

**PATENT ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<b>SUBMISSION TYPE:</b>	CORRECTIVE ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	Corrective Assignment to correct the Assignees. The name of an Assignee was inadvertently omitted from the Recordation Form Cover Sheet previously recorded on Reel 011848 Frame 0040. Assignor(s) hereby confirms the Assignment of Assignor's Interest.

**CONVEYING PARTY DATA**

Name	Execution Date
Candescent Technologies Corporation	12/05/2000

**RECEIVING PARTY DATA**

<b>Name:</b>	Candescent Technologies Corporation
<b>Street Address:</b>	6320 San Ignacio Ave.
<b>City:</b>	San Jose
<b>State/Country:</b>	CALIFORNIA
<b>Postal Code:</b>	95119

<b>Name:</b>	Candescent Intellectual Property Services, Inc.
<b>Street Address:</b>	6320 San Ignacio Ave.
<b>City:</b>	San Jose
<b>State/Country:</b>	CALIFORNIA
<b>Postal Code:</b>	95119

**PROPERTY NUMBERS Total: 29**

Property Type	Number
Application Number:	08383409
Application Number:	09141697
Application Number:	09364763
Application Number:	09398369
Application Number:	09397791
Patent Number:	6217403
Application Number:	09490556
Application Number:	09258021

**CH \$1160.00 08383409**

Application Number:	09588118
Application Number:	09660318
Application Number:	09505823
Application Number:	09627355
Application Number:	09531021
Application Number:	09680989
Application Number:	09405281
Application Number:	09588267
Application Number:	09493698
Application Number:	09695593
Application Number:	09767329
Application Number:	09361334
Application Number:	09506475
Patent Number:	6236157
Application Number:	09493697
Application Number:	09281563
Patent Number:	6235179
Application Number:	09660038
Application Number:	09427781
Application Number:	09588115
Application Number:	09727952

**CORRESPONDENCE DATA**

Fax Number: (323)934-0202  
*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*  
Phone: 3239342300  
Email: dperez@ladas.com  
Correspondent Name: Ladas & Parry LLP  
Address Line 1: 5670 Wilshire Blvd., Suite 2100  
Address Line 4: Los Angeles, CALIFORNIA 90036

NAME OF SUBMITTER:	Robert Popa
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Total Attachments: 23  
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08-13-2001

Form PTO-1595 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002)	RE		T	U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office
101807686				

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

<p>1. Name of conveying party(ies):</p> <p>Candescent Technologies Corporation 6320 San Ignacio Ave. San Jose, CA 95119</p>	<p>2. Name and address of receiving party(ies):</p> <p>Candescent Intellectual Property Services, Inc. 6320 San Ignacio Ave. San Jose, CA 95119</p> <p style="text-align: right;">MAY 24 2001</p> <p>Additional name(s) &amp; address(es) attached? <input type="checkbox"/> yes <input checked="" type="checkbox"/> no</p>
<p>3. Nature of conveyance:</p> <p><input checked="" type="checkbox"/> Assignment <input type="checkbox"/> Security Agreement <input type="checkbox"/> Merger <input type="checkbox"/> Change of Name <input type="checkbox"/> Other:</p> <p>Execution Date:</p>	

4. Application number(s) or patent number(s):

If this document is being filed together with a new application, the execution date is:

A. Patent Application No.(s): SEE ATTACHED  
B. Patent No.(s):


Additional numbers attached?  yes  no

<p>5. Name and address of party to whom correspondence concerning the document should be mailed:</p> <p>Wagner, Murabito &amp; Hao LLP 2 N. Market Street Third Floor San Jose, CA 95113 ph. (408) 938-9060 fax (408) 938-9069</p>	<p>6. Total number of applications involved: <b>30</b></p> <p>7. Total fee (37 CFR 3.41) \$</p> <p><input type="checkbox"/> enclosed <input checked="" type="checkbox"/> Authorized to be charged to Deposit Account</p> <p>8. Deposit Account number: <u>23-0085</u> (Attach duplicate copy of this page if paying by deposit account)</p>
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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.*



