

PATENT ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	ASSIGNMENT
CONVEYING PARTY DATA	
Name	Execution Date
University of Arkansas	01/18/2008
RECEIVING PARTY DATA	
Name:	Cereplast, Inc.
Street Address:	3411 West El Segundo Blvd.
City:	Los Angeles
State/Country:	CALIFORNIA
Postal Code:	90250
PROPERTY NUMBERS Total: 1	
Property Type	Number
Application Number:	10506418
CORRESPONDENCE DATA	
Fax Number:	(312)827-8000
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	3128278185
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Correspondent Name:	Robert M. Barrett
Address Line 1:	Bell, Boyd & Lloyd LLP, P.O. Box 1135
Address Line 4:	Chicago, ILLINOIS 60690-1135
ATTORNEY DOCKET NUMBER:	117682-011
NAME OF SUBMITTER:	Robert M. Barrett
Total Attachments: 9 source=4687553-043ASS#page1.tif source=4687553-043ASS#page2.tif source=4687553-043ASS#page3.tif source=4687553-043ASS#page4.tif source=4687553-043ASS#page5.tif	

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PATENT ASSIGNMENT AGREEMENT

THIS AGREEMENT is made by and between the Board of Trustees of the University of Arkansas acting for and on behalf of the University of Arkansas, Fayetteville, a public institution of higher education having its principal office at 2404 North University Avenue, Little Rock, Arkansas 72207 (hereinafter "UNIVERSITY"), and Cereplast Inc., a corporation having a principal place of business at 3421-3433 West El Segundo Boulevard, Hawthorne, California, 90250, and incorporated in the state of Nevada (hereinafter "ASSIGNEE").

WITNESSETH

WHEREAS, UNIVERSITY is the owner of the rights to certain technology which was invented by UNIVERSITY employees ("PATENT RIGHTS" as defined hereinafter) and has the right to assign said rights;

WHEREAS, UNIVERSITY desires to assign the PATENT RIGHTS to ASSIGNEE in order for ASSIGNEE to commercialize the PATENT RIGHTS to the fullest extent;

WHEREAS, ASSIGNEE represents that it is capable of commercializing the PATENT RIGHTS and desires to do so under an assignment from UNIVERSITY under the terms and conditions hereinafter set forth.

ARTICLE 1 - EFFECTIVE DATE

This Agreement shall be effective as of January 9, 2008 (hereinafter the "EFFECTIVE DATE").

ARTICLE 2 - DEFINITIONS

For the purposes of this Agreement, the following words and phrases shall have the following meaning:

"PATENT RIGHTS" shall mean the following:

- (a) the United States patent application listed in Appendix A attached hereto; and
- (b) United States patents issued from the application listed in Appendix A and from applications for divisionals, continuations, continuations-in-part, reexaminations and reissues of the patents and/or applications listed in Appendix A and any divisionals, continuations, continuations-in-part, re-examinations and reissues issued from such applications.

- (c) As used in this Agreement, the term "patent" means (i) unexpired letters patent (including inventor's certificates) including, without limitation, any substitution, extension (such as supplementary protection certificates), registration, confirmation, reissue, re-examination, renewal or any like filing thereof, and (ii) pending applications for letters patent, including without limitation any continuation, division or continuation-in-part thereof and any provisional applications, and any foreign counterparts and all patents that issue therefrom.

ARTICLE 3 - ASSIGNMENT

3.1 Within 60 days after the EFFECTIVE DATE, UNIVERSITY shall assign to ASSIGNEE all of UNIVERSITY'S right, title and interest in and to the PATENT RIGHTS by executing and delivering to ASSIGNEE an assignment in the form set forth in Appendix B attached hereto and incorporated herein (hereinafter the "ASSIGNMENT").

3.2 ASSIGNEE hereby grants to UNIVERSITY the right to make and to use, for research purposes only and not for any commercial purpose, the technology and the subject matter described and claimed in the PATENT RIGHTS.

ARTICLE 4 - CONSIDERATION

4.1 For the rights, privileges and assignment granted hereunder, ASSIGNEE shall pay \$10,000 (ten thousand dollars) to UNIVERSITY in the manner hereinafter provided

4.2 All amounts payable hereunder by ASSIGNEE shall be paid in full, in U.S. dollars, without deduction of taxes or other fees which may be imposed by any government and which shall be paid by ASSIGNEE.

