

PATENT ASSIGNMENT

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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	ASSIGNMENT
CONVEYING PARTY DATA	
Name	Execution Date
Danionics International A/S	12/30/2005
RECEIVING PARTY DATA	
Name:	Danionics Asia Ltd.
Street Address:	30 Kwai Wing Road
Internal Address:	2/F Gold Peak Building
City:	Hong Kong
State/Country:	CHINA
PROPERTY NUMBERS Total: 1	
Property Type	Number
Patent Number:	6852138
CORRESPONDENCE DATA	
Fax Number:	(202)293-1877
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
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Correspondent Name:	Stephen L. Humphrey
Address Line 1:	818 Connecticut Avenue, NW
Address Line 4:	Washington, DISTRICT OF COLUMBIA 20006
NAME OF SUBMITTER:	Elizabeth Pignatello
Total Attachments: 9 source=Conditional_Settlement_dated_30.12.05[1]#page1.tif source=Conditional_Settlement_dated_30.12.05[1]#page2.tif source=Conditional_Settlement_dated_30.12.05[1]#page3.tif source=Conditional_Settlement_dated_30.12.05[1]#page4.tif source=Conditional_Settlement_dated_30.12.05[1]#page5.tif source=Conditional_Settlement_dated_30.12.05[1]#page6.tif source=Conditional_Settlement_dated_30.12.05[1]#page7.tif	

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ADVOKAT
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J.NR. HO-24-034500-CC

CONDITIONAL SETTLEMENT

On the date of this contract,

**The insolvent estate of
Danionics International A/S
Sivlandvænget 3
DK-5260 Odense S**
represented by Liquidator,
Attorney Lars Rasmussen,
Hunderupvej 71
5100 Odense C
(hereinafter referred to as
"the Insolvent Estate")

and

**1. Danionics A/S
Ny Vestergade 13, 2.
1471 København K**
(hereinafter referred to as *"Danionics"*)

and

**2. Danionics Asia Co. Ltd.,
Hong Kong**
(hereinafter referred to as
"the Shareholder")

(and collectively referred to as *"the Parties"*)

have entered into a conditional settlement on the following terms and conditions:

PREMISES

- 1.1. Danionics International A/S applied to the Bankruptcy Court in Odense for an administration order on 29 December 2004 and by order of 9 May 2005 the same Court ordered the company to be wound up.
- 1.2. Danionics had with effect from 1 May 2004 transferred the lithium polymer battery production business so far carried on by Danionics to Danionics International A/S and the Shareholder was the sole owner of the shares in Danionics International A/S.
- 1.3. In connection with Danionics International A/S' acquisition of the business the Shareholder and Danionics had also established a battery production facility in Shenzhen, China, and it was the intention to transfer all assets to that company.
- 1.4. As a result of the winding-up a number of disputes have subsequently arisen between the Parties. The purpose of this Settlement is to settle those disputes and to postpone further disputes to later consideration in the event that the Parties set up other claims against each other as part of the administration of the insolvent estate.

2. TRANSFER AND RECOGNITION OF TITLE TO PRODUCTION LINES 1 TO 4

- 2.1. The Parties agree that the dispute, which has arisen concerning the matter of title to the four production lines, shall be solved to the effect that the Insolvent Estate recognises the Shareholder's title to production lines 2 and 3, including accessories, which are in the factory in Shenzhen. Any disputes between the Shareholder and Danionics Shenzhen or any other party regarding the property right to the production lines 2 and 3 is of no concern to the Insolvent Estate. The Shareholder and Danionics both recognise the Insolvent Estate's title to production lines 1 and 4, including accessories, which are in Billund and Odense, Denmark.
- 2.2. The Parties agree that the value of production lines 2 and 3, including accessories, is fixed at USD 9,000,000. The amount shall be set off against The Shareholder's proof pursuant to Section 97 of the Danish Insolvency Act, which shall be reduced by the appropriate amount, cf. Section 5.7. As part of the Settlement, the Insolvent Estate recognises that the Insolvent Estate cannot set up any claim for annulment of the agreed set-off of the amount or further claims for payment of production lines 2 and 3 against Danionics or the Shareholder. Danionics and the Shareholder recognise that they cannot set up any claim against the Insolvent Estate, the Liquidator or the Bankruptcy Court for defects of any kind concerning production lines 2 and 3.