Theodore S. Fahlen  
Vice President of Intellectual Property and Research

Date 5-17-01

Total number of pages including cover sheet, attachments, and documents:

**ASSIGNMENT (DOCUMENT) COVER SHEET**  
**(ADDED PAGE 1 of 6)**

*NOTE: DO NOT enter application AND patent number*

**FURTHER APPLICATION(S) OR  
PATENTS BEING ASSIGNED**

**DETAILS OF PRIOR  
RECORDAL (IF ANY)**

In re application:  
Application No.: 08/383,409  
Filed: 1/31/1995  
For: "Method for creating gated filament structures for field emission displays"

Reel: 11377  
Frame: 0796

Patent:

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In re application:  
Application No.: 09/141,697  
Filed: 8/28/1998  
For: "Gated filament structures for a field emission display"

Reel: 11447  
Frame: 0014

Patent:

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In re application:  
Application No.: 09/364,763  
Filed: 7/30/1999  
For: "Method for Creating a Color Filter on a Flat Panel Display Screen Structure"

Reel: 10463  
Frame: 0250

Patent:

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In re application:  
Application No.: 09/398,369  
Filed: 9/16/1999  
For: "Wall Assembly and Method for Attaching Walls for Flat Panel Display"

Reel: 10153  
Frame: 0133

Patent:

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In re application:  
Application No.: 09/397,791  
Filed: 9/16/1999  
For: "Wall Assembly and Method for Attaching Walls for Flat Panel Display"

Reel: 10153  
Frame: 0133

Patent:

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**ASSIGNMENT (DOCUMENT) COVER SHEET**  
**(ADDED PAGE 2 of 6)**

*NOTE: DO NOT enter application AND patent number*

**FURTHER APPLICATION(S) OR  
PATENTS BEING ASSIGNED**

**DETAILS OF PRIOR  
RECORDAL (IF ANY)**

In re application:  
Application No.: 09/425,835  
Filed: 10/21/1999  
For: "Gate Electrode Formation Method"

Reel: 9281  
Frame: 0940

Patent:

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In re application:  
Application No.: 09/490,556  
Filed: 1/25/2000  
For: "Display Column Driver With Chip-to-Chip Settling Time Matching Means"

Reel: 9300  
Frame: 0027

Patent:

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In re application:  
Application No.: 09/258,021  
Filed: 2/25/1999  
For: "Row Electrode Anodization"

Reel: 10129  
Frame: 0841

Patent:

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In re application:  
Application No.: 09/588,118  
Filed: 5/31/2000  
For: "Dual-Layer Metal for Flat Panel Display"

Reel: 11393  
Frame: 0396

Patent:

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In re application:  
Application No.: 09/660,318  
Filed: 9/12/2000  
For: "Conductive Focus Waffle"

Reel: 9667  
Frame: 0778

Patent:

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**ASSIGNMENT (DOCUMENT) COVER SHEET**  
**(ADDED PAGE 3 of 6)**

*NOTE: DO NOT enter application AND patent number*

**FURTHER APPLICATION(S) OR  
PATENTS BEING ASSIGNED**

**DETAILS OF PRIOR  
RECORDAL (IF ANY)**

In re application:  
Application No.: 09/505,823  
Filed: 2/29/2000  
For: "Encapsulated Black Matrix"

Reel: 9562  
Frame: 0967

Patent:

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In re application:  
Application No.: 09/627,355  
Filed: 7/28/2000  
For: "Protected Substrate Structure for a Field Emission Display Device"

Reel: 11412  
Frame: 0191

Patent:

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In re application:  
Application No.: 09/531,021  
Filed: 3/20/2000  
For: "Cleaning of Components of Flat Panel Display"