ARTICLE 5 - PATENT PROSECUTION

5.1 UNIVERSITY has prepared and timely submitted on January 2, 2008, at UNIVERSITY'S expense, a response to the office action for U.S. Patent Application No. 10/506,418, which issued November 29, 2007. ASSIGNEE has received a copy of this submission and agrees that this fulfills all obligations of the UNIVERSITY with respect to the preparation, filing, prosecution, and maintenance of patent applications and patents covered under PATENT RIGHTS. ASSIGNEE shall be directly

responsible for one hundred percent (100%) of any additional costs later incurred in the preparation, filing, prosecution (including appeals, interferences, and other ex parte and inter partes proceedings) and maintenance of patent applications and patents covered under PATENT RIGHTS.

5.2 UNIVERSITY agrees to (i) reasonably cooperate with ASSIGNEE and its designee(s) in the preparation, filing, prosecution, and maintenance of PATENT RIGHTS in accordance with this Article 5; (ii) deliver to ASSIGNEE or its designee such records, data or other documents reasonably necessary for the other party to prepare, file, prosecute, maintain and enforce any PATENT RIGHTS as contemplated in this Agreement; (iii) execute, when requested, any other documents reasonably deemed necessary by ASSIGNEE in connection with such activities; and (iv) take or cause to be taken all such other actions, as ASSIGNEE may reasonably deem necessary or desirable in order for it to obtain the full benefits of this Agreement and the transactions contemplated hereby. As used in this Article, "prosecution and maintenance" shall be deemed to include the conduct of interferences or oppositions, requests for reexamination, and reissue or extension.

ARTICLE 6 - INFRINGEMENT

In the event of any action for infringement, or institution of any proceedings challenging the validity of any of the patents under PATENT RIGHTS, ASSIGNEE shall have the right, but not the obligation, at its own expense and in its own name, to prosecute actions or defend proceedings. UNIVERSITY will assist ASSIGNEE in actions or proceedings, if so requested, and will lend its name to actions or proceedings if required by ASSIGNEE or by law. ASSIGNEE will assume all reasonable costs which UNIVERSITY may incur in affording assistance in actions or proceedings.

ARTICLE 7- PRODUCT LIABILITY

7.1 ASSIGNEE shall at all times during the term of this Agreement and thereafter, indemnify, defend and hold UNIVERSITY, its trustees, directors, officers, employees and affiliates, harmless against all claims, proceedings, demands and liabilities of any kind whatsoever, including legal expenses and reasonable attorneys' fees, arising out of the death of or injury to any person or persons or out of any damage to property, or resulting from the production, manufacture, sale, use, consumption or advertisement of products and/or processes made from the PATENT RIGHTS or arising from any obligation of ASSIGNEE hereunder, excepting only claims arising out of negligence or willful misconduct of UNIVERSITY, its trustees, directors, officers, employees and affiliates.

7.2 EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, UNIVERSITY, ITS TRUSTEES, DIRECTORS, OFFICERS, EMPLOYEES, AND AFFILIATES MAKE NO REPRESENTATIONS AND EXTEND NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, VALIDITY OF PATENT RIGHTS CLAIMS, ISSUED OR PENDING, AND THE ABSENCE OF LATENT OR OTHER DEFECTS, WHETHER OR NOT DISCOVERABLE. NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED AS A REPRESENTATION MADE OR WARRANTY GIVEN BY UNIVERSITY THAT THE PRACTICE BY ASSIGNEE OF THE RIGHTS GRANTED HEREUNDER SHALL NOT INFRINGE THE PATENT RIGHTS OF ANY THIRD PARTY. IN NO EVENT SHALL UNIVERSITY, ITS TRUSTEES, DIRECTORS, OFFICERS, EMPLOYEES AND AFFILIATES BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING ECONOMIC DAMAGE OR INJURY TO PROPERTY AND LOST PROFITS, REGARDLESS OF WHETHER UNIVERSITY SHALL BE ADVISED, SHALL HAVE OTHER REASON TO KNOW, OR IN FACT SHALL KNOW OF THE POSSIBILITY.

ARTICLE 8 - NON-USE OF NAMES

ASSIGNEE shall not use the name of UNIVERSITY, nor any adaptation thereof, in any advertising, promotional or sales literature without prior written consent of UNIVERSITY, except that ASSIGNEE may state that UNIVERSITY assigned to ASSIGNEE one or more of the patents and/or applications comprising the PATENT RIGHTS.

