

PATENT ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Confirmatory Assignment and Statement Establishing Proprietary Interest of Entity in Patent Application
CONVEYING PARTY DATA	
Name	Execution Date
Eugene T. Rzycki	05/24/2007
RECEIVING PARTY DATA	
Name:	OmniPhase Research Laboratories, Inc.
Street Address:	359 San Miguel Drive, Suite 208
City:	Newport Beach
State/Country:	CALIFORNIA
Postal Code:	92660
PROPERTY NUMBERS Total: 1	
Property Type	Number
Application Number:	11134546
CORRESPONDENCE DATA	
Fax Number:	(818)332-4205
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
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ATTORNEY DOCKET NUMBER:	OP07006USU
NAME OF SUBMITTER:	Jeffrey C. Wilk
Total Attachments: 17 source=OP07006USU Assignment#page1.tif source=OP07006USU Assignment#page2.tif source=OP07006USU Assignment#page3.tif source=OP07006USU Assignment#page4.tif	

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CONFIRMATORY ASSIGNMENT

This Confirmatory Assignment ("Assignment") shall be effective as of May 20, 2005 (the "Effective Date") by and between:

EUGENE RZYSKI, residing at 2 Benjamin, Irvine, CA 92620 ("ASSIGNOR"); and

OMNIPHASE RESEARCH LABORATORIES, INC., a corporation of the State of California, having a principal place of business at 359 San Miguel Drive, Suite 208, Newport Beach, CA 92660 ("OMNIPHASE").

1.0 Background

1.1 ASSIGNOR, through his employment with OMNIPHASE, invented certain new and useful improvements as described and set forth in an application for Letters Patent of the United States entitled **"INTELLIGENT LOW NOISE DESIGN,"** U. S. Non-Provisional Patent Application No. 11/134,546 filed on May 20, 2005. The subject matter of this patent application shall be referred to as the "Invention."

1.2 OMNIPHASE, as employer of ASSIGNOR, owns all right, title and interest in and to the Invention. ASSIGNOR, as consideration for his employment with OMNIPHASE, agreed to execute all the necessary documents in order to perfect and confirm OMNIPHASE's ownership in any inventions created or developed by ASSIGNOR during his employment with OMNIPHASE.

1.3 For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, ASSIGNOR is executing this Assignment in order to confirm OMNIPHASE's ownership in and to formally transfer to OMNIPHASE all right, title and interest in and to the Invention and all Letters Patent which may be granted from the Invention in the United States or any foreign country.

2.0 Assignment

2.1 ASSIGNOR hereby assigns and transfers to OMNIPHASE, effective as of the Effective Date first set forth above, the full and exclusive right, title and interest in and to the Invention and all Letters Patent which may be granted from the Invention in the United States, including any continuation, division, renewal, substitute or reissue thereof for the full term or terms for which the patents may be granted.

2.2 ASSIGNOR also hereby assigns all of his right, title and interest in and to the Invention in all foreign countries, including the right to apply for a patent in any foreign country and the right to all current and further applications for patents for the Invention, including the right to claim International Convention priority.

2.3 ASSIGNOR hereby further transfers and assigns to OMNIPHASE all causes of action, rights, and remedies arising under any such patent or application prior to or after the Effective Date of this Agreement.

2.4 ASSIGNOR hereby covenants that no assignment, sale, agreement or encumbrance has been or will be made or entered into that would conflict with this assignment and sale.


2.5 ASSIGNOR hereby further covenants that, upon OMNIPHASE's request, ASSIGNOR will promptly provide OMNIPHASE with all pertinent facts and documents relating to the Invention, and patents or patent applications as may be known and accessible to ASSIGNOR and ASSIGNOR will testify as to the same in any interference or litigation related to the Invention or any patent or patent application related thereto and will promptly execute and deliver to OMNIPHASE or its legal representative any and all papers, instruments or affidavits required to apply for, obtain, maintain and enforce the Invention and any patents or patent application relating to the Invention as may be reasonably necessary or desirable.

The terms, covenants and provisions of this Assignment shall inure to the benefit of OMNIPHASE, its successors, assigns and other legal representatives, and shall be binding upon ASSIGNOR, his heirs, legal representatives and assignees.

**OMNIPHASE RESEARCH LABORATORIES,
INC., on behalf of inventor EUGENE RZYSKI**

5-24-07

Date



By FREDERIK RODENHUIS
Its President

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICANT: Eugene T. Rzyski CASE NO.: OP07006USU (M-15721 US)
SERIAL NO.: 11/134,546 FILED: 05/20/2005
TITLE: INTELLIGENT LOW NOISE DESIGN

**STATEMENT ESTABLISHING PROPRIETARY INTEREST
OF ENTITY IN PATENT APPLICATION**

The purpose of this statement is to establish the proprietary interest of **OmniPhase Research Laboratories, Inc.** ("OmniPhase"), in and to that certain U. S. Non-Provisional Patent Application No. 11/134,546 filed on May 20, 2005, entitled "INTELLIGENT LOW NOISE DESIGN."

1. The undersigned, Frederik Rodenhuis, residing at Corona del Mar, California, is the President of OmniPhase and is authorized to make this statement on behalf of OmniPhase as to the facts establishing its proprietary interest in and to said patent application.

2. On or about March 15, 2002, OmniPhase and Eugene Rzyski entered into that certain Employment Agreement with an Effective Date of March 15, 2002, whereby OmniPhase hereby claims a proprietary interest in and to the invention that is the subject matter of said patent application. A true and correct copy of said Employment Agreement is attached hereto as Exhibit A and incorporated herein by reference.

3. Said Employment Agreement provides in pertinent part as follows:

Section 8.2. "Employer Intellectual Property Rights." All intellectual property rights, whether or not patentable or copyrightable, which (i) are made or developed with the equipment, supplies, facilities, product formulations, trade secrets, time or other assets of Employer; (ii) directly relate to Employer's Business including anticipated research or development, of Employer, or (iii) result from work performed by Employee for Employer, are and shall remain the sole property of Employer, and upon request made by Employer, Employee shall assign any and all rights, including patents and patent rights, trade mark and trade dress rights, Employee may have therein to Employer. This Section 8.2 does not apply to any intellectual property rights which are the subject of Section 2870 of the California Labor Code.

4. Said invention was made and/or developed by Eugene Rzyski while employed by OmniPhase and therefore, pursuant to the terms and provisions of said Employment Agreement, OmniPhase claims a proprietary interest in and to said patent application and accordingly has executed a Confirmatory Assignment on behalf of Eugene Rzyski assigning all of his right, title, and interest in and to said patent application, including any continuation, division, renewal, substitute or reissue thereof, to OmniPhase.

Date: 5-24-07

By: _____



FREDERIK RODENHUIS
Title: President, OmniPhase Research
Laboratories, Inc.

EXHIBIT A

EMPLOYMENT AGREEMENT

THIS AGREEMENT ("Employment Agreement") is made and entered into on the dates set forth on this signature page hereof, by and among OmniPhase Research Laboratories, Inc. a California corporation ("Employer"), and Eugene Rzycki ("Employee"). This Agreement shall be effective as of March 15, 2002.

WHEREAS, Employer has entered into an agreement ("IP Agreement") with Employee regarding the purchase by Employer from Employee of certain rights, title and interest in inventions contained in US patents and patents pending owned by Employee, and certain know-how, valuable and confidential information associated with these inventions. These inventions are identified in the IP Agreement as Patent No. 1, Patent No. 2, Patent No. 3 and Patent No. 4, and are together referred to as the "Patents". The IP Agreement is attached hereto as exhibit A and made part hereof.

WHEREAS, Employer is in the business of developing and commercializing technologies, services and products for the wireless communications industry.

WHEREAS, Employer wishes to employ Employee as Chief Scientist, with such other duties and responsibilities as Employer may reasonably assign to Employee consistent with the nature and character of such employment (the "Position"), and Employee wishes to accept such employment subject to the terms and conditions of this Employment Agreement; and

WHEREAS, the giving of the covenants contained herein is a condition precedent to the employment of Employee in the Position and Employee acknowledges that the execution of this Employment Agreement and the entering into of these covenants is an express condition of his employment in the Position and that said covenants are given in consideration for such employment and the other benefits conferred upon him by this Employment Agreement.

NOW, THEREFORE, in consideration of such employment and other valuable consideration, receipt of which is hereby acknowledged Employer and Employee agree as follows:

1. DUTIES OF EMPLOYEE. Employer hereby employs Employee as its Chief Scientist and agrees to cause Employee from time to time to be elected or appointed to such corporate offices or positions. Employee shall serve in such capacity at Employer's office, or at such other place as Employer and Employee may mutually agree upon. Employee's principal duties and responsibilities shall consist of such duties and responsibilities consistent with Employee's position and Employer's Business which the Board of Directors of Employer, from time to time may assign to Employee. Employee shall perform such other services and duties as may from time to time be assigned to Employee by Employer's Board of Directors provided that such other services and

duties are not inconsistent with any other term of this Employment Agreement. Except during vacation periods or in accordance with Employer's personnel policies covering executive leaves and reasonable periods of illness or other incapacitation, Employee shall devote his services to Employer's business and interests in a manner consistent with Employee's title and office and Employer's needs for his services. Employee shall perform the duties of Employee's office and those assigned to Employee by Employer's Board of Directors with fidelity, to the best of Employee's ability, and in the best interests of Employer.

2. TERM OF EMPLOYMENT. Employer hereby employs Employee, and Employee hereby accepts employment with Employer, for three (3) years commencing on the effective date ("Employment Period"). Notwithstanding anything in this Section 2 to the contrary, this Employment Agreement may be terminated at any time in accordance with Section 6.

3. COMPENSATION OF EMPLOYEE.

3.1 Base Compensation. As compensation for Employee's services hereunder, Employee shall receive a base salary (the "Base Salary") at an annual amount of not less than One Hundred and Fifty Thousand Dollars (\$150,000.00) payable in bimonthly installments of \$6,250.00 each, or a ratable portion thereof for periods of less than one half month. The Board or the Compensation Committee of the Board shall review the Base Salary at least annually as of the payroll date nearest the anniversary of this Employment Agreement; and Employer agrees to make such increases in the Base Salary as the Board may approve from time to time. Once established at a specific increased annual rate, the Base Salary may not be reduced by Employer without Employee's written consent.

3.2 Bonuses/stock options. The Board of Directors, (or a management compensation committee of the board of directors, if any), may award a cash bonus and stock options to Employee at the board's or committee's discretion.

4. ALLOWANCES / EXPENSE REIMBURSEMENTS.

4.1 Employee shall promptly be reimbursed for reasonable and actual out-of-pocket expenses incurred by Employee in performance of Employee's duties and responsibilities hereunder in accordance with Employer's established personnel policy covering executive officer expense reimbursements, as such policy may be amended, revised or otherwise changed from time to time. Employee shall furnish proper vouchers and expense reports and shall be reimbursed only for those expenses which shall be reimbursable.

4.2 In the event that Employee uses (a) designated area(s) of Employee's residence as primary office or laboratory for conducting Employee's principal duties and

responsibilities for Employer, Employee shall receive an office allowance of \$400.00 per month.

4.3 Employee shall receive a car allowance of \$700 per month.

5. VACATION, SICK LEAVE, OTHER BENEFITS.

5.1 Employee shall be entitled to five (5) weeks vacation per every twelve (12) month period of employment hereunder. Employee shall also be entitled to leaves for illness or other incapacitation as is consistent with Employee's title and Employer's needs for Employee's services, except as otherwise provided for in Section 6.2.

5.2 Employee shall be entitled to full health and dental insurance coverage, including covering any deductible, for Employee, Employee's spouse and minor children.

5.3 Employer acknowledges that Employee has performed services of very significant value for Employer, in line with Employee's duties and responsibilities, prior to the date of incorporation of Employer. Employer agrees to provide Employee the same compensation and benefits that are described in sections 3.1 and 4 of this Employment agreement for the period of January 1, 2002 through March 14, 2002.

6. TERMINATION.

6.1 Termination by Employer for Cause. Employer may terminate this Employment Agreement and Employee's employment hereunder for Cause (as defined herein) any time effective upon written notice to Employee. As used herein, the term "Cause" shall mean:

6.1.1 Habitual neglect in the performance of Employee's material duties as set forth in Section 1 which continues uncorrected for a period of fifteen (15) days after written notice thereof by Employer to Employee;

6.1.2 Employee's confession or conviction of theft, fraud, embezzlement, or any other crime involving dishonesty with respect to Employer or any parent, subsidiary or affiliate of Employer;

6.1.3 Gross negligence involving misfeasance or nonfeasance by Employee in the performance of Employee's material duties as set forth in Section 1 which continues uncorrected for a period of fifteen (15) days after written notice thereof by Employer to Employee;

6.1.4 Material violation by Employee of the provisions of Section 8; or

6.1.5 The representations in Section 7 were materially false as of the date of this Employment Agreement.

In no event shall the results of Employer's operations or any business agreement made in good faith by Employee constitute an independent basis for termination for cause of Employee's employment under this Employment Agreement. Any termination of Employee's employment for cause must be authorized by a majority vote of the Board taken not later than six (6) months after a majority of the members of the Board (other than Employee) have actual knowledge of the occurrence of the event or conduct constituting the cause for such termination. If Employee's employment under this Employment Agreement is terminated by Employer for cause, then Employee shall be entitled to receive his Base Salary through the effective date of such termination.

6.2 Termination Upon Death or Disability. This Employment Agreement and Employee's employment hereunder shall terminate upon Employee's death or Disability (as defined herein). For this purpose "Disability" means incapacity, whether by reason of physical or mental illness or disability, which prevents Employee from substantially performing Employee's material duties as set forth in Section 1 for three (3) months, or for shorter periods aggregating three (3) months in any twelve (12) successive calendar months. Upon termination for death, and unless Employer shall have in force a disability insurance policy providing for benefits in an amount at least equal thereto, upon termination for Disability, Employer shall continue to pay the compensation payments pursuant to Section 3 to the surviving spouse of Employee (or if there is none to Employee's estate) in the case of death and to Employee or Employee's court appointed conservator in the case of Disability until the date three (3) months thereafter. Termination for death shall become effective upon the occurrence of such event and termination for Disability shall become effective upon written notice to Employee.

6.3 Termination upon termination of the IP Agreement. In the event the IP Agreement is terminated, this Employment Agreement shall automatically terminate.

6.4 Events Upon Termination pursuant to Section 6.1, 6.2 and 6.3. The termination of this Employment Agreement pursuant to Section 6.1, 6.2 and 6.3 shall also result in the termination of all rights and benefits of Employee under this Employment Agreement except for any rights to compensation accrued under Section 3 prior to the date of termination or rights to expense reimbursement under Section 4.

6.4 Payments As Liquidated Damages. In the event Employer elects to terminate this Employment Agreement prior to the scheduled termination date for any reason other than Cause, Employer shall continue to make the compensation payments specified in Section 3 hereof for the shorter of twelve (12) months or the entire term, through and including the scheduled termination date, and such payments shall be deemed to be liquidated damages for the damage done to Employee's reputation and for having foregone the opportunity to pursue other employment

opportunities while performing services pursuant to this Employment Agreement. Employer hereby agrees that such amount shall constitute a realistic and reasonable valuation of the damages with respect to Employee's claims, and Employee shall not be required to mitigate his damages by seeking other business, as the damages resulting to him as a result of the loss of the unique business arrangement set forth herein could not be mitigated by seeking business elsewhere, nor shall any monies earned by Employee in any capacity after such termination, attempted termination or breach act to reduce such damages.

7. EMPLOYEE'S REPRESENTATIONS. Employee represents and warrants that Employee is free to enter into this Employment Agreement and to perform each of the provisions contained herein. Employee represents and warrants that Employee is not restricted or prohibited, contractually or otherwise, from entering into and performing this Employment Agreement, and that Employee's execution and performance of this Employment Agreement is not a violation or breach of any agreement between Employee and any other person or entity.

8. NONDISCLOSURE OF CONFIDENTIAL INFORMATION; OWNERSHIP OF INTELLECTUAL PROPERTY RIGHTS; NON COMPETITION; COVENANT NOT TO COMPETE.

8.1 Nondisclosure of Confidential Information. During the term of this Employment Agreement and at all times thereafter, Employee will keep confidential and will not directly or indirectly divulge to anyone nor use or otherwise appropriate for Employee's own benefit, or on behalf of any other person, firm, partnership or corporation by whom Employee might subsequently be employed or otherwise associated or affiliated with, any Confidential Information (as defined herein). For this purpose, "Confidential Information" includes any information or data disclosed verbally, visually or in writing, including without limitation any materials, trade secrets, know how, formulas, processing information, algorithms, ideas, strategies, inventions, data, network configurations, system architecture, designs, flow charts, drawings, business and marketing plans, financial and operational information, and all other non-public information, material, data, any and all customer lists, product information, trade secrets or other confidential information of any kind, nature or description concerning any matters affecting or relating to current and/or future Employer's Business or any affiliate which derives economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use and which is subject to efforts by Employer that are reasonable under the circumstances to maintain its secrecy. Proprietary and Confidential Information also includes any information, material, or data provided by third party vendors or contractors of Employer and any analysis, computations, studies, summaries, extracts or other documentation based on the Confidential Proprietary Information disclosed by Employer.

Proprietary and Confidential Information does not include, and as such is excluded from the provisions of this Employment Agreement and obligations of confidentiality:

(i) Information which is in the public domain or falls into the public domain through no breach of this Employment Agreement and obligations of confidentiality;

(ii) Information which was rightfully obtained from a third party not under any obligation of confidentiality to Employer or this Employment Agreement as evidenced by written records;

(iv) Information which was provided by Employer to a third party not under any written obligation of confidentiality;

(v) Information which was developed independently by Employee without breach of this Employment Agreement as evidenced by written records;

(vi) Information which is approved for release by written authorization of Employer; or

(vii) Information which is disclosed pursuant to a requirement or order of any government agency, court or by operation of law.

8.2 Employer Intellectual Property Rights. All intellectual property rights, whether or not patentable or copyrightable, which (i) are made or developed with the equipment, supplies, facilities, product formulations, trade secrets, time or other assets of Employer; (ii) directly relate to Employers' Business including anticipated research or development, of Employer, or (iii) result from work performed by Employee for Employer, are and shall remain the sole property of Employer, and upon request made by Employer, Employee shall assign any and all rights, including patents and patent rights, trade mark and trade dress rights, Employee may have therein to Employer. This Section 8.2 does not apply to any intellectual property rights which are the subject of Section 2870 of the California Labor Code.

8.3 Employer Materials. All reports and analysis, designs, drawings, contracts, contractual arrangements, specifications, computer software, computer hardware and other equipment, computer printouts, computer disks, documents, memoranda, notebooks, correspondence, files, lists and other records, and the like, and all photocopies or other reproductions thereof, affecting or relating to Employer's Business which Employee shall prepare, use, construct, observe, possess or control ("Employee Materials"), shall be and remain the sole property of Employer. Upon termination of this Employment Agreement, Employee shall deliver promptly to Employer all such Employer Materials.

8.4 Certain Restrictions on Business Activities. During the term of this

Employment Agreement Employee shall be allowed to dedicate time towards other business activities than Employer's, as long as those activities do not interfere with his duties for Employer and the provisions of this Employment Agreement, and his obligations pursuant to the IP Agreement. It is specifically understood that any intellectual property rights resulting from such activities not directly related to Employer's Business, whether or not patentable or copyrightable, are and shall remain the sole property of Employee. Employee further agrees that, during the term of this Employment Agreement:

8.4.1 Business Activities. He will not, directly or indirectly, own an interest in, operate, join, control or participate in, or be connected as an officer, employee, agent, independent contractor, partner, shareholder or principal of any corporation, partnership, proprietorship, firm, association, person or other entity providing services and/or products or a combination thereof which directly compete with Employer's Business, and he will not undertake planning for or organization of any business activity competitive with Employer's Business or combine or conspire with other employees or representatives of Employer's Business for the purpose of organizing any such competitive business activity, except the purchase of less than ten percent (10%) of the stock of a publicly traded company which is not affiliated with Employer.

8.4.2 Employer's Customers, Etc. He will not, directly or indirectly, either for himself or for any other person, firm or corporation, divert or take away or attempt to divert or take away any of Employer's customers or distributors.

8.4.3 Solicitation of Employees, Etc. He will not, directly or indirectly or by action in concert with others, induce or influence (or seek to induce or influence) any person who is engaged (as an employee, agent, independent contractor or otherwise) by Employer to terminate his employment or engagement.

8.5 Covenant Not to Compete.

8.5.1 Obligations of Employee. Employee acknowledges that, as a key management employee, Employee will be involved, on a high level, in the development, implementation and management of the business strategies and plans of Employer, which shall also consist of such other business, units, divisions, subsidiaries or other entities of Employer as Employer shall determine in its sole discretion from time to time. By virtue of Employee's unique and sensitive position and special background, employment of Employee by a competitor of Employer represents a serious competitive danger to Employer and Employers' Business, and the use of Employee's talent and knowledge and information about Employer or the Business can and would constitute a valuable competitive advantage over Employer and Employer's Business. In view of the foregoing, Employee covenants and agrees that, if Employee's employment with

Employer is terminated by Employee or for cause at any time, for a period of two years after the date of such termination, but not longer than the term of this Employment Agreement under Section 2 had employment not been terminated, Employee will not engage or be engaged, in any capacity, directly or indirectly, including but not limited as employee, agent, consultant, manager, executive, owner or stockholder (except as a passive investor holding less than a 10% equity interest in any enterprise the securities of which are publicly traded) in any business entity doing business in the United States engaged in competition with Employer's Business conducted by Employer on the date of termination. This Covenant Not to Compete shall survive the termination or expiration of the other provisions of this Employment Agreement. If any court determines that this Covenant Not to Compete, or any part thereof, is unenforceable because of the duration or geographic scope of such provision, such court shall have the power to reduce the duration or scope of such provision, as the case may be, and, in its reduced form, such provision shall then be enforceable.

8.5.2 Injunctive Relief. Employee acknowledges that the violation of the covenants contained in this Section 8.5 would be detrimental and cause irreparable injury to Employer and its affiliates which could not be compensated by money damages. Employee agrees that an injunction from a court of competent jurisdiction is the appropriate remedy for these provisions, and consents to the entry of an appropriate judgment enjoining Employee from violating these provisions in the event there is a finding of their breach.

8.6 Severability. Employee agrees, in the event that any provision of this Section 8 or any word, phrase, clause, sentence or other portion thereof shall be held to be unenforceable or invalid for any reason, such provision or portion thereof shall be modified or deleted in such a manner so as to make this Section 8 as modified legal and enforceable to the fullest extent permitted under applicable laws. The validity and enforceability of the remaining provisions or portions thereof shall not be affected thereby and shall remain valid and enforceable to the fullest extent permitted under applicable laws. A waiver of any breach of the provisions of this Section 8 shall not be construed as a waiver of any subsequent breach of the same or any other provision.

8.7 Exemptions. Section 8.1, section 8.2, section 8.3, section 8.4.1, section 8.4.2 and section 8.5 of this Employment Agreement do not apply:

(i) In the event of termination of the IP Agreement by Rzyski pursuant to section 13.b) of the IP Agreement;

(ii) In the event the Company fails to cure a Partial Default, as identified in clause 13.a) of the IP Agreement, but solely with regard to those Patents affected by the Company's failure to cure such Partial Default. Sections 8.1, 8.2, 8.3, 8.4.1, 8.4.2 and 8.5 of this Employment Agreement do apply to the Patents that are not effected by such the Company's failure

to cure such Partial Default.

(iii) In the event of Partial Termination by the Company as identified in clause 13 d) of the IP Agreement, but solely with regard to those Patents affected by such Partial Termination. Sections 8.1, 8.2, 8.3, 8.4.1, 8.4.2 and 8.5 of this Employment Agreement do apply to the Patents that are not effected by such Partial Termination.

9. MERGER, ETC., OF EMPLOYER. In the event of a future disposition of (or including) the properties and business of Employer, substantially or in its entirety, by merger, consolidation, sale of assets, or otherwise, then Employer may assign this Employment Agreement and all of the rights and obligations of Employer under this Employment Agreement to the acquiring or surviving corporation; provided, that such acquiring or surviving corporation shall assume in writing all of the obligations of the companies under this Employment Agreement; and provided further, that the companies (in the event and so long as they or either of them remains in business as an independent going enterprise) shall remain jointly and severally liable for the performance of their obligations under this Employment Agreement in the event of an unjustified failure of the acquiring corporation to perform its obligations under this Employment Agreement.

10. GENERAL PROVISIONS.

10.1 Severable Provisions. The provisions of this Employment Agreement are severable, and if any one or more provisions may be determined to be judicially unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

10.2 Assignment. Neither this Employment Agreement nor any of the rights or obligations of Employee or Employer hereunder shall be assignable.

10.3 Attorneys' Fees. If any legal action arises under this Employment Agreement or by reason of any asserted breach of it, the prevailing party shall be entitled to recover all costs and expenses, including reasonable attorneys' fees, incurred in enforcing or attempting to enforce any of the terms, covenants or conditions, including costs incurred prior to commencement of legal action, and all costs and expenses, including reasonable attorneys' fees, incurred in any appeal from an action brought to enforce any of the terms, covenants or conditions.

10.4 Notices. Any notice to be given to Employer under the terms of this Employment Agreement shall be addressed to Employer at the address of Employer's principal place of business, and any notice to be given to Employee shall be addressed to Employee at his home address last shown on the records of Employer, or at such other address as either party may hereafter designate in writing to the other. Any notice required or permitted under this Employment Agreement shall be in writing and shall be deemed effective: (i) upon receipt in the event of delivery

by hand, including delivery made by private delivery or overnight mail service where either the recipient or delivery agent executes a written receipt or confirmation of delivery; or (ii) 48 hours after deposited in the United States mail, registered or certified mail, return receipt requested, postage prepaid.

10.5 Waiver. Either party's failure to enforce any provision or provisions of this Employment Agreement shall not in any way be construed as a waiver of any such provision or provisions, or prevent that party thereafter from enforcing each and every other provision of this Employment Agreement.

10.6 Entire Agreement: Amendments. This Employment Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the employment of Employee by Employer and contains all of the covenants and agreements between the parties with respect to the employment of Employee by Employer. Each party to this Employment Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement or promise not contained in this Employment Agreement will be effective only if it is in writing signed by the party to be charged.

10.7 Titles and Headings. Titles and headings to sections of this Employment Agreement are for the purpose of reference only and shall in no way limit, define or otherwise affect the interpretation or construction of such provisions.

10.8 Counterparts. This document may be executed in one or more counterparts each of which shall be deemed to be an original and all of which together shall constitute a single agreement.

10.9 Governing Law. This Employment Agreement shall be governed by and construed in accordance with the laws of the State of California.

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IN WITNESS WHEREOF, the parties have executed this Employment Agreement as of the day and year first above written.

EMPLOYEE:

A handwritten signature in cursive script, appearing to read "Eugene Ryzski", written over a horizontal line.

Eugene Ryzski

EMPLOYER:

A handwritten signature in cursive script, appearing to read "Todd Wangsness", written over a horizontal line.

Todd Wangsness, President

Attachment A
IP Agreement