Reel: 9364  
Frame: 0660

Patent:

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In re application:  
Application No.: 09/680,989  
Filed: 10/6/2000  
For: "Tailored Spacer Structure Coating"

Reel: 9364  
Frame: 0660

Patent:

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In re application:  
Application No.: 09/405,281  
Filed: 9/23/1999  
For: "System and Method for Improving Emitter Life in Flat Panel Field Emission Displays"

Reel: 9573  
Frame: 0978

Patent:

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**ASSIGNMENT (DOCUMENT) COVER SHEET**  
**(ADDED PAGE 4 of 6)**

*NOTE: DO NOT enter application AND patent number*

**FURTHER APPLICATION(S) OR  
PATENTS BEING ASSIGNED**

**DETAILS OF PRIOR  
RECORDAL (IF ANY)**

In re application:

Application No.: 09/588,267

Filed: 6/5/2000

For: "System and Method for Improving Emitter Life in Flat Panel Field Emission Displays"

Reel: 9573

Frame: 0978

Patent:

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In re application:

Application No.: 09/493,698

Filed: 1/28/2000

For: "Procedures and Apparatus for Turning-On and Turning-Off Elements Within a Field Emission Display Device"

Reel: 9571

Frame: 0268

Patent:

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In re application:

Application No.: 09/695,593

Filed: 10/23/2000

For: "Procedures and Apparatus for Turning-On and Turning-Off Elements Within a Field Emission Display Device"

Reel: 9571

Frame: 0268

Patent:

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In re application:

Application No.: 09/767,329

Filed: 1/22/2001

For: "Procedures and Apparatus for Tuning-On and Turning-Off Elements Within a Field Emission Display Device"

Reel: 9571

Frame: 0268

Patent:

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In re application:

Application No.: 09/361,334

Filed: 7/26/1999

For: "Auxiliary Chamber & Display Device With Improved Contaminant Removal"

Reel: 104631

Frame: 0945

Patent:

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**ASSIGNMENT (DOCUMENT) COVER SHEET**  
**(ADDED PAGE 5 of 6)**

*NOTE: DO NOT enter application AND patent number*

**FURTHER APPLICATION(S) OR  
PATENTS BEING ASSIGNED**

**DETAILS OF PRIOR  
RECORDAL (IF ANY)**

In re application:  
Application No.: 09/506,475  
Filed: 2/29/2000  
For: "Improved Auxiliary Chamber"

Reel: 9637  
Frame: 0308

Patent:

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In re application:  
Application No.: 09/258,502  
Filed: 2/26/1999  
For: "Tailored Spacer Wall Coatings"

Reel: 9810  
Frame: 0839

Patent:

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In re application:  
Application No.: 09/493,697  
Filed: 1/28/2000  
For: "Tailored Spacer Wall Coatings "

Reel: 11146  
Frame: 0164

Patent:

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In re application:  
Application No.: 09/281,563  
Filed: 3/30/1999  
For: "A Circuit and Method for Display of Interlaced and Non-Interlaced Video Information on a Flat Panel Display"

Reel: 9878  
Frame: 0557

Patent:

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In re application:  
Application No.: 09/310,464  
Filed: 5/12/1999  
For: "Electroplated Structure for a Flat Panel Display Device"

Reel: 10137  
Frame: 0122

Patent:

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**ASSIGNMENT (DOCUMENT) COVER SHEET**  
**(ADDED PAGE 6 of 6)**

*NOTE: DO NOT enter application AND patent number*

**FURTHER APPLICATION(S) OR  
PATENTS BEING ASSIGNED**

**DETAILS OF PRIOR  
RECORDAL (IF ANY)**

In re application:

Application No.: 09/660,038

Filed: 9/12/2000

For: "Method & Apparatus Related to an Electroplated Structure for a Flat Panel Display Device"

Reel: 10137

Frame: 0122

Patent:

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In re application:

Application No.: 09/427,781

Filed: 10/19/1999

For: "Electrode Structure & Method for Forming Electrode Structure for a Flat Panel Display"

Reel: 10747

Frame: 0027

Patent:

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In re application:

Application No.: 09/588,115

Filed: 5/31/2000

For: "Multilayer Electrode Structure and method for Forming Multilayer Electrode Structure for a Flat Panel display Device"

Reel: 11393

Frame: 0356

Patent:

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In re application:

Application No.: 09/727,952

Filed: 11/30/2000

For: "A Method and System for Infrared Detection of Electrical Short Defects"

Reel: 11342

Frame: 0429

Patent:

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## INTELLECTUAL PROPERTY ASSIGNMENT AGREEMENT

This INTELLECTUAL PROPERTY ASSIGNMENT AGREEMENT (the "Assignment Agreement"), effective as of December 5, 2000 (the "Effective Date"), is made by and among Candescient Technologies Corporation ("Candescient-U.S."), a California corporation having offices at 6320 San Ignacio Avenue, San Jose, California 95119, USA, Candescient-International Corporation Ltd. ("Candescient-International"), a Bermuda corporation having offices at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda, and Candescient Intellectual Property Services, Inc. ("Candescient-Holding"), a Delaware corporation having offices at 6320 San Ignacio Avenue, San Jose, California 95119, USA.

### BACKGROUND

Concurrent with the execution of this Assignment Agreement, Candescient-Holding and Candescient-U.S. have entered into a Candescient Intellectual Property Services, Inc. Stock Purchase Agreement, whereby Candescient-Holding will issue shares of its equity securities to Candescient-U.S., and an Intellectual Property License and Cooperation Agreement, whereby Candescient-U.S. will receive from Candescient-Holding a license to certain intellectual property (the "Holding/U.S. License Agreement").

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, it is agreed by and among the parties as follows:

1. Definitions. Except as defined below, all capitalized terms shall have the meaning set forth in the Framework Agreement.
  - 1.1. "Agreements" shall have the meaning set forth in Section 1.3 of the Framework Agreement, which is hereby incorporated herein by reference.
  - 1.2. "Candescient Intellectual Property" shall have the meaning set forth in Section 1.13 of the Framework Agreement, which is hereby incorporated by reference.
  - 1.3. "Framework Agreement" shall mean that certain Amended and Restated Framework Agreement dated October 5, 2000, entered into by and among Candescient-U.S., Candescient-International, and Sony Corporation ("Sony").
  - 1.4. "Holding/Sony License Agreement" shall mean that certain Holding/Sony License Agreement dated December 5, 2000, entered into by and between Candescient-Holding and Sony.
  - 1.5. "Candescient U.S. Patent Rights" shall mean Candescient Intellectual Property consisting of patents and patent applications arising under the laws of the United States.

1.6. "Sony/U.S. License Agreement" shall mean that certain Sony/U.S. License Agreement dated December 5, 2000, entered into by and among Candescent-U.S., Candescent-International and Sony.

1.7. "Subject-Party Capture Period" shall mean the period ending January 1, 2007, unless earlier terminated as provided in the Framework Agreement and/or Holding/Sony License Agreement. In no event shall the Subject-Party Capture Period extend beyond either the Subject-Party Capture Period of the Framework Agreement or the Subject-Party Capture Period of the Holding/Sony License Agreement.

1.8. "Voting Interest" shall have the meaning set forth in Section 1.98 of the Framework Agreement, which is hereby incorporated herein by reference.

1.9. "Wholly Owned Affiliate" shall have the meaning set forth in Section 1.99 of the Framework Agreement, which is hereby incorporated herein by reference.