ARTICLE 9 - DISPUTE RESOLUTION

9.1 Except for the right of either party to apply to a court of competent jurisdiction for a temporary restraining order, a preliminary injunction, or other equitable relief to preserve the status quo or prevent irreparable harm, any and all claims, disputes or controversies ("Dispute(s)") arising under, out of, or in connection with the Agreement which the parties shall be unable to resolve within sixty (60) days shall be mediated in good faith. The party raising such Dispute(s) shall promptly advise the other party of such Dispute(s) in writing, which describes in reasonable detail the nature of such Dispute(s). By not later than fifteen (15) business days after recipient has received such notice of Dispute(s), each party shall have selected for itself a representative who shall have the authority to bind such party and shall additionally have advised the other party in writing of the name and title of such representative. The parties shall enter into good faith negotiations and shall share the costs equally. If the representatives of the parties have not been able to resolve the dispute within thirty (30) business days

after commencing such negotiations, the parties shall have the right to pursue any other remedies legally available to resolve such Dispute(s). Any such Dispute(s) shall be heard by the Arkansas State Claims Commission, the state courts of Arkansas, or any other court of competent jurisdiction having personal jurisdiction over the parties.

9.2 Notwithstanding the foregoing, nothing in this Article shall be construed to waive any rights or timely performance of any obligations existing under this Agreement by either party, or the sovereign immunity of the UNIVERSITY or the State of Arkansas.

ARTICLE 10 - TERMINATION

Upon any breach of, or default under, this Agreement by either party, the non-defaulting party may terminate this Agreement by thirty (30) days written notice to the defaulting party. Said notice shall become effective at the end of such period, unless during said period the defaulting party shall cure such breach or default.

ARTICLE 11 - PAYMENTS, NOTICES AND OTHER COMMUNICATIONS

Any payment, notice or other communication pursuant to this Agreement shall be in writing and shall be deemed delivered when sent by overnight courier or certified first class mail, addressed to the parties as follows: (or at such other addresses as the parties may provide each other in writing):

ASSIGNEE:

Cereplast, Inc.
Attn.: Frederic Scheer
3421-3433 W. El Segundo Blvd,
Hawthorne, CA 90250

UNIVERSITY:

Office of Vice Provost for Research
Attn.: Technology Licensing Manager
535 Research Center Boulevard
Innovation Center Suite 107
Fayetteville, AR 72701

With copy to:

Williams & Anderson PLC
Attn.: Harold J. Evans, Esq
111 Center Street, 22nd Floor
Little Rock, AR 72201

ARTICLE 12 – General

12.1 Legal Compliance Clause. ASSIGNEE shall comply with all applicable federal, state and local laws and regulations in connection with its activities pursuant to this Agreement.

12.2 Waiver Clause. Neither party may waive or release any of its rights or interests in this Agreement except in writing. Failure to assert any right arising from this Agreement shall not be deemed or construed to be a waiver of such right.

12.3 Severability Clause. The provisions of this Agreement are severable, and in the event that any provisions of this Agreement shall be determined to be invalid or unenforceable under any controlling body of the law, such invalidity or unenforceability shall not in any way affect the validity or enforceability of the remaining provisions hereof.

12.4 Integration Clause. This Agreement supersedes any and all other prior agreements and all negotiations between the parties leading up to the execution of this Agreement, whether oral or in writing. The parties, and each of them, acknowledge that no representations, inducements, promises or statements, oral or otherwise, made by any of the parties or by anyone acting on behalf of the parties which are not set forth in writing in this Agreement shall be valid or binding.

12.5 Representation by Counsel. The parties hereby acknowledge that each such party has been represented by counsel throughout all negotiations, which preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of counsel.

12.6 Modification or Amendment. This Agreement may not be modified or amended except in writing signed by all parties hereto.

12.7 Further Assurance and Documents. The parties, and each of them, agree to execute any and all additional documents and to do all things reasonably necessary to carry out and implement the provisions of this Agreement.

12.8 Construction and Interpretation. This Agreement shall be construed, enforced, and administered in accordance with the laws of the State of Arkansas and the United States. The drafting and negotiation of this Agreement have been participated in by counsel for each of the parties, and any rule of construction to the effect that any ambiguity is to be resolved against the drafting party shall not be applied to the interpretation of this Agreement.

