

# PATENT ASSIGNMENT

Electronic Version v1.1  
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SUBMISSION TYPE:	NEW ASSIGNMENT	
NATURE OF CONVEYANCE:	ASSIGNMENT	
CONVEYING PARTY DATA		
Name		Execution Date
Mark ALLEN		04/18/1998
RECEIVING PARTY DATA		
Name:	FIBER OPTIC DESIGNS, INC.	
Street Address:	Heston Hall Suite 206	
Internal Address:	1790 Yardley, Langhorne Road	
City:	Yardley	
State/Country:	PENNSYLVANIA	
Postal Code:	19067	
PROPERTY NUMBERS Total: 1		
Property Type	Number	
Application Number:	11586736	
CORRESPONDENCE DATA		
Fax Number:	(301)896-0607	
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	301-896-0600	
Email:	tsakadales@bwsiplaw.com	
Correspondent Name:	Berenato, White & Stavish	
Address Line 1:	6550 Rock Spring Drive	
Address Line 2:	Suite 240	
Address Line 4:	Bethesda, MARYLAND 20817	
ATTORNEY DOCKET NUMBER:	5211.059	
NAME OF SUBMITTER:	Matthew Stavish, 36,286	
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CONSULTING AGREEMENT

This Agreement is made the 18<sup>th</sup> day of April, 1998 by and between

Corporation: Fiber Optic Designs, Inc.  
704 Floral Vale Boulevard  
Yardley, Pennsylvania 19067  
(a Pennsylvania Corporation)

and

Consultant: Mark Allen  
8040 Girard Avenue, No. 5  
Lajolla, CA 92037

Effective Date: April 1, 1998

BACKGROUND

The Consultant is an electrical engineer familiar with the design and manufacture of lighting systems (the "Lighting Systems"). The Corporation is in the business of designing and developing certain Lighting Products and Lighting Systems utilizing light emitting diodes and fiber optic lighting. Consultant and the Corporation desire to enter into a Consulting Agreement for Consultant to provide engineering and design services to the Corporation under the following terms and conditions set forth in this Agreement.

This is intended to be an interim Agreement with compensation in the form of stock in the Corporation. The parties expect that the Corporation will develop a product or products, market and sell the product(s) and eventually have revenues sufficient to pay for additional services. At such time, the parties anticipate substantially revising this Agreement.

### 1. ENGAGEMENT OF CONSULTANT

The Corporation engages Consultant and Consultant agrees to be engaged by Corporation as an independent contractor to assist the Corporation in the design and development of lighting systems as more particularly set forth below.

### 2. DUTIES

Consultant shall provide design and electrical engineering services to the Corporation under the direction of the Corporation's President, David Allen. Consultant will devote such time, energy and skill as is necessary to design and develop the Lighting Systems on behalf of the Corporation.

Consultant is currently engaged in certain other employment and business ventures, all of which have been disclosed to Corporation. So long as Consultant does not compete with the Corporation (as set forth in Section 11) and there is no interference with Consultant's obligations under this Agreement, Consultant is permitted to engage in any other business, employment or consulting activities as he desires.

Consultant will devote sufficient time, ability, energy and attention to the services to be performed under this Agreement and complete those assignments made by Corporation to Consultant in a timely and professional manner. Consultant may provide services at his own office or home and at such locations as may be convenient.

### 3. COMPENSATION

The Consultant shall be paid 690 shares of common stock of the Corporation no par value ("Shares") with a market value of \$1.00 per share. The shares of common stock will be issued Promptly upon the signing of this Agreement.

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#### 4. RELATIONSHIP OF THE PARTIES

Consultant is neither an agent nor employee of the Corporation for any purpose, and neither Consultant nor any of Consultant's employees are entitled to any of the benefits that the Corporation provides its own employees. Consultant will provide such supplies and equipment required to perform his duties.

Consultant will be responsible for the payment of all federal, state and local income taxes including social security, employment insurance and worker's compensation insurance expenses for himself and his employees and will indemnify and hold Corporation harmless against any and all loss, damage, expense and liability arising from the failure to pay same, including any interest and penalties that may be incurred. Corporation is not responsible for paying any social security, withholding tax, unemployment insurance, medical insurance, liability insurance, worker's compensation insurance or any other type of similar expense on behalf of Consultant on or behalf of any Consultant's employees.

