed in 35 U.S.C. §100. in the nal, non-provisional, ers Patent, extensions,
11)	Insert Identification such as Title, Case Number, or Foreign Application Number	(11)	METHOD AND APPARATU	S FOR ADAPTIVE CONTROL OF	
			TRACTION DRIVE UNITS I	N A HYBRID VEHICLE	
		(Апо			
	1 delegation 1 - military	for wh	nich the undersigned has (have)	executed an application for patent in	
12)	Insert Date of	on eve	en date herewith or		
12)	Signing of	(12)	on		
	Application				
(13)	Alternative Identification for	(13)	U.S. application Serial Numbe	r	
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PATENT REEL: 014758 FRAME: 0675

PATENT APPLICATION

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re the Application of

Attention: Assignment Branch

Thomas F. WILTON et al.

Application No.: 10/795,339

Filed: March 9, 2004

Docket No.: 115249

METHOD AND APPARATUS FOR ADAPTIVE CONTROL OF TRACTION DRIVE For:

UNITS IN A HYBRID VEHICLE

<u>ASSIGNMENT BY OPERATION OF LAW</u>

Commissioner for Patents P.O. Box 1450 Alexandria, VA 22313-1450

Sir:

Transportation Techniques LLC is the Assignee of the above-identified application. Two of the co-inventors, Thomas F. Wilton and Joshua J. Anderson, executed an assignment to Transportation Techniques LLC. This assignment is being concurrently filed in the U.S. Patent and Trademark Office.

As to the third co-inventor, Mr. Robert W. Schmitz, Transportation Techniques LLC requests that the attached copies of the Employment Agreement between Transportation Techniques LLC and Mr. Schmitz, having an effective date of August 7, 2001 (Exhibit A) and prior Assignment (Exhibit B) be accepted and recorded as an assignment of all of Robert W. Schmitz' rights in this application to Transportation Techniques LLC.

As set forth in paragraph 10B of Exhibit A, Mr. Schmitz agreed to assign "all Inventions to the Company." Mr. Schmitz irrevocably designated and appointed "Transteq [Transportation Techniques LLC] and its duly authorized officers and agents as Employee's

> PATENT REEL: 014758 FRAME: 0676

Application No. 10/795,339

[Mr. Schmitz'] agent and attorney-in-fact, to act for and in Employer's behalf and stead to execute and file any such applications and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent...with the same legal force and effect as if executed by Employee."

Also, as set forth in the attached Exhibit B, Mr. Schmitz, in connection with a prior application (Ser. No. 09/748,182) from which the present application claims priority as a Continuation-in-Part (CIP), executed an assignment of rights to Transportation Techniques LLC. This assignment was dutifully recorded at Reel 11406/Frame 558 of the U.S. Patent Office Assignment Branch records.

Acceptance of these documents as an assignment of Robert W. Schmitz' rights in the above-identified application and recordation as an assignment by the U.S. Patent and Trademark Office is respectfully requested.

Respectfully submitted,

Darle M. Short

Registration No. 29,213

Stephen P. Catlin

Registration No. 36,101

DMS:SPC/sc

Attachments:

Exhibit A Exhibit B

Date: June 21, 2004

OLIFF & BERRIDGE, PLC P.O. Box 19928 Alexandria, Virginia 22320 Telephone: (703) 836-6400 DEPOSIT ACCOUNT USE
AUTHORIZATION
Please grant any extension
necessary for entry;
Charge any fee due to our

Deposit Account No. 15-0461





EMPLOYMENT AGREEMENT

This Employment Agreement ("this Agreement") is made effective as of August 7, 2001, by and between Transportation Techniques LLC, ("the Company"), of Denver, Colorado, and Robert W. Schmitz ("the Employee"), of 5748 W. Ken Caryl Place, Littleton, Colorado 80128.WHEREAS, the Company is engaged in the surface transportation business and provides special purpose vehicles such as shuttle and transit buses to customers; and

WHEREAS, the Employee desires to be employed as Vice President and Chief Technical Officer of the Company and the Company desires to so employ the Employee;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the Company and the Employee agree as follows,

