

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Settlement Agreement And Mutual Release Of All Claims - (Rescinding the Assignment from Philip Watkins to Global Wind Technology, Inc.)
CONVEYING PARTY DATA	
Name	Execution Date
Global Wind Technology	03/28/2006
RECEIVING PARTY DATA	
Name:	Philip G. Watkins
Street Address:	23930 Madison Street
City:	Torrance
State/Country:	CALIFORNIA
Postal Code:	90505
PROPERTY NUMBERS Total: 1	
Property Type	Number
Patent Number:	7109599
CORRESPONDENCE DATA	
Fax Number:	(310)586-7800
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>
Phone:	310-586-7700
Email:	LAIPMAIL@gtlaw.com
Correspondent Name:	Ehab M. Samuel
Address Line 1:	Greenberg Traurig, LLP
Address Line 2:	2450 Colorado Avenue, Suite 400 E.
Address Line 4:	Santa Monica, CALIFORNIA 90404
ATTORNEY DOCKET NUMBER:	114939.012900
NAME OF SUBMITTER:	Ehab Samuel

Total Attachments: 7
 source=Mutual_Release_WATKINS_GWT_PACWIND#page1.tif
 source=Mutual_Release_WATKINS_GWT_PACWIND#page2.tif
 source=Mutual_Release_WATKINS_GWT_PACWIND#page3.tif

500821475

PATENT
REEL: 022460 FRAME: 0853

CH \$40.00 7109599

source=Mutual_Release_WATKINS_GWT_PACWIND#page4.tif
source=Mutual_Release_WATKINS_GWT_PACWIND#page5.tif
source=Mutual_Release_WATKINS_GWT_PACWIND#page6.tif
source=Mutual_Release_WATKINS_GWT_PACWIND#page7.tif

**SETTLEMENT AGREEMENT
AND
MUTUAL RELEASE OF ALL CLAIMS**

THIS MUTUAL RELEASE AND SETTLEMENT AGREEMENT (the "Agreement") is made and entered into this 28th day of March, 2006, by and between **Mr. PHILIP G. WATKINS**, an individual residing in the County of Los Angeles, State of California, hereinafter referred to as "Watkins"; **PACWIND TECHNOLOGY, LLC.**, a limited liability company organized under the laws of the State of California, hereinafter referred to as "Pacwind"; **Mr. ANDY TENG**, an individual residing in the County of Los Angeles, State of California, hereinafter referred to as "Teng"; and **GLOBAL WIND TECHNOLOGY, INC.**, a corporation organized under the laws of the State of California, hereinafter referred to as "GWT". Watkins, Pacwind, Teng, and GWT are collectively referred to herein as the "Parties".

RECITALS:

A. WHEREAS, on or about April 20, 2004, Watkins, as a Principal Member of Pacwind, and Teng entered into a contract entitled "Joint Venture Agreement for Formation and Operation of Global Wind Technology, Inc." (the "Joint Venture Agreement"), pursuant to which Watkins agreed to assign and transfer ownership of Pacwind's interest in the Vertical Axis Wind Turbine ("VAWT") Technology, Watkins' invention entitled "Omni-Directional Wind Turbine Electric Generation System (the "Invention"), and certain Machine Tools and Equipment (the "Machine Tools") to GWT, and Teng agreed to find investors to invest \$140,000 in GWT, and the Parties agreed to jointly develop and market the VAWT Technology through GWT. A true and correct copy of the Joint Venture Agreement is attached hereto as Exhibit "A". The Joint Venture Agreement further provided, among other things, that Teng and his investors would receive Fifty-One Percent (51%) of the total stock of GWT, and Pacwind would receive Forty-Nine Percent (49%) of the total stock of GWT and other consideration..