- 2.3. To the best of the Insolvent Estate's knowledge, there are no charges on production lines 2 and 3 in relation to third party. To the best of the Insolvent Estate's and the Liquidator's knowledge, no other third party rights exist concerning the two production lines.

3. TRANSFER AND RECOGNITION OF TITLE TO STOCKS

- 3.1. The Insolvent Estate recognises that the title to the stocks with Gold Peak Industries (Taiwan) Ltd., Taiwan belongs to the Shareholder. The value of the stocks has been agreed to be USD 1,000,000, which shall be set off against the claim proved. The Insolvent Estate shall not set up any claim for annulment of the set-off performed or for additional payment for the stocks. The Shareholder shall not set up any claim for compensation on account of defects concerning the stocks.
- 3.2. The Shareholder and Danionics recognise that the stocks in Odense and Billund and the Maccor equipment belong to the Insolvent Estate.

4. TRANSFER OF ALL IP RIGHTS FROM THE INSOLVENT ESTATE TO THE SHAREHOLDER

- 4.1. As part of the Settlement the Insolvent Estate shall transfer to the Shareholder all intellectual property rights belonging to the Insolvent Estate to the extent such rights exist, including, but not restricted to, patents, registered or unregistered, trademarks and names, registered or unregistered, including the right in the name of "Danionics" and the related device mark and all other trademarks and names registered in the name of the Insolvent Estate, and utility models, drawings and descriptions, regardless of whether they are available in hard copy or on files.
- 4.2. All rights shall be transferred in their present state and condition and without any kind of responsibility for the Insolvent Estate, the Liquidator, or the Bankruptcy Court. The Shareholder and Danionics know that neither the Insolvent Estate nor Danionics International A/S under an administration order has maintained the rights in the registered patents and trademarks, and that consequently there may be defects in title as regards the rights concerned. The Shareholder and Danionics shall bear the risk of any loss of rights as a consequence hereof. The Shareholder and Danionics have received a list of maintenance of patents from the Insolvent Estate. The Insolvent Estate does not vouch for the correctness of it. Consequently, the Insolvent Estate disclaims any liability for defects in fact and in law in the IP rights concerned. Any costs of re-registration in the name of the Shareholder shall be of no concern to the Insolvent Estate.

- 4.3.** The Insolvent Estate states that the Insolvent Estate has transferred rights to third party as follows:
- 4.3.1. The contract between Danionics and OQO Inc. was concluded in 2003 and concerned a battery package for OQO's ultra-portable computer.
- 4.3.2. The contract described the battery package to be delivered to OQO, consisting of two battery cells, electronic equipment for control of charge and discharge with various safety circuits, and a battery box containing the battery cells and the electronic equipment. The contract contained a maximum cost of development of the electronic part (firmware) and the battery box. If OQO did not take a specified number of battery packages, OQO should pay the development cost.
- 4.3.3. As OQO has not taken the expected quantity, and the rights in the battery package consequently still belonged to now Danionics International A/S in the process of compulsory winding-up, an agreement has been concluded between the Insolvent Estate and OQO that the rights in the electronic part and the battery box be transferred to OQO against cash payment of an agreed amount. Danionics International A/S also effected a number of approvals of the battery package to OQO. The approvals were effected in the name of Danionics International A/S, and the registrations/approvals have also been transferred to OQO.
- 4.3.4. However, all rights in the battery cell have remained with Danionics International A/S. The battery cell was developed by Danionics, later Danionics International A/S, irrespective of the agreement with OQO.
- 4.4. The contract between Danionics International A/S and Exensor Technology AB was concluded in 2004 and concerned a battery package for a surveillance project, which required a battery package of modular design with battery energy amounts from approx. 440 Wh to approx. 1325 Wh.
- 4.4.1. For development of the electronic part (firmware) and the modular battery box a maximum amount was fixed in the contract that Exensor should pay to Danionics International A/S if a specified number of modular battery packages were not taken.
- 4.4.2. As the agreed number of battery boxes have not been taken by Exensor, it has been agreed with the Insolvent Estate that Exensor pays an agreed amount to the Insolvent Estate against transfer of the rights in the electronic equipment developed (firmware) and the battery box of modular design, including the tools developed for production of certain plastic parts.
- 4.4.3. However, all rights in the battery cells have remained with the Insolvent Estate, just as in the contract with OQO. The battery cell was developed by Danionics A/S, later Danionics International A/S, irrespective of the agreement with Exensor.