#### 5. TERM

Subject to earlier termination pursuant to Section 7 this Agreement shall be for a term of two years from the Effective Date through March 31, 2000.

#### 6. AUTHORITY TO BIND THE CORPORATION

Consultant shall have no authority to enter into contracts binding upon the Corporation nor to create any obligations on the part of the Corporation in the normal course of business.

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## 7. TERMINATION

(a) Termination at End of Term. This Agreement shall terminate absolutely at the end of the term unless extended by agreement of the parties.

(b) Termination by Mutual Agreement. This Agreement may be terminated at any time upon mutual agreement of the parties.

(c) Termination for Cause. This Agreement may be terminated for cause as defined below, upon five (5) days prior written notice from the Corporation to the Consultant upon the occurrence or act by the Consultant of any one or more of the following events:

- (i) fraud,
- (ii) dishonesty,
- (iii) other material and willful misconduct by the Consultant.

## 8. PROCEDURE UPON TERMINATION

Upon termination, Executive shall promptly return the Corporation all documents (including copies) and other materials and property to Corporation, pertaining to its business, including without limitation designs and drawings and Lighting Systems, customer and prospect lists, manufacturers, contracts, files, manuals, letters, reports and records in his possession or control, no matter from whom or in what manner acquired.

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9. OWNERSHIP; DISCOVERIES

Except as set forth in this Section, Consultant shall communicate to Corporation, in writing when requested, and preserve as confidential information of Corporation, all designs, inventories, lighting systems, schematics, ideas, marketing concepts, software ideas and other ideas relating to the business of the Corporation or products of the Corporation which are conceived, developed, created, or made by Consultant, whether along or jointly with others, at any time (during or after business hours) during the term of this Agreement with Corporation (such concepts, ideas and designs are referred to as "Discoveries") or have been made heretofore by the Consultant in relation to business of the Corporation. All Discoveries shall be owned by the Corporation and shall be the Corporation's exclusive property, and Consultant shall, at Corporation's expense, sign all documents and take such other actions as they may reasonably request to confirm that the Corporation is the owner of the Discoveries.

10. NONDISCLOSURE

At all times after the date of this Agreement, except with Corporation's express prior written consent or in connection with the proper performance of services under this Agreement, Consultant shall not, directly or indirectly, communicate, disclose or divulge to any Person (as defined in Section 16 below) or use for the benefit of any Person, any confidential or proprietary knowledge or information, no matter when or how acquired, concerning the business of the Corporation or the conduct and details of the business of Corporation including, but not limited to, (a) names of customers, locations, prospects and suppliers, (b) details of schematics, lighting systems, inventions, or contracts, proposals or other business arrangements with clients, prospects and suppliers, (c) marketing methods, trade secrets, financial condition, and (d) software,

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source code, technical documentation and other information. For purposes of this Section 10, confidential information shall not include any information which is now known by the general public, or which becomes known by the general public other than as a result of any improper act or omission of Executive.

#### 11. RESTRICTIVE COVENANT

(a) Covenant Not To Compete or Solicit

The Corporation is in the business of design, development, manufacture and sale of Lighting Systems throughout the World. As a material inducement to entering this Agreement, Consultant agrees and covenants that while he is Consultant of the Corporation and for a period of two (2) years thereafter he:

(1) shall be restricted from competing with the Corporation, directly or indirectly on his own behalf or through third parties, in any manner whatsoever as a shareholder, director, officer, joint venturer, partner, sole proprietor, investor or, in any other ownership capacity whatsoever, or as an employee, consultant, agent, or representative of or for a competing business throughout the World;

(2) shall not either directly or indirectly on his own behalf or through third parties solicit or attempt to solicit or do business or attempt to do business with any of the distributors, retailers, clients or customers (collectively "Customers") of the Corporation who are or were Customers of the Corporation at any time during the preceding two (2) years prior to his termination of employment with respect to any of the Corporation's business or businesses of its subsidiaries or affiliates for a competing business; and

(3) shall not communicate with or solicit any person or entity who is, or during a six (6) month period prior

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to his termination of employment an employee, salesman, contractor, agent or representative (hereinafter collectively "Employee or Contractor"), of the Corporation in any manner which interferes or which might interfere with such Employee's or Contractor's relationship with the Corporation or in an effort to obtain such Person as a an employee, salesman, contractor, agent or representative of any entity or business which competes with the Corporation's business.