B. WHEREAS, on or about April 20, 2004, Pacwind entered into a contract entitled "Assignment of Inventions and Intellectual Property Rights for Vertical Axis Wind Turbine" (the "Assignment") with Teng for the purpose of assigning all Pacwind's rights to the Invention previously obtained from Watkins to GWT. A true and correct copy of the Assignment is attached hereto as Exhibit "B".

C. WHEREAS, Watkins filed a Complaint for Declaratory Relief in the Superior Court of the State of California, County of Los Angeles, Southwest District, Case No. YC051238, against Teng and GWT as the Defendants (the "Watkins Complaint"), seeking declaratory relief to rescind the Joint Venture Agreement and the Assignment and to declare them null and void *ab initio* and to regain ownership and control over the VAWT Technology, the Invention, and the Machine Tools.

D. WHEREAS, Teng and GWT filed a Cross-Complaint in the same case against Watkins and Pacwind as the Cross-Defendants (the "Teng Cross-Complaint") seeking various

compensatory damages and other relief.

E. WHEREAS, the Parties desire to enter into this Agreement for the purpose of completely and finally resolving and settling any and all outstanding disputes they may presently have with each other arising out of or in any way related to the Joint Venture Agreement and the Assignment and the implementation of their duties and obligations under these agreements, to rescind the Joint Venture Agreement and the Assignment and to declare them null and void *ab initio*, and to mutually release each other from all claims, causes of action and liabilities they may have arising or derived therefrom.

NOW, THEREFORE, in consideration of the mutual covenants set forth in this Agreement, and for other good and valuable consideration, receipt of which is acknowledged, and Parties to this Agreement covenant and agree as follows:

Section 1. Recitals Incorporated Into Agreement.

1.01 The Parties incorporate into this Agreement the recitals and facts set forth above as part of the terms of this Agreement.

Section 2. Rescission of Joint Venture Agreement and Assignment.

2.01 This Agreement rescinds and supersedes in their entirety the Joint Venture Agreement and the Assignment, and, hereafter, the Joint Venture Agreement and the Assignment shall be null and void *ab initio* and shall be of no further force and effect.

2.02 Watkins and Pacwind shall return and forever disclaim any and all interests including, but not limited to, security interest in Global Wind Technology, Inc on or before the date of this Agreement.

Section 3. No Admission of Liability.

3.01 The Parties enter this Agreement for the purpose of terminating all disputes between them. By entering into and carrying out this Agreement, no Party to this Agreement admits any liability to any other Party on any theory for any claim or cause of action. This Agreement shall not be used or construed as an admission of liability by any Party hereto for any purpose.

Section 4. Release and Indemnification.

4.01 This release is intended as a full and complete release by Watkins and Pacwind of Teng and GWT, and, conversely, by Teng and GWT of Watkins and Pacwind. No part of this release and indemnification herein shall release any rights or obligations of the Parties created by this Agreement. Each Party, for itself, its successors and assigns, fully release and discharge the other Parties, and the officers, directors, employees, shareholders, attorneys, accountants, other professional, insurers and agents of the other Parties (collectively, the "Agents"), and all entities related to the other Parties, including but not limited to heirs, executors, administrators, personal representatives, assigns, parent, subsidiary and sister corporations, affiliates, partners and co-venturers (collectively, the "Related Entities"), from all rights, claims, demands, actions or causes of action which each Party now has or may have against the other Parties from any source

whatsoever, whether or not arising from or related to the above recited facts and litigation, except those rights and obligations arising out of this Agreement.

4.02 This release is intended as a full and complete release and discharge of any and all claims that each Party may or might have against the other Parties. In making this release, each party intends to release the other Parties from any liability of any nature whatsoever for any claim of damages or injury or for equitable or declaratory relief of any kind, whether the claim, or any facts on which such claim might be based, is known or unknown to the Parties. The Parties expressly waive all rights under Section 1542 of the Civil Code of the State of California, which the Parties understand provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

4.03 The Parties acknowledge that they may hereafter discover facts different from or in addition to those which they now believes to be true with respect to the release of claims. The Parties agree that the foregoing releases shall be and remain effective in all respects notwithstanding such different or additional facts or any Party's discovery thereof.