- 1. Employment. The Company and the Employee hereby agree to be bound by and upon the terms and conditions set forth in this Employment Agreement.
- 2. Term. Subject to the provisions of Paragraph 8, below, regarding termination of this Employment Agreement, the term of this Employment Agreement shall be for the period commencing on August 7, 2001, and ending on August 6, 2002. Thereafter, this Agreement may be extended for a period of one (1) year or for such longer period as may be mutually agreed to in writing by the parties.
- 3. Duties. The Employee shall perform such reasonable and proper duties as are established for the position from time to time by the Company, including those listed on the attached Schedule A. The Employee agrees to devote Employee's best efforts on a full-time basis to the performance of Employee's duties as Vice President and Chief Technical Officer of the Company.
- 4. Direct Compensation Of Employee. As direct compensation for the services provided by Employee under this Agreement, the Company will pay Employee a Base Salary of per week, payable in accordance with the Company's usual payroll procedures. Upon termination of this Agreement, payments shall cease; provided, however, that Employee shall be entitled to payments for full or partial periods that occurred prior to termination and for which the Employee has not yet been paid.
- 5. Incentive Bonus Plan. The Employee shall be permitted to participate in any Incentive Bonus Plan which may be offered by the Company to its officers subject only to the terms and conditions the Company may establish for such Plan.
- 6. Other Benefits and Obligations. The provisions of the TransTeq Employee Handbook, including all benefits and obligations as set forth therein, in effect as of the date of this agreement, and as revised and updated from time to time at the discretion of the Company for the benefit and guidance of all employees, shall apply to the Employee under this Agreement. The Company will pay on behalf of the Employee (or reimburse the Employee for) reasonable expenses incurred by the Employee at the request of, or on behalf of, the Company in the performance of the Employee's duties pursuant to this Agreement, and in accordance with the Company's employment policies. The Employee must file expense reports with respect to such expenses in accordance with the Company's policies.
- 7. Salary Increase. In the event that the Company obtains, in addition to its current contract with the Regional Transportation District: (a) a single purchase order for new vehicles with a stated purchase price exceeding , or (b) two (2) or more purchase orders for new vehicles in a consecutive twelve month period with an

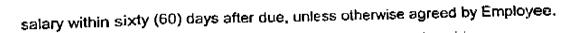
REEL: 014758 FRAME: 0678

then the base

aggregate stated purchase price exceeding salary of the Employee shall be increased by

g Trade Secrets.

- Company Information. It is recognized that during the term of employment hereunder, the Employee will have access to and may become familiar with confidential information of the Company, including but not limited to trade secrets, formulae, patterns, devices, secret inventions, processes, compilations of data and information, records, and specifications, which are owned by the Company and used in the operation and/or development of the Company's business. The Employee shall not disclose any of said confidential information to any individual or entity whatsoever, directly or indirectly, nor use said confidential information in any way, during the term of employment hereunder or thereafter, except as required in the course of his employment on the Company's behalf. A violation by Employee of this provision shall be a material violation of this Agreement and will justify legal and/or equitable relief. If it appears that Employee has disclosed (or has threatened to disclose) confidential information in violation of this Agreement, the Company shall be entitled to an injunction to restrain Employee from disclosing, in whole or in part, such confidential information, or from providing any services to any party to whom such confidential information has been disclosed or may be disclosed. The Company shall not be prohibited by this provision from pursuing other remedies, including a claim for losses and damages. The provisions of this paragraph of this Agreement shall remain in full force and effect for a three (3) year period after the termination of Employee's employment.
- B. Former Employer Information. Employee will not improperly use or disclose any proprietary information or trade secrets of any former or concurrent employer. Employee will not bring onto Company premises any unpublished document or proprietary information belonging to any such employer unless that employer agrees in writing.
- C. Third Party Information. The Company has received and in the future will receive from third parties their confidential or proprietary information. The Company has a duty to maintain the confidentiality of such information and to use it only for certain limited purposes. Employee will hold all such confidential or proprietary information in the strictest confidence. Employee will not disclose such confidential or proprietary information to any person or entity or use it except as needed to carry out your work for the Company consistent with our agreement with such third party.
- 9. Non-Competition. Recognizing that the Company's trade secrets and various other items of competition sensitive information are special and unique assets of the Company, and that the Company's business is national in scope, Employee agrees and covenants that during the term of this Employment Agreement, and for a period of two (2) years following termination of this Agreement, whether such termination is voluntary or involuntary, Employee will not directly or indirectly engage in any business competitive with Company in the United States of America. Directly or indirectly engaging in any competitive business includes, but is not limited to, (i) directly or indirectly, owning, managing, operating, consulting, joining, controlling, or participating in the ownership, management, operation, or control of, or being employed by or connected in any manner with, any business which provides, promotes, and/or sells products and services which are the same or substantially similar in intended use or properties to those provided and/ or sold by the Company, whether for compensation or otherwise; and (ii) soliciting any customer or employee of Company for the benefit of a third party that is engaged in such business. The provisions of this Section 9 will not apply if the Company Attents to conduct business dissolves and liquidates its assets, or fails to pay Employee:



<u>lnventions</u>. 10.