- 4.5. The Shareholder and Danionics declare that they have been informed of and respect the said transfers and waive any claim against the Insolvent Estate and/or OQO or Exensor concerning the transfers that have taken place, regardless if any disputes concerning the scope and extent of the rights transferred to OQO and Exensor from the Estate may arise.
- 4.6. The purchase price for the IP rights have been agreed to DKK 1,190,000, which shall be paid by the Shareholder and Danionics jointly, divided equally by DKK 595,000 for each, when this Settlement has been finally approved by the creditors of the Insolvent Estate.
- 4.7. It follows from the transfer of the IP rights that none of the Parties shall subsequently be entitled to set up claims for compensation or other claims for payment against each other for use or infringement of patents, trademark rights or other intellectual property rights, neither during the winding-up proceedings nor prior to such proceedings.
- 4.8. In the event that the Insolvent Estate after the conclusion of the Settlement should set up claims for annulment or claims based on other grounds which are not known at present, the Shareholder and Danionics shall be entitled to claim a reduction in the purchase price of the transferred IP rights of DKK 350,000 and simultaneously prove such claim as pre-preferential claim I in the Insolvent Estate, cf. Section 93 of the Danish Insolvency Act.

5. WAIVER AND ACCEPTANCE OF VARIOUS CLAIMS SET UP BY THE INSOLVENT ESTATE AGAINST THE SHAREHOLDER AND DANIONICS

- 5.1. From Section 2.5 of the Master Agreement concluded by Danionics and the Shareholder on 30 April 2004 it appears that the Shareholder should pay USD 1 mill. to Danionics in payment of various liquidation costs. The Shareholder has transferred the amount to Danionics International A/S that has subsequently transferred the said amount to Danionics in accordance with the agreement between the Shareholder and Danionics. The Insolvent Estate has subsequently set up a claim for payment of an outstanding account of USD 1 mill., equal to the amount transferred, as it appears from the Insolvent Estate's books that the transfer has been entered as an "outstanding account" against the Shareholder.
- 5.2. As part of the Settlement the Insolvent Estate waives any claim based on the transfer of USD 1 mill. from Danionics International A/S to Danionics, as the Insolvent Estate in terms of settlement recognises the said transfer.
- 5.3. The Shareholder and Danionics recognise that the transfer concerned be set off against the loan disbursed by the Shareholder, which according to proof of 19 July 2005 amounts to USD 17,350,000.

- 5.4. It follows from the set-off effected that the Shareholder subsequently proves a claim for USD 16,350,000 in the Insolvent Estate. The Insolvent Estate recognises in terms of settlement that the set-off concerned is irrefutable.
- 5.5. In its Section 125 statement of 7 September 2005 the Insolvent Estate gave an account of a claim which is intended to be set up against Danionics of DKK 6,348.62. As part of the Settlement the Insolvent Estate waives its claim against Danionics.
- 5.6. Danionics has proved an outstanding account of DKK 784,265.39 as pre-preferential claim II, cf. Sections 93 and 94 of the Danish Insolvency Act. The Insolvent Estate shall pay further rent to Danionics of DKK 20,590.00 exclusive of VAT from 1 October 2005 and until the Insolvent Estate leaves the leased premises. The Insolvent Estate recognises this amount as pre-preferential claims I and II and shall pay the amount to Danionics in connection with the performance of this Settlement.
- 5.7. Referring to Section 97 of the Danish Insolvency Act, the Shareholder has proved an unsecured claim in the Insolvent Estate, which after a set-off of USD 1 mill. and a further set-off of USD 10,000,000 amounts to USD 6,350,000. The USD 10 mill. shall be set off in advance against the loan which the Shareholder granted the Insolvent Estate and subsequently against the bullet loan of USD 10 mill., which was raised in connection with the transfer of the business from Danionics to Danionics International A/S, now in the process of compulsory winding-up. In this Settlement the Parties have not determined whether the Shareholder's remaining claim is an unsecured claim or a subordinated claim. As part of this Settlement and provided that the Insolvent Estate does not set up further claims for annulment or other claims against the Shareholder and/or Danionics, the Shareholder waives its right to dividend of its claim.
- 5.8. The Parties declare that there are no other known claims at the time of conclusion of the Settlement. The Shareholder and Danionics also declare that according to their opinion no claims, which ought to have been known by the Insolvent Estate, exist at the date of signature of this agreement. The Shareholder and Danionics have been informed that the Insolvent Estate has not yet conducted any investigation related to possible revocable dispositions or any other relations, which may constitute claims for payment against the Shareholder or Danionics.

