

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Proprietary Information and Confidentiality Agreement
CONVEYING PARTY DATA	
Name	Execution Date
Thomas Young	12/19/2001
RECEIVING PARTY DATA	
Name:	Vapore, Inc.
Street Address:	855C Parr Boulevard
City:	Richmond
State/Country:	CALIFORNIA
Postal Code:	94801
PROPERTY NUMBERS Total: 3	
Property Type	Number
Application Number:	10691067
Application Number:	60549296
Application Number:	60528840
CORRESPONDENCE DATA	
Fax Number:	(206)382-2669
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	2063821191
Email:	victork@speckmanlaw.com
Correspondent Name:	Victor N. King
Address Line 1:	1501 Western Avenue
Address Line 2:	Suite 100
Address Line 4:	Seattle, WASHINGTON 98101
NAME OF SUBMITTER:	Victor N. King

CH \$120.00 10691067

Total Attachments: 7
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VAPORE, INC.

PROPRIETARY INFORMATION AND CONFIDENTIALITY AGREEMENT

This Agreement is made this 19 day of December, 2001 by and between VAPORE, INC., a California corporation ("Vapore"), and Thomas Yang ("Employee") with reference to the following facts:

A. Employee has been engaged by Vapore as an employee to assist in the development of Vapore's business.

B. In performing these services, Employee shall be granted access to confidential and proprietary information of Vapore and its customers.

C. Vapore requires that all employees and independent contractors who have access to confidential information enter into a proprietary rights and confidentiality agreement.

Now, therefore, in consideration of the commencement of Employee's employment and the compensation paid to Employee, Vapore and Employee agree as follows:

**Article 1
Interpretation**

1.1 Definitions. For the purposes of this Agreement:

a. "Information" means any and all discoveries, ideas, facts, or any other information relating to the Technology (as defined below), the operation of the businesses of Vapore or of Vapore' clients, of whatever type and in whatever form, that is disclosed or otherwise made available to Employee, in confidence, by Vapore, by any client of Vapore or by any other person or entity to whom Vapore owes a duty of confidentiality. "Information" includes, without limitation, any Covered Inventions as defined in Section 7 of this Agreement, all information relating to personnel, sales, clients, product design, manufacturing methods, and routines of Vapore, of any client of Vapore or of any other person or entity to whom Vapore owes a duty of confidentiality, and any other discoveries, ideas, business plans, or facts relating to any of the foregoing including, without limitation, the Technology, whether developed by Employee or by others. "Technology" means capillary pump technology, small burner technology, porous ceramics technology, thermo-electrical means to regulate capillary pumps, and mantle lamp technology, and including but not limited to the production and assembly method of capillary pumps, burners incorporating capillary pumps, the production method of porous ceramic material, the production method of small ceramic parts, the production method of core burner components, the method of producing thermo-electric devices to regulate capillary pumps, and the formulation and production method of lamp mantles.

b. "Trade Secret" means any and all Information including without limitation any formula, pattern, compilation, program, device, method, technique or process that derives independent economic value, actual or potential, from not being generally known to persons who can obtain economic value from its disclosure or use, and that is the subject of reasonable efforts by Vapore or by any client of Vapore to maintain its secrecy.

c. "Inventions" means all discoveries, developments, designs, ideas, improvements, information, inventions, formulae, processes, techniques, know-how, Trade Secrets, data, and copyrightable works whether or not patentable or registrable under copyright or similar statutes.

1.2 Construction.

a. The article, section and other headings used in this Agreement are for reference purposes only and do not constitute a part of, or affect the meaning or interpretation of, this Agreement.

b. If any one or more of the provisions of this Agreement is for any reason held by a court of competent jurisdiction to be invalid, illegal or unenforceable, the remaining provisions of this Agreement are unimpaired, and the invalid, illegal or unenforceable provision must be replaced by a mutually acceptable provision that, being valid, legal and enforceable, comes closest to the intention of the parties underlying the invalid, illegal or unenforceable provision.

1.3 Entire Agreement. This Proprietary Rights and Confidentiality Agreement contains the entire agreement between Vapore and Employee pertaining to the protection of Information and Trade Secrets of Vapore and the assignment of Inventions, and supersedes all prior or contemporaneous written or verbal agreements and understandings with Employee in connection with that subject matter. This Agreement is in addition to, and does not supersede, any prior or contemporaneous oral or written agreements concerning Information or Trade Secrets required by Vapore' clients.