(b) Covenant Not to Violate Corporate Confidences

The parties agree and acknowledge that the Consultant will have access to and will become aware of confidential information and trade secrets including Customer data, files, and business techniques, (collectively, "Confidential Information") and that this confidential information (1) is not generally available to the public, (2) has been compiled at the Corporation's expense and over a substantial amount of time, (3) is critical to the Corporation's ability to compete in the industry in which it does business, and (4) if disclosed or released will be greatly and irreparably damage the Corporation's business. Therefore, as a material inducement to entering into this Agreement, Consultant agrees and covenants that he will not, while he is a Consultant or during a two (2) year period beginning on the date of termination of this Agreement, either disclose or divulge this confidential information to anyone or use this confidential information in any manner to compete with the Corporation.

12. REMEDIES

The Consultant acknowledges and agrees that the Corporation's remedy at law for a breach or threatened breach of any of the provisions of Section 9, Section 10 or Section 11 of this Agreement would be inadequate and, in recognition of this fact, in the event of a breach or threatened breach by the

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Consultant of any of the provisions of Section 9, Section 10 or Section 11 of this Agreement, it is agreed that, in addition to any remedy at law, the Corporation shall be entitled to without posting any bond, and the Consultant agrees not to oppose the Corporation's request for, equitable relief in the form of specific performance, temporary restraining order, temporary or permanent injunction, or any other equitable remedy which may then be available. Nothing herein contained shall be construed as prohibiting the Corporation from pursuing any other remedies available to it for such breach or threatened breach. If a court of law having jurisdiction grants any equitable remedy to the Corporation seeking to enforce the provisions of this Agreement, the Executive shall reimburse the Corporation for all reasonable attorneys' fees and costs incurred in seeking to enforce this Agreement.

#### 13. SEVERABILITY

The invalidity or unenforceability of any provision of this Agreement shall in no event affect the validity or enforceability of any other provision. With respect to the provisions of Section 11 of this Agreement, in the event any court of competent jurisdiction determines that such provisions are unreasonable or contrary to law with respect to their time or geographic restriction, or both, the parties hereto authorize such court to substitute such restrictions as it deems appropriate without invalidating such paragraph and/or this Agreement.

#### 14. ASSIGNMENT

Corporation may assign its rights and duties under this Agreement to any party without the consent of Consultant. This Agreement, being for the personal services of Consultant, shall not be assigned by him.

## 15. OTHER PROVISIONS

This Agreement sets forth the entire understanding of the parties hereto with respect to the subject matter hereof and supersedes all prior and contemporaneous, oral or written, express or implied, agreements and understandings. This Agreement shall not be modified or terminated except in writing. No action taken by Corporation under this Agreement, including without limitation any waiver, consent or approval, shall be effective unless approved by Corporation's Board of Directors. This Agreement shall inure to the benefit of and bind each of the parties hereto and the successors and assigns of Corporation and the personal representatives, estate and heirs of Executive. Neither the failure nor any delay on the part of either party to exercise any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of the same of any other right, remedy, power or privilege with respect to any occurrence or be construed as a waiver of such right, remedy, power or privilege with respect to any other occurrence. No waiver shall be effective unless it is in writing and is signed by the party asserted to have granted such waiver. Any headings preceding the text of any of the Sections of Subsections of this Agreement are inserted for convenience of reference only, and shall neither constitute a part of this Agreement nor affect its construction, meaning, or effort.

## 16. DEFINITION

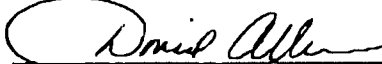
Person. "Person" means any individual, corporation, partnership, sole proprietorship, joint venture, association, cooperative, trust, estate, governmental body, administrative agency, regulatory authority or other entity of any nature.

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WITNESS the due execution and delivery hereof on the  
date first above written.

CORPORATION:

FIBER OPTIC DESIGNS, INC



Name: David Allen

Title: President

CONSULTANT:

 4/18/98  
Mark Allen

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