

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	ASSIGNMENT
CONVEYING PARTY DATA	
Name	Execution Date
Richard W. CONNELLY	12/21/2005
Duane SMITH	07/12/2005
RECEIVING PARTY DATA	
Name:	Clearford Industries Inc.
Street Address:	236 Westbrook Road
City:	Carp, Ontario
State/Country:	CANADA
Postal Code:	K0A 1L0
PROPERTY NUMBERS Total: 1	
Property Type	Number
Application Number:	12088362
CORRESPONDENCE DATA	
Fax Number:	(202)371-2540
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	2023712600
Email:	resmond@skgf.com
Correspondent Name:	Sterne, Kessler, Goldstein & Fox PLLC
Address Line 1:	1100 New York Avenue, Suite 900
Address Line 4:	Washington, DISTRICT OF COLUMBIA 20005
ATTORNEY DOCKET NUMBER:	1556.0510000/RWE
NAME OF SUBMITTER:	Robert W. Esmond

Total Attachments: 5
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ASSIGNMENT OF INVENTION

In consideration of One (\$1.00) Dollar and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, I, Richard W. Connelly, whose post office address is 236 Westbrook Road, Carp, Ontario K0A 1L0, Canada, do hereby confirm my sale, assignment and transfer, and by these presents, do hereby sell, assign and transfer to Clearford Industries Inc.(hereinafter the "Assignee"), whose full post office address is 236 Westbrook Road, Carp, Ontario K0A 1L0, Canada, all my right, title and interest throughout the world in and to (1) my inventions relating to

High Performance Sewer System, as described and/or claimed in Canadian Patent Application No. 2,521,428 filed on September 27, 2005;

High Performance Sewer System, as described and/or claimed in U.S. Provisional Patent Application No. 60/728,257 filed on October 19, 2005;

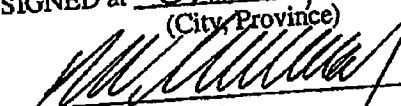
(2) all improvements, including but not limited to modifications, additions, substitutions, derivatives, and deletions to said inventions; (3) the above-identified applications in (1) and all International (PCT) applications and national phase applications claiming priority thereto; (4) all other applications for Letters Patent in any country throughout the world for said inventions and improvements, including but not limited to all divisional, continuation, continuation-in-part, renewal, reissue, and substitute applications; (5) any Letters Patent which may issue from any of said applications as exemplified in (3) and (4) above in any country throughout the world; (6) all Convention or Treaty rights derived from any of said applications, including without limitation, all rights of priority throughout the world in and to said applications; and (7) the full and complete right to file applications for Letters Patent in the name of the Assignee, or in my/our names at the Assignee's election, on said inventions and improvements in all countries throughout the world.

For said consideration, I agree, upon the request and at the expense of the Assignee, its successors and assigns, to execute any and all divisional, continuation, continuation-in-part, reissue and substitute applications for said inventions and improvements, and acknowledge and agree that all rights therein shall vest in the Assignee, its successors and assigns, whereby said Letters Patent will be held and enjoyed by said Assignee, its successors and assigns, to the full end of the term for which said Letters Patent will be granted, as fully and entirely as the same would have been held and enjoyed by the undersigned if this assignment had not been made. In addition, I will, at the request of the Assignee, execute any and all documents required by the Assignee to fully and properly vest the aforementioned rights in the Assignee.

The undersigned hereby grants to the firm of MBM & CO. whose full post office address is P.O. Box 809, Station B, Ottawa, Ontario, Canada, K1P 5P9, the power to insert on this

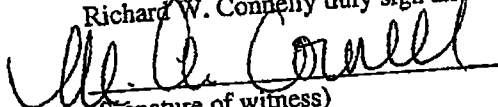
assignment any further information and/or correct any clerical error in the information pertaining to the referenced application above, which may be necessary or desirable in order to comply with the patent legislation for recordation of this document.

SIGNED at Ottawa Ontario, this 21st day of December, 2005.
(City/Province)


Richard W. Connelly

I, Megan Cornell declare that I was personally present and did see
(Name of witness)


Richard W. Connelly duly sign and execute the above assignment.


(Signature of witness)

ACKNOWLEDGMENT OF ASSIGNMENT

I, Bruce Hinton, a representative of Clearford Industries Inc., assignee, whose full post office address is 236 Westbrook Road, Carp, Ontario K0A 1L0, Canada, acknowledge the above assignment from Richard W. Connelly to Clearford Industries Inc. dated December 21st, 2005, regarding all rights, title and interest in the United States, Canada, and throughout the world to the invention entitled High Performance Sewer System.

SIGNED at Ottawa, this 21st day of December, 2005.