Article 2 Confidentiality and Use Restrictions

2.1 Agreement to Safeguard Information and Trade Secrets. Employee understands and agrees that any and all Information and Trade Secrets are received or developed by Employee and are disclosed to Employee in confidence, and are to be used only for the purposes for which they are provided. During the term of Employee's employment by Vapore and thereafter, Employee may not, directly or indirectly, except as required by the normal business of Vapore or expressly consented to in writing by the President of Vapore (or by an agent authorized in writing by the President):

a. Disclose, publish or otherwise make available any Information or Trade Secrets, other than to an employee, contractor, officer or director of Vapore who, in the reasonable exercise of Employee's judgment, needs to know such Information or Trade Secrets in order to perform his or her duties to Vapore, and has executed an appropriate non-disclosure or confidentiality agreement with Vapore;

b. Sell, transfer or otherwise use or exploit or permit the sale, transfer, use or exploitation of the Information or Trade Secrets for any purposes other than those for which they were provided; or

c. Remove from Vapore' premises or retain upon termination of Employee's employment by Vapore any Information or Trade Secrets, any copies thereof or any tangible or retrievable materials containing or constituting Information or Trade Secrets.

2.2 Return of Materials. Upon termination of Employee's employment by Vapore (voluntary or otherwise) or upon request by Vapore, Employee will return to Vapore all tangible forms

of Information, Trade Secrets and Covered Inventions (defined below) whether prepared by Employee or otherwise coming into his possession or control. Employee will not retain any written or other tangible material containing any Information, Trade Secrets or Covered Inventions of Vapore or its clients.

2.3 **Third Party Information.** To the extent that Vapore discloses or otherwise makes available to Employee any Information of any person or entity other than Vapore including, without limitation, any client of Vapore (a "Disclosing Party"), the Disclosing Party is a third party beneficiary of Employee's covenants in Sections 2 and 3 of this Agreement and is entitled to enforce those provisions directly against Employee. Employee will, without charge, sign any additional agreements or acknowledgments that Vapore might request in order to evidence more clearly which parts, if any, of the Information and Trade Secrets derive from a Disclosing Party and how those parts of the Information and Trade Secrets must be protected under this Agreement.

2.4 **Remedies for Non-Compliance.** Employee acknowledges that remedies at law are inadequate to protect Vapore or any Disclosing Party against the use or disclosure of any Information or Trade Secrets in violation of this Agreement. Accordingly, in addition to any other remedies that might be available under applicable law, upon any actual or threatened breach of the confidentiality provisions of this Agreement, Vapore and/or any Disclosing Party is authorized and entitled to obtain preliminary and/or permanent injunctive relief from any court of competent jurisdiction. Employee waives any requirement that Vapore post bond as a condition to obtaining any such relief.

2.5 **Restriction on Solicitation of Clients and Employees.** Employee acknowledges that Vapore has invested substantial time, effort and money in attracting and developing a client base and assembling Vapore' staff of personnel. Accordingly, all clients of Vapore that Employee now or hereafter services during Employee's employment by Vapore and all prospective clients from whom Employee solicits business as part of Employee's employment by Vapore, are solely the clients of Vapore. Employee may not, for a period of one year immediately following the termination of Employee's employment or consulting engagement with Vapore, either directly or indirectly, solicit business, as to products or services competitive with those of Vapore, from any such Vapore clients and may not seek to induce any such Vapore' clients to cease using Vapore' products or services. The foregoing restriction does not, however, apply to any company for whom Employee performed services of a type similar to those provided by Vapore prior to becoming employed by Vapore. Moreover, during Employee's employment by Vapore and for one year thereafter, Employee may not directly or indirectly induce or solicit any of Vapore' employees to leave their employment with Vapore.

Article 3 Proprietary Rights in Inventions

3.1 **Covered Inventions.** Employee hereby irrevocably assigns to Vapore, its successors and assigns, exclusive ownership rights, including, without limitation, all patent, copyright and trade secret rights, with respect to any and all Covered Inventions which will be deemed works made for hire. "Covered Inventions" means all Inventions, whether or not reduced to practice, conceived or learned by Employee during the period of Employee's employment or consulting engagement with Vapore, acting alone or jointly with others, other than any Invention with respect to which each of the following is true:

- a. No equipment, supplies, facility or Trade Secrets of Vapore were used;

b. The Invention was developed entirely on Employee's own time; and

c. Either (i) the Invention does not relate at the time of conception or reduction to practice to the Technology, Vapore' current business or its actual or demonstrably anticipated research or development, or (ii) the Invention does not result from any work performed by Employee for Vapore.