A. Inventions Retained and Licensed. Employee has provided to the Company a list describing all inventions, original works of authorship, developments, improvements, and trade secrets which

- Employee made prior to employment with the Company ("Prior Inventions"), (i)
- Belong to Employee, and (ii)
- Which relate to Company's current or proposed business, products or (iii) research and development.

The list is attached as Exhibit A. The failure to provide a list is Employees representation that he has no Prior Inventions. If, during Employee's employment with the Company, a Prior Invention is incorporated into our product, process or machine, the Company will have a nonexclusive, royalty-free, irrevocable, perpetual, worldwide license to make, have made, modify, use and sell such Prior Invention as part of or in connection with such product, process or machine.

- B. Assignment of Inventions. Employee will promptly disclose to us in writing, all of his right, title, and interest in and to all inventions, original works of authorship, developments, concepts, improvements or trade secrets, whether or not patentable or registerable under copyright or similar laws, which Employee solely or jointly conceives, develops or reduces to practice during his employment with the Company ("Inventions"). Employee will hold the Inventions in trust for the Company's sole right and benefit, and assigns and will assign all Inventions to the Company. All original works of authorship made by Employee (alone or with others) within the scope of and during his employment with the Company, which are protectable by copyright, are "works made for hire," under the United States Copyright Act.
- C. Maintenance of Records. Employee will assist the Company at its expense to secure the Company's rights in the Inventions and any copyrights, patents, or other intellectual property rights in any and all countries. This assistance includes disclosure to the Company of all pertinent information and data with respect to the Inventions. It also includes the execution of all applications, specifications, oaths, assignments and all other documents that the Company deems necessary to apply for and obtain such rights and to assign and convey to the Company, the exclusive right, title and interest in and to such Inventions, and any related copyrights, patents, mask work rights or other intellectual property rights. Employee irrevocably designates and appoints Transteq and its duly authorized officers and agents as Employee's agent and attorney-in-fact, to act for and in Employee's behalf and stead to execute and file any such applications and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent or copyright registrations with the same legal force and effect as if executed by Employee.
- Termination. This Agreement may be terminated by either party with or without cause upon thirty (30) days written notice. If the Company shall so terminate Employee's employment and this Agreement without cause, Employee shall be entitled to a severance payment equal to three (3) month's base salary. If the Employee is in violation of Sections 8 or 9 of this Agreement, the Company may terminate employment without notice and with compensation to Employee only to the date of such termination. If the Company notifies Employee that it is terminating this Agreement for cause, other than the death or disability of Employee or a breach REEL: 014758 FRAME: 0680



of Section 8 or 9, the Company will identify the reason(s) for such termination and Employee will have thirty (30) days from the date of the notice to remedy or cure the event or condition giving rise to the termination for cause. Upon termination of this Agreement for any reason, the Employee shall deliver all properly (including keys, records, notes, data, memorandum reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, materials and equipment) that is in the Employee's possession or under the Employee's control which is Company's property or related to Company's business. Upon termination of employment for any reason, the Company may notify any subsequent employer about the rights and obligations under this contract.

As used in this Agreement, the phrase "for cause" includes: (a) the Employee's breach of this Agreement; (b) the Employee's failure to adhere to any written policy of the Company; (c) the appropriation (or attempted appropriation) of a material business opportunity of the Company, including attempting to secure or securing any personal profit in connection with any transaction entered into on behalf of the Company; (d) the misappropriation (or attempted misappropriation) of any of the Company's funds or property; (e) the conviction of, or the entering of a guilty plea or plea of no contest with respect to, a felony, (f) dishonest, willful, or unlawful misconduct with respect to Employee's duties to the Company, (g) gross or habitual neglect of his employment duties; (h) willful refusal to follow reasonable directions of the Chief Executive Officer or Managers to perform duties which are consistent with those described in Section 3 hereof after notice from the Chief Executive Officer or a Manager requesting that such duties be carried out; (i) failure to substantially perform his duties hereunder or failure to provide adequate leadership or management skill and direction; (j) the Employee's death; or (k) the Employee's disability.