6. OTHER PROVISIONS

- 6.1. The Settlement is mutually conditional upon the approval of the creditors of the Insolvent Estate as well as upon the fulfilment of the entire Conditional Settlement. The Insolvent Estate shall inform all creditors of the Settlement and sub-

mit it to the ten largest creditors, except the Shareholder, Danionics and G.P. Batteries, for approval. Performance of the Settlement shall be effected within 21 days after the Insolvent Estate has notified Danionics and the Shareholder that the Settlement is final.

- 6.2. The Settlement shall not prevent the Parties from setting up new claims against each other. In the event that the Insolvent Estate wishes to set up a claim, the Insolvent Estate shall without undue delay send written notification hereof to the Shareholder and Danionics, who shall then without undue delay decide whether they will claim that the purchase price be reduced, cf. Section 4.6., and whether the Shareholder wishes to prove its claim as an unsecured claim in the Insolvent Estate.
- 6.3. The Insolvent Estate approves that the Insolvent Estate cannot set up either claims for annulment or other claims of any kind after 9 May 2006. This provision shall not prevent creditors from setting up claims pursuant to Section 131 of the Danish Insolvency Act.
- 6.4. In the event that disputes should otherwise arise between the Parties concerning the interpretation of this Settlement, such disputes shall be settled by the Bankruptcy Court in Odense. Danish law shall apply.
- 6.5. This Agreement has been made in a Danish and in an English version. In case of discrepancy the Danish text shall prevail.
- 6.6. Either Party shall pay its own costs of advisers in connection with the execution of this Settlement.

Odense,

For the Insolvent Estate: 6. januar 2006



Lars Rasmussen, Liquidator

Copenhagen, 20. December 2005

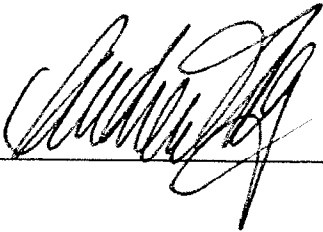
For Danionics A/S:



Karsten Borch

Hong Kong, December 30th, 2005

For the Shareholder:

A handwritten signature in black ink, written over a horizontal line. The signature is stylized and cursive, appearing to be 'Anders J.'.

ADVOKAT
Thomas Møller Kristensen
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8800 VIBORG
TLF. 87 27 11 00

J.NR. 110-043535-TMK-CCH

STATEMENT

The undersigned attorney, Mr Lars Rasmussen, Hunderupvej 71, DK-5100 Odense C, who is the liquidator of the insolvent estate Danionics International A/S, Sivlandvænget 3, DK-5260 Odense S hereby confirm that according to clause 4.1. of the Conditional Settlement dated 30 December 2005 between the insolvent estate of Danionics International A/S, Danionics A/S and Danionics Asia Ltd. all intellectual property rights, which belonged to Danionics International A/S have been assigned to Danionics Asia Ltd., 2/F, Gold Peak Building, 30 Kwai Wing Road, Kwai Chung, N.T., Hong Kong including the US trademarks registration no. 2720986 "Danionics" and registration no. 2480282 "Danionics - Power on the move" and the US patents registration no. 6280881, 6852138 and 6045951.

Odense, ²³ October 2008


Lars Rasmussen
liquidator