## 2. Assignment of Candescent Intellectual Property.

### 2.1. Existing Candescent Intellectual Property.

2.1.1 U.S. Patents. Subject to any non-exclusive licenses granted by Candescent-U.S. prior to the Effective Date hereof (including but not limited to the licenses to Sony contemplated by the Agreements), Candescent-U.S. hereby assigns to Candescent-Holding an undivided joint ownership interest in all Candescent U.S. Patent Rights existing as of the Effective Date, provided that Candescent-Holding simultaneously grants a license under such Candescent U.S. Patent Rights back to Candescent-U.S. in accordance with the terms and conditions of the Holding/U.S. License Agreement.

2.1.2 Other Candescent Intellectual Property. Subject to any non-exclusive licenses granted by Candescent-U.S. prior to the Effective Date hereof (including but not limited to the licenses to Sony contemplated by the Agreements), Candescent-U.S. hereby assigns to Candescent-Holding sole ownership of Candescent Intellectual Property (other than Candescent U.S. Patent Rights) existing as of the Effective Date, provided that Candescent-Holding simultaneously grants a license under such Candescent Intellectual Property back to Candescent-U.S. in accordance with the terms and conditions of the Holding/U.S. License Agreement.

2.1.3 Candescent-International. Candescent-U.S. and Candescent-International represent and warrant to Candescent-Holding that Candescent-International does not own any Candescent Intellectual Property as of the Effective Date.

### 2.2. Future Candescent Intellectual Property.

2.2.1 U.S. Patents. Subject to any non-exclusive licenses granted by Candescent-U.S. or Candescent-International or any Wholly Owned Affiliates of either of them, Candescent-U.S. and Candescent-International each agree to assign, and to cause each Wholly Owned Affiliate of either of them (other than Candescent-Holding) to assign, and do hereby

assign to Candescent-Holding an undivided joint ownership interest in all Candescent U.S. Patent Rights of each such entity which come into existence after the Effective Date, provided that Candescent-Holding simultaneously grants a license under such Candescent U.S. Patent Rights back to Candescent-U.S. in accordance with the terms and conditions of the Holding/U.S. License Agreement.

**2.2.2 Other Future Candescent Intellectual Property.** Subject to any non-exclusive licenses granted by Candescent-U.S. or Candescent-International or any Wholly Owned Affiliates of either of them, Candescent-U.S. and Candescent-International each agree to assign, and to cause each Wholly Owned Affiliate of either of them (other than Candescent-Holding) to assign, and do hereby assign to Candescent-Holding sole ownership of Candescent Intellectual Property (other than Candescent U.S. Patent Rights) of each such entity which comes into existence after the Effective Date, provided that Candescent-Holding simultaneously grants a license under such Candescent Intellectual Property back to Candescent-U.S. in accordance with the terms and conditions of the Holding/U.S. License Agreement.

**2.2.3 Timing and Effectiveness.** The assignments set forth in Sections 2.2.1 and 2.2.2 above shall become effective upon the later of (i) the time at which the assigning entity obtains ownership of the respective Candescent Intellectual Property, or (ii) (A) with respect to patent applications (and patents resulting therefrom) upon filing of the respective application, and (B) with respect to copyrights and trade secrets the time at which such copyrights and trade secrets come into existence under applicable law.

**2.3 Non-Assignable Candescent Intellectual Property.** In the event that both (i) joint ownership of Candescent U.S. Patent Rights cannot be assigned to Candescent-Holding in accordance with Sections 2.1.1 and 2.2.1 and/or sole ownership of Candescent Intellectual Property (other than Candescent U.S. Patent Rights) cannot be assigned to Candescent-Holding in accordance with Sections 2.1.2 and 2.2.2, and (ii) Candescent-U.S., Candescent-International or any Wholly Owned Affiliate of either of them (other than Candescent-Holding) has the right and ability to grant an exclusive license to Candescent-Holding as set forth below with the right to sublicense through multiple tiers of sublicensees (including to Candescent-U.S. in accordance with the Holding/U.S. License Agreement with the right to grant sublicenses and to Sony in accordance with the Holding/Sony License Agreement), the following license will be granted. In such event of (i) and (ii) above, Candescent-U.S. and Candescent-International grant, and agree to cause any Wholly Owned Affiliates of either of them (except Candescent-Holding) to grant, to Candescent-Holding an exclusive (except with respect to Candescent-U.S., Candescent-International and any Affiliates of any of these entities), royalty-free, transferable, irrevocable, worldwide license (with rights to sublicense through multiple tiers of sublicensees) to practice such non-assignable Candescent Intellectual Property of each such entity. If such non-assignable Candescent Intellectual Property is not licensable as set forth in (ii) above, then such non-assignable Candescent Intellectual Property will be licensed in accordance with the terms of the Sony/U.S. License Agreement.