Name: Bruce Hinton
Title: President and CEO

June 30, 2005

Mr. Duane Smith
271 Breezehill Ave. S.
Ottawa, Ontario
K1Y 2J4

Dear Duane:

Re: Offer of Employment


It was a pleasure to meet with you to discuss working with Clearford Industries Inc. I propose that you join the Company in the position of Research Director on a full time basis with an employment start date of August 3, 2005. Our normal business hours are 8:30 a.m. until 5:00 p.m. Monday to Friday, but some flexibility in working hours is expected, both for your convenience and to reflect the needs of the company from time to time.

I look forward to having you join us on August 3, 2005. Please sign and fax back a copy of your acceptance of this offer as well as the terms and conditions of employment attached as Schedule A.

Best regards,

Bruce Linton
Chief Executive Officer

Accepted:



Duane Smith

July 12, 2005

Date

236 WESTBROOK ROAD, CARP, ONTARIO K0A 1L0
TEL: (613) 831-9906 FAX: (613) 831-0669
TOLL FREE 1-866-231-1104 WWW.IWSSI.COM

4. OWNERSHIP OF INVENTIONS

The Employee shall promptly communicate and disclose to the Employer all inventions, improvements, modifications, discoveries, designs, formulae, methods and processes made, discovered or conceived by the Employee either alone or jointly with others, during the period of his employment with the Employer, providing the same relate to or are capable of being used by the corporation or any affiliate thereof in the normal course of their businesses.

The Employee acknowledges and declares that all inventions, improvements, modifications, discoveries, designs, formulae, methods, processes, as are described in the section, and all patents and patent applications relating thereto are the property of the Employer and hereby assigns to the Employer all of the right, title and interest of the Employee in any such inventions, improvements, modifications, discoveries, designs, formulae, methods and processes, and in any patents or patent applications relating thereto. The Employee shall execute all instruments and documents and do all such further acts and things as may be necessary or desirable, in the Employer's opinion to carry out the provisions of this section.

5. NON-COMPETITION

The employee agrees that for a periods of six (6) months subsequent to the date of termination of the Employee's employment, however caused, the Employee will not for any reason, directly or indirectly, be engaged to provide services for any corporation which is a Clearford competitor in Canada or which was a Clearford customer during the term of employment. You acknowledge that this provision is reasonable under the circumstances and would still permit you to become gainfully employed in your field. In the unlikely event that a reasonable effort to meet the provision has not resulted in gainful employment, the provision may be waived.

For a period of one year after termination of you employment with Clearford, you will not, directly or indirectly, solicit Clearford prospects, clients, employees, consultants, suppliers or any other person with whom the Company/Clearford has been engaged in a business relationship with a view to diverting their business from the Company/Clearford and you shall not, directly or indirectly, enter into any contractual relations with such person or entities without the prior written consent of Clearford.

6. TERMINATION

The parties understand and agree that employment pursuant to this Agreement may be terminated during the Term in the following manner in the specified circumstances:

by the Employee for any reason, on the giving of not less than one (1) month prior written notice to the Employer, which the Employer may waive, in whole or in part.

by the Employer in its absolute discretion, on giving the Employee payment of the equivalent of three (3) weeks per year of service of salary, benefits and entitlements in lieu thereof, along with all salary or entitlements to which the Employee is entitled in accordance with any relevant statute, or this Agreement, whichever is greater, including termination pay, severance pay, unpaid vacation pay, if applicable and all salary and benefits due to that date.

by the Employer without notice or payment in lieu thereof for cause, and upon termination for just cause or resignation the Employee shall be entitled to receive remuneration to the date of such termination for cause, including any and all vacation pay earned to date.

7. ASSIGNMENT OF RIGHTS

The rights which accrue to the Employer under this Agreement shall pass to its successors or assigns. The rights of the Employee under this Agreement are not assignable or transferable in any manner.

8. CURRENCY

All dollar amounts referred to in this Agreement are in Canadian funds.

9. AMENDMENT OF AGREEMENT

This Agreement may be altered or amended at any time by the mutual consent in writing of the parties hereto.

10. GOVERNING LAW

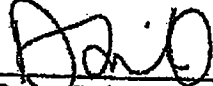
This Agreement shall be governed by and construed in accordance with the laws of Canada and the laws of the Province of Ontario applicable therein.

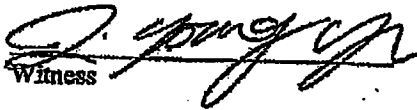
11. SEVERABILITY


The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision hereof and any such invalid or unenforceable provision will be deemed to be severable.

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto as of the date first set forth above.

SIGNED, SEALED & DELIVERED


Duane Smith July 12, 2005


Witness


CLEARFORD INDUSTRIES INC.
Name: Bruce Linton
Title: President & CEO