12.9 Execution and Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts together shall constitute one and the same original.

12.10 Authority. Each party represents and warrants for itself that the individual executing this Agreement on its behalf is authorized to do so and to bind the party on whose behalf he is signing to the terms, obligations and conditions set forth herein.

12.11 Effect of Agreement. This Agreement is binding upon the parties hereto, and shall inure to the benefit of the parties, and their respective agents, attorneys, insurers, employees, representatives, officers, directors, partners, principals, divisions, indemnitors, indemnitees, parent companies, grandparent companies, subsidiaries, affiliates, associates, consultants, assigns, heirs, predecessors, successors in interest, successor trusts, trustees, shareholders and any trustee in bankruptcy or debtor in possession.

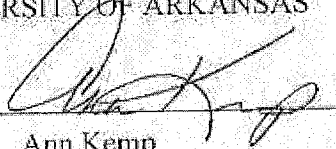
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives.

CEREPLAST, INC.

By: 
Title: CEO

Date: 01/08/08

BOARD OF TRUSTEES OF THE
UNIVERSITY OF ARKANSAS

By: 
Title: Vice President for
Finance and Administration

Date: 1/15/08

APPENDIX A

U.S. Patent Application Serial No 10/506,418, entitled *Biodegradable materials from starch-grafted polymers*, naming inventors Ya-Jane Wang and Zhenhua Sun, filed March 30, 2005, assigned to the Board of Trustees of the University of Arkansas by each inventor on December 17, 2004, and recorded at United States Patent and Trademark Office on April 1, 2005 (USPTO reel/frame 016415/0465)

As of EFFECTIVE DATE

APPENDIX B - ASSIGNMENT

Whereas the Board of Trustees of the University of Arkansas (hereinafter referred to as "University") is the owner of:

U.S. Patent Application Serial No 10/506,418, entitled *Biodegradable materials from starch-grafted polymers*, naming inventors Ya-Jane Wang and Zhenhua Sun, filed March 30, 2005, assigned to the Board of Trustees of the University of Arkansas by each inventor on December 17, 2004, and recorded at United States Patent and Trademark Office on April 1, 2005 (USPTO reel/frame 016415/0465),

and Cereplast, Inc. (hereinafter referred to as "Assignee") desires to have legal title reside therein.

Now, therefore, for valuable and sufficient consideration, receipt whereof is hereby acknowledged, University hereby conveys and quitclaims, unto Assignee, its successors and assigns, its entire right, title and interest:

(1) in and to U.S. Patent Application Serial No 10/506,418, entitled *Biodegradable materials from starch-grafted polymers*, naming inventors Ya-Jane Wang and Zhenhua Sun, filed March 30, 2005, assigned to Board of Trustees of the University of Arkansas by each inventor on December 17, 2004, and recorded at United States Patent and Trademark Office on April 1, 2005 (USPTO reel/frame 016415/0465);

(2) in and to said United States patent application, in and to all other patent applications derived therefrom or relating to that application (including divisional, continuation, continuation-in-part, §111(b) provisional, §111(a), and reissue applications) based upon said invention, and in and to the patent or patents to be granted thereon, including reissues thereof, if any, to the full end of the term or terms for which said patent or patents may be granted;

(3) under the International Convention in respect to the United States patent application and agree that any patent applications of any foreign countries which may be filed shall be filed in the name of Assignee with a claim to priority based on said United States application.

And University hereby agrees that it will, upon demand of Assignee, its successors or assigns, and without further consideration to it, execute any and all papers that may be necessary, or deemed by Assignee, its successors or assigns, to be necessary, to a complete fulfillment of the intent and purposes of this Assignment, it being understood that any expense incident to the execution of such papers shall be paid by Assignee, its successors and assigns, and not by University.

And the Commissioner of Patents and Trademarks of the United States is hereby authorized and requested to issue said United States patent or patents to Assignee.

Date

State of ARKANSAS)

County of PULASKI)

I do hereby certify that

ANN KEMP, personally known to me to be the same person or persons who signed the foregoing instrument, appeared before me this day and acknowledged that said instrument was signed and delivered as the free and voluntary act of

MS. KEMP

for the uses and purposes therein set forth.

Given under my hand and seal, this 18 day of JANUARY 2008.

Gwen Ward
Notary Public