**2.4 Further Assurances.** Candescent-U.S. and Candescent-International agree, and agree to cause the Wholly Owned Affiliates of such entity (other than Candescent-Holding), to

execute all documents and take all other actions requested by Candescend-Holding which are reasonably necessary, proper or advisable to evidence, consummate and make effective the assignments set forth in this Section 2. In the event any such entity is unable or unwilling to execute any such document or take any such action, each of them hereby appoints Candescend-Holding as its attorney-in-fact to execute such documents and take such actions on their behalf. Such appointment shall be deemed a power coupled with an interest and is therefore irrevocable for the term of this Assignment Agreement. Candescend-Holding shall only exercise such power if the applicable entity fails to execute the necessary document or take the necessary action within thirty (30) business days of Candescend-Holding's written request to do so.

2.5 Tangible Materials. No equipment or other tangible materials are transferred or assigned by reason of this Assignment Agreement.

3. Representation and Warranties.

3.1. Authority. Candescend-U.S. and Candescend-International each represent and warrant to Candescend-Holding, and Candescend-Holding represents and warrants to each of Candescend-U.S. and Candescend-International, that (i) it has the full right and authority to enter into this Assignment Agreement and grant the respective rights granted by it herein; and (ii) it has not previously granted and will not grant any rights in conflict with the respective rights granted by it herein.

3.2. Disclaimer. ALL CANDESCEND INTELLECTUAL PROPERTY IS PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND. CANDESCEND-U.S., CANDESCEND-INTERNATIONAL, AND EACH WHOLLY OWNED AFFILIATE OF EITHER OF THEM EXPRESSLY DISCLAIM ANY WARRANTIES OR CONDITIONS, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, WITH RESPECT TO THE CANDESCEND INTELLECTUAL PROPERTY, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, NON-INFRINGEMENT, OR FITNESS FOR A PARTICULAR PURPOSE, VALIDITY OF CANDESCEND INTELLECTUAL PROPERTY, PATENTED OR UNPATENTED, AND NON-INFRINGEMENT OF THE INTELLECTUAL PROPERTY RIGHTS OF THIRD PARTIES.

4. Term and Termination.

4.1. Term. This Assignment Agreement shall become effective upon the later of (i) the execution and delivery of the Holding/U.S. License Agreement and (ii) the date first set forth above and shall continue in effect until the end of the Subject-Party Capture Period, unless earlier terminated as set forth below.

4.2. Termination. Any party hereto shall have the right to terminate this Assignment Agreement at any time upon written notice to the other parties hereto upon termination or expiration of Candescend-U.S.'s and Candescend-International's obligation to assign ownership of Candescend Intellectual Property to Candescend-Holding under the Framework Agreement. In the event of termination, assignments of ownership of Candescend Intellectual Property completed (as described in Section 2.2.3) prior to the date of termination shall remain in effect;

provided that Candescence-U.S., Candescence-International and their Wholly Owned Affiliates shall have no obligation to assign any additional Candescence Intellectual Property after such termination.

5. General Provisions.

5.1. Governing Law. The Assignment Agreement and any dispute arising from the performance or breach hereof shall be governed by and construed and enforced in accordance with, the laws of the State of California, without reference to conflicts of laws.

5.2. Notices. All notices, requests and other communications under this Assignment Agreement shall be in writing and shall be personally delivered or sent by registered or certified mail, return receipt requested, postage prepaid, or by commercial overnight courier service with tracking capabilities, costs prepaid, in each case to the address first set forth above, or such other address as may be specified in writing to the other parties hereto.

5.3. Severability. In the event any provision of this Assignment Agreement is found to be invalid, illegal or unenforceable in any jurisdiction, the parties shall negotiate in good faith a valid, legal and enforceable substitute provision that most nearly reflects the original intent of the parties and all other provisions hereof shall remain in full force and effect in such jurisdiction and shall be liberally construed in order to carry out the intentions of the parties hereto as nearly as may be possible. Such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of such provision in any other jurisdiction.

5.4. Modification; Waivers. No amendment, modification or waiver of any provision of this Assignment Agreement shall be effective unless in writing signed by all parties hereto. No provision of this Assignment Agreement shall be varied, contradicted or explained by any oral agreement, course of dealing or performance or any other matter not set forth in an agreement in writing and signed by all parties.

5.5. Counterparts; Third Party Beneficiaries. This Assignment Agreement may be signed in any number of counterparts, each of which shall be deemed an original, and all of which together, shall constitute one and the same instrument. No provision of this Assignment Agreement is intended to confer upon any person or entity other than the parties hereto any rights or remedies hereunder.

5.6. Assignment. This Assignment Agreement shall not be assignable (by operation of law or otherwise) by either party; except (i) by Candescence-U.S. and/or Candescence-International in connection with an assignment of the Agreements in accordance with Section 8.8 of the Framework Agreement, and (ii) by Candescence-Holding in connection with an assignment of the Holding/Sony License Agreement in accordance with Section 10.8 of the Holding/Sony License Agreement.

5.7. No Implied Waivers; Rights Cumulative. No failure on the part of any party to exercise and no delay in exercising any right under this Assignment Agreement, or provided by statute or at law or in equity or otherwise, shall impair, prejudice or constitute a waiver of any

such right, nor shall any partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right.

5.8. Independent Contractors. Nothing contained in this Assignment Agreement is intended implicitly, or is to be construed, to constitute Candescend-U.S., Candescend-International and Candescend-Holding as partners in the legal sense. Except as provided in Section 2.3 ("Further Assurances"), no party hereto shall have any express or implied right or authority to assume or create any obligations on behalf of or in the name of any other party or to bind any other party to any contract, agreement or undertaking with any third party.

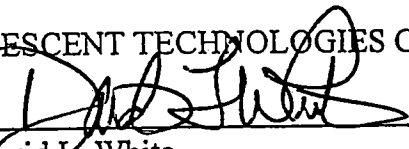
5.9. Entire Agreement. This Assignment Agreement, the Candescend Intellectual Property Services, Inc. Stock Purchase Agreement and the Intellectual Property License and Cooperation Agreement embody the entire understanding between the parties with respect to their subject matter and supersede all previous communications, representations or understandings with respect thereto, either oral or written.

[Remainder of this page intentionally left blank]




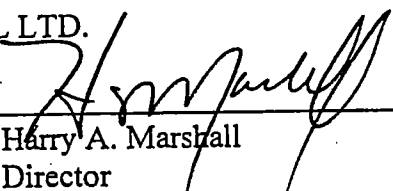
IN WITNESS WHEREOF, the parties hereto have caused this Assignment Agreement to be duly executed as of the date first above written.

CANDESCENT TECHNOLOGIES CORPORATION


By:   
David L. White  
President & C.E.O.

CANDESCENT TECHNOLOGIES INTERNATIONAL LTD.

By:   
David L. White  
President

By:   
Harry A. Marshall  
Director

CANDESCENT INTELLECTUAL PROPERTY SERVICES, INC.

By:   
David L. White  
President