The Employee will be deemed to have a "disability" if, for physical or mental reasons, the Employee is unable to perform the essential functions of the Employee's duties under this Agreement for 120 consecutive days, or 180 days during any twelve month period, as determined in accordance with this Section. The disability of the Employee will be determined by a medical doctor selected by the Company. The determination of the medical doctor selected will be binding on both parties. The Employee must submit to a reasonable number of examinations by the medical doctor making the determination of disability, and the Employee hereby authorizes the disclosure and release to the Company of such determination and all supporting medical records. If the Employee is not legally competent, the Employee's legal guardian or duly authorized attorney-in-fact will act in the Employee's stead for the purposes of submitting the Employee to the examinations, and providing the authorization of disclosure, required under this Section.

- 12. Agreement Binding. This Employment Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective next of kin, legatees, administrators, executors, legal representatives, successors, and assigns (including remote, as well as immediate, successors to and assigns of said parties). The terms and conditions of Sections 8 and 9 will survive the expiration or termination of this Employment Agreement.
- 13. Arbitration and Applicable Law. Except for a breach of Sections 8 or 9, any controversy or claim arising out of or relating to this Employment Agreement or the breach thereof, shall be settled by arbitration to be held in Denver, Colorado, in accordance with the Commercial Arbitration Rules of the American Arbitration Association then obtaining and judgment upon award rendered by the arbitrators shall be final and may be entered in any court having jurisdiction thereof. It is expressly agreed that any party asserting a claim to be arbitrated under this Section 13 will initiate arbitration proceedings within or ATSAME ACCORD



and all rights to assert such claim or breach. This Employment Agreement shall be governed by the law of the State of Colorado.

- 14. General Provisions. The Company and the Employee further agree as follows:
- A. Amendment. Any of the terms, conditions and provisions of this Agreement may be modified or amended if mutually agreed to in writing by the Company and the Employee.
- B. Compliance. The Employee agrees to comply with all of the rules, regulations, policies and procedures of the Company and to conduct all of Employee's activities in behalf of the Company in a lawful, professional and ethical manner.
- C. Notices. All notices required or permitted under this Agreement shall be in writing and shall be deemed delivered when delivered in person or deposited in the United States mail, postage paid, to the address of record of the parties.
- D. Entire Agreement. This Agreement contains the entire agreement of the parties and there are no other promises or conditions in any other agreement whether oral or written. This Agreement supersedes any prior written or oral agreements between the parties
- E. Severability. If any provisions of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid or enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.
- F. Waiver Of Contractual Right. The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.
- G. Interpretation. The words and phrases of this Employment Agreement have their plain and ordinary meanings in the English language and in the case of any alleged questions or ambiguity related thereto, the Company reserves the right, in its sole discretion, to interpret any and all of the terms and conditions of this Employment Agreement.

IN WITNESS WHEREOF, the parties hereto have executed identical duplicate copies of this Employment Agreement to be effective on the day and year first above written.

Paul G. Sthagyil GHO Transportation Techniques, LLC Robert W. Schmitz

Employee

• •	,	ASSIGNMENT					
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\ <i>y</i>	Name(5) of Inventor(5)	(3) Joshua J. ANDERSON (8)					
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(9)	Assignee Insert Address of	DERVEY, CO 80205					
(10)	Assigned	(hereinafter designated as the Assignee) and Assignee's heirs, successors, assigns and legal representation, the entire right, title and interest for the United States of America as defined in 35 U.S.C. § 100, in the invention, and in all applications for patent including any and all provisional, non-provisional, invention, and in all applications for patent including any and all Letters Patent, extensions, divisional, continuation, substitute, and reissue application(s), and all Letters Patent, extensions, and resamination certificates that may be granted on the invention known as					
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(11)	Insert Identification	HYBRID ELECTRIC VEHICLE PROPULSION					
	such as Title, Case Number, or Foreign						
	Application Number	(Attorney Docket No. 107168 for which the undersigned has (have) executed an application for patent in the United States of	America				
		on even dale nerewith vi					
		(12) on(1) December 18, 2000 and (2 and 3) December 19, 2000					
(12)	Insert Date of Signing of Application						
	Alternative	(13) U.S. application Serial Number					
(13)	Identification for	December 27; 2000					
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