4.04 No Party, nor any Agents nor any Related Entities, have made any statement or representation to any other Party regarding any fact relied upon in entering into this Agreement, and each Party expressly states it does not rely upon any statement, representation or promise of any other Party, or any Party's Agents or Related Entities, in executing this Agreement, or in making the settlement provided for herein, except as is expressly stated in this Agreement. Each Party to this Agreement has made such investigation of the facts pertaining to this settlement and this Agreement, and of all other matters pertaining thereto, as it deems necessary.

4.05 In entering into this Agreement, each Party assumes the risk of any misrepresentation, concealment or mistake. If any Party should subsequently discover that any fact relied upon by the Party in entering into this Agreement was untrue, or that any fact was concealed from that Party, or that the Party's understanding of the facts or of the law was incorrect, such Party shall not be entitled to any relief in connection therewith, including without limitation upon the generality of the foregoing, any alleged right or claim to set aside or rescind this Agreement. This Agreement is intended to be and is final and binding among the Parties.

4.06 In the event of litigation relating to this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees and costs. Each Party agrees to indemnify each other Party and its Agents and Related Entities, and each of them, and shall hold them harmless from and against any and all liability, loss, claim and/or expense arising directly or indirectly out of the enforcement or attempted enforcement of any of the liability, claims, demands, actions, causes of action and rights herein released and discharged.

Section 5. Dismissal of Litigation.

5.01 Watkins and Pacwind irrevocably authorize and direct their attorneys of record to sign and file with the appropriate courts dismissals of the entire Watkins Complaint and any related actions with prejudice to all litigation identified in the recitals above.

5.02 Teng and GWT irrevocably authorize and direct their attorneys of record to sign and file with the appropriate courts dismissals of the entire Teng Counter-Claim and any related actions with prejudice to all litigation identified in the recitals above.

5.03 Each Party shall bear its own attorneys' fees and costs in connection with these dismissals.

Section 6. Confidentiality

6.01 The parties agree to maintain confidential the fact of this Agreement, and the terms thereof. In response to inquiry, the parties shall only make the statement that the dispute has been satisfactorily resolved.

Section 7. Miscellaneous Provisions.

7.01 Entire Agreement. This Agreement contains the entire agreement of the Parties, and supersedes any prior written or oral agreements between them concerning the subject matter of this Agreement. This Agreement may only be waived, modified or amended by the written agreement of all Parties to this Agreement.

7.02 Partial Invalidity. In the event that any term, covenant, condition or provision of this Agreement shall be held by a court of competent jurisdiction to be invalid or against public policy, the remaining provisions shall continue in full force and effect.

7.03 No Waiver. The waiver by one Party of the performance of any covenant, condition or promise shall not invalidate this Agreement, nor shall it be considered as a waiver by such Party of any other (or the enforcement for subsequent breaches or failures of the same) covenant, condition or promise. The delay in pursuing any remedy or in insisting upon full performance for any breach or failure of any covenant, condition or promise shall not prevent a Party from later pursuing remedies or insisting upon full performance for the same or similar breaches or failures.

7.04 Headings. The headings, subheadings and numbering of the different paragraphs of this Agreement are inserted for convenience and reference only and are not to be taken as part of this Agreement or to control or affect the meaning, construction or effect of the same.

7.05. Governing Law. This Agreement shall be interpreted and enforced in accordance with the laws of the State of California.

7.06 Successors In Interest. Subject to any restrictions against assignment contained herein, and to any legal limitations on the power of the signatories to bind non-signatories to this Agreement, this Agreement shall inure to the benefit of, and shall be binding upon, the assigns, successors in interest, personal representatives, executors, estate heirs, legatees, agents and related entities of each of the Parties hereto.

7.07 Time Is Of The Essence. Time is of the essence in the performance of all obligations under this Agreement.

7.08 Necessary Acts. Each Party to this Agreement agrees to perform any further acts and execute and deliver any further documents that may be reasonably necessary to carry out the provisions of this Agreement.

7.09 Advice of Counsel. Each Party hereto, by its due execution of this Agreement, represents to every other Party that it has reviewed each term of this Agreement with its counsel in the above-referenced litigation, and that hereafter no Party shall deny the validity of this Agreement on the ground that the Party did not have advice of counsel generally or advice of its counsel in the aforementioned litigation. Each Party has had the opportunity to receive independent legal advice with respect to the advisability of making the compromise and settlement provided for herein, with respect to the meaning of California civil Code §1542.

7.10 Attorneys' Fees and Costs. Each Party shall bear its own attorneys' fees and costs in connection with the dispute and litigation referred to in the recitals and the preparation and execution of the Agreement. In the event of future litigation relating to this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees and costs.

7.11 Parties Have Not Transferred Rights or Claims. The Parties hereto each represent and warrant to the other Parties that they have not assigned or transferred to any third party any of the rights, claims, causes of action or items to be released or transferred which they are obligated to transfer or to release as part of this Agreement.

7.12 Authority. To Execute This Agreement. Each entity executing this Agreement represents that it is authorized to execute this Agreement. Each person executing this Agreement on behalf of an entity, other than an individual executing this Agreement on his or her own behalf, represents that he or she is authorized to execute this Agreement on behalf of said entity.

7.13 Good Faith Settlement. The Parties hereby agree that this Agreement is a good faith settlement of litigation as provided under California law.

7.14 Survival Of Representations. And Warranties. The Parties agree that all representations and warranties made by them in this Agreement shall survive the execution of this Agreement.

7.15 Construction. Each Party has cooperated in the drafting and preparation of this Agreement. In any construction to be made to this Agreement, or of any of its terms and provisions, the same shall not be construed against any Party.

7.16 Notices. All notices, requests, demands and other communications required or permitted to be given under this Agreement shall be in writing and shall either be delivered in writing personally or be sent by telegram or by regular or certified first class mail, postage prepaid, deposited in the United States mail, and properly addressed to the Party at its address set forth on the signature page of this Agreement, or at any other address that such Party may designate by written notice to the other Parties.

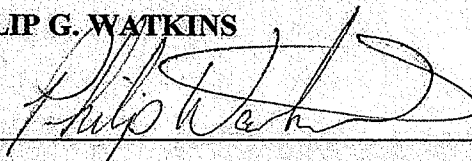
7.17 Execution. This Agreement may be executed in counterparts and by facsimile signature; provided, however, that any Party executing this Agreement by facsimile signature shall

PW

provide the original of his signature to every other Party within five (5) days.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first above listed.

PHILIP G. WATKINS



Address: 23930 Madison Street
Torrance, CA 90505

PACWIND TECHNOLOGY, LLC.



By: Phillip G. Watkins
Its: Principal Member

Address: 23930 Madison Street
Torrance, CA 90505

ANDY TENG

Address: 727 Brea Canyon Road, #6
Walnut, CA 91789

GLOBAL WIND TECHNOLOGIES, INC.

By: Andy Teng
Title: President

Address: 727 Brea Canyon Road, #6
Walnut, CA 91789

provide the original of his signature to every other Party within five (5) days.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first above stated.

PHILIP G. WATKINS

Address: 2390 Madison Street
Torrance, CA 90505

PACWIND TECHNOLOGY, LLC

By: Phillip G. Watkins
Its: Principal Member

Address: 2390 Madison Street
Torrance, CA 90505

ANDY TENG

Address: 727 Brea Canyon Road, #6
Walnut, CA 91789

GLOBAL WIND TECHNOLOGIES, INC.

By: Andy Teng
Title: President

Address: 727 Brea Canyon Road, #6
Walnut, CA 91789