3.2 Obligations with Respect to Covered Inventions.

a. Employee will promptly disclose all Covered Inventions to Vapore and will deliver to Vapore any written or computer-generated materials and any models relating to Covered Inventions, and all documents, data and other information of any kind that includes, incorporates or is based upon or derived from the foregoing, including reports and notes prepared by Employee.

b. Employee understands that Vapore' rights as sole owner include, without limitation, the right to use, sell, license or otherwise transfer or exploit the Covered Inventions, and the right to make any changes in them and the uses thereof that Vapore from time to time determines.

c. Employee will cooperate fully with Vapore both during and after the period of Employee's employment in obtaining and enforcing patent, copyright and other protection of Vapore' rights in the Covered Inventions and will, without further consideration, execute and deliver any assignment or other instruments that Vapore deems necessary or advisable to evidence or enforce those rights.

3.3 Previous Inventions. Employee certifies that Employee claims no previous, unpublished Inventions within the scope of this Agreement as Employee's own, except for the Inventions, if any, that Employee has listed in Appendix A to this Agreement (the "Prior Inventions"). If the Prior Inventions are incorporated into any Covered Invention, Employee hereby grants Vapore a worldwide, perpetual, non-exclusive, and irrevocable right and license to use the Prior Inventions as part of the Covered Invention. Employee retains all rights to the Prior Inventions for any future use. Vapore will protect the Prior Inventions according to the existing policies and procedures that Vapore uses for its own similar proprietary information and intellectual property.

Article 4 Employee Warranties

4.1 Other Obligations. Employee certifies that Employee has no continuing obligations other than this Agreement with respect to the assignment of Inventions or rights to Inventions, and there is no other contract or duty on Employee's part that would interfere with Employee's ability to provide services to Vapore.

4.2 Performance of Services. In performing work for Vapore:

a. Employee will not knowingly use any patented inventions, trade secrets, confidential information or proprietary information obtained from third parties, including any prior employer or any other organization or individual.

b. Employee will not use copyrighted materials, nor any portion thereof, of any other company or person while writing computer programs, manuals or any other materials for Vapore.

c. Employee will not bring onto the premises of Vapore any unpublished document or other property containing proprietary information or trade secrets belonging to Employee's former or concurrent employers or companies, unless consented to in writing by said employers or companies.

Article 5
Miscellaneous

5.1 No Employment Contract. This Agreement does not constitute a contract of employment and does not in any way restrict the rights of Employee or Vapore to terminate Employee's employment.

5.2 California Labor Code. Nothing contained in this Agreement may be deemed to require Employee to assign rights to an Invention to Vapore contrary to the provisions of California Labor Code Section 2870, a copy of which is attached as Appendix B.

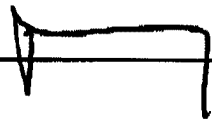
5.3 Modification. Any modification of this Agreement is effective only if it is in writing and signed by Employee and Vapore.

5.4 Assignment. Employee may not assign this Agreement. This Agreement inures to the benefit of Vapore, its successors and assigns.

IN WITNESS WHEREOF, Vapore and Employee have executed and delivered this Proprietary Information and Confidentiality Agreement as of this ___ day of December, 2001.

EMPLOYEE:

Thomas Young



VAPORE, INC., a California corporation

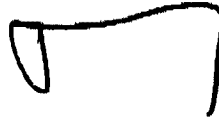
By:


Robert A. Lerner, President

APPENDIX A

I have made or improved the following Inventions and claim sole right to them. I include below the names of co-inventors or employers to whom I owe a continuing obligation with respect to these Inventions.

NA to be assigned to
Vapone Per Allparts Licensing
agreement.



Dated: 12/19/07

Employee: 

**CALIFORNIA LABOR CODE
DIVISION 3. Employment Relations
CHAPTER 2. Employer and Employee
ARTICLE 3.5. Inventions Made by an Employee
Cal Labor Code Section 2870**

Section 2870. Application of provision that employee shall assign or offer to assign rights in invention to employer

(a) Any provision in an employment agreement which provides that an employee shall assign, or offer to assign, any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either:

(1) Relate at the time of conception or reduction to practice of the invention to the employer's business, or actual or demonstrably anticipated research or development of the employer; or

(2) Result from any work performed by the employee for the employer.

(b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable.