

PATENT ASSIGNMENT

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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	ASSIGNMENT
CONVEYING PARTY DATA	
Name	Execution Date
Sam Lichtenstein	01/09/2007
RECEIVING PARTY DATA	
Name:	Kardium Inc.
Street Address:	2100 - 1075 West Georgia Street
City:	Vancouver
State/Country:	CANADA
Postal Code:	V6E 3G2
PROPERTY NUMBERS Total: 1	
Property Type	Number
Application Number:	11436585
CORRESPONDENCE DATA	
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<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	206.622.4900
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ATTORNEY DOCKET NUMBER:	520055.407
NAME OF SUBMITTER:	Frank Abramonte
Total Attachments: 8 source=407_Assignment_Lichtenstein#page1.tif source=407_Assignment_Lichtenstein#page2.tif source=407_Assignment_Lichtenstein#page3.tif source=407_Assignment_Lichtenstein#page4.tif	

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ASSIGNMENT OF INTELLECTUAL PROPERTY AGREEMENT

This Assignment of Intellectual Property Agreement (this "**Agreement**") is entered into as of January 9, 2007 (the "**Effective Date**")

BETWEEN:

SAM LICHTENSTEIN, a medical doctor residing in Vancouver, British Columbia with a residential address at 6410 Cedarhurst Street, Vancouver, British Columbia V6N 1J1

(hereinafter referred to as the "**Vendor**")

AND:

KARDIUM INC., a corporation registered under the laws of Canada with its registered and records office at 2100 – 1075 West Georgia Street, Vancouver, British Columbia V6E 3G2

(hereinafter referred to as the "**Purchaser**")

(each of the foregoing hereinafter referred to as a "**Party**" and collectively the "**Parties**")

WHEREAS:

- A. The Vendor has rights in certain inventions (collectively, the "**Inventions**" as further defined under Section 1.1 below);
- B. The Vendor has agreed that the Purchaser is the preferred vehicle for commercializing the Inventions and has agreed to assign his rights to the Inventions in exchange for Common shares in the capital of the Purchaser; and
- C. The Parties wish to enter into this Agreement to transfer all rights in and to the Inventions to the Purchaser in exchange for the issuance of Common shares in the capital of the Purchaser pursuant to the provisions of Section 85(1) of the *Income Tax Act* (Canada) (the "**Act**").

NOW THEREFORE IN CONSIDERATION for the mutual promises and covenants set forth in this Agreement, the sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1 DEFINITIONS

1.1 The following terms shall have the meanings set forth in this Article 1.

- (a) "**Inventions**" shall mean collectively all the inventions disclosed under Schedule A, and any other idea, design, material, concept, technique, apparatus,

method, process, or discovery, whether or not patentable, that relates to the inventions disclosed in Schedule A.

- (b) **"Intellectual Property Rights"** shall mean all intellectual property rights worldwide arising under statutory or common law or by contract, now existing or hereafter filed, issued, or acquired, including all: (a) patent rights (including all rights under patent applications and any and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereon); (b) rights associated with works of authorship including mask work rights and copyrights (including all rights under copyright registrations and applications therefor); (c) rights relating to the protection of trade secrets, know how and confidential information; (d) rights in trademarks, service marks and trade names, and (e) any right analogous to those set forth herein and any other rights relating to intangible property.
- (c) **"Knowledge of the Vendor"** or equivalent expression shall mean the actual knowledge of the Vendor as of the Effective Date hereof.
- (d) **"Patent Applications"** shall mean the patent applications comprising part of the Inventions as disclosed under Schedule A.

ARTICLE 2 ASSIGNMENT OF INTELLECTUAL PROPERTY

2.1 Assignment by Vendor

The Vendor hereby irrevocably sells, grants, transfers, conveys and assigns to the Purchaser all of the right; interest and title that the Vendor may have in and to the Inventions and all Intellectual Property Rights related to or derived from the Inventions or the manufacture or use thereof as fully and entirely as the same would have been held and enjoyed by the Vendor had this assignment not been made (collectively the **"Transferred Property"**).

2.2 Purchase by Purchaser

The Purchaser hereby accepts the foregoing transfer under Section 2.1 and purchases the Transferred Property from the Vendor. [REDACTED]

2.3 Further Assurances

The Vendor shall execute, upon the Purchaser's written request and at the Purchaser's expense, all necessary papers and otherwise cooperate fully (at the Purchaser's expense) in the preparation, filing and/or prosecution of any applications to enable the Purchaser to obtain for itself or its nominees, patents, copyrights or other intellectual property or legal protection for the Inventions in any and all countries of the world, and to assign said patent; copyright or other intellectual property applications to the Purchaser.

ARTICLE 3
SECTION 85(1) ROLLOVER

3.1 Purchase Price

[REDACTED]

3.2 Election

The Parties shall jointly elect on the prescribed form and within the prescribed time, pursuant to Section 85(1) of the Act, and generally take all such steps as are necessary, in order that, for income tax purposes, the transfer of the Transferred Property will take place at the Vendor's cost amount of the Transferred Property (the "Elected Amount").

3.3 Adjustment of Purchase Price

[REDACTED]

3.4 Adjustment of Elected Amount

If the Parties agree amongst themselves (whether as a result of discussions with the Canada Revenue Agency or otherwise) to adjust the Elected Amount, then the Elected Amount shall be automatically and retroactively adjusted as of the Effective Date to the amount agreed upon by the Parties. The Parties agree to file any amended election required and to do all other acts to give effect to this adjustment.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Vendor

The Vendor represents and warrants to the Purchaser that:

- (a) To the Vendor's knowledge, all right, title and interest in and to the Transferred Property is owned by the Vendor free and clear from all liens, restrictions on transfer, security, interests, charges and encumbrances; and
- (b) The Vendor has not as of the Effective Date disclosed the Inventions by way of prior publication or other form of publicly available document, whether in electronic or hard copy format, other than through the Patent Applications.

4.2 Purchaser

The Purchaser represents and warrants to the Vendor that

- (a) it is a corporation duly formed and validly existing under the laws of Canada and that it has all the necessary corporate power and authority to enter into this Agreement, to purchase the Transferred Property, and to perform its obligations hereunder;
- (b) The execution, delivery and performance of this Agreement by it and the consummation of the transactions contemplated hereby have been duly authorized by all necessary corporate action on its part and will not violate or result in a breach or a default under any applicable law, judgment, order, writ, injunction or decree of any regulatory authority having jurisdiction over the Purchaser, or under the articles, by-laws or any resolutions of the board of directors or shareholders of the Purchaser; and
- (c) This Agreement constitutes a legal and binding obligation of the Purchaser enforceable against it in accordance with its terms.

4.3 Disclaimer

THE VENDOR EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES AND CONDITIONS OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NONINFRINGEMENT.

4.4 Survival

The representations and warranties of the Parties contained in this Agreement are the sole representations and warranties of the Parties hereunder and shall survive the completion of the transaction contemplated by this Agreement and shall continue in full force and effect for a period of three years for the benefit of the respective Parties.

ARTICLE 5 INDEMNITY

5.1 Indemnity to Vendor

The Purchaser shall indemnify and save the Vendor harmless from and against: (a) any third party claims or demands brought against the Vendor in connection with the Purchaser's use of the Transferred Property and all costs, damages and expenses (including reasonable legal fees) incurred by the Vendor in connection therewith, except to the extent any such claims or demands arise from a breach of any representations or Warranties given by a Vendor under Section 4.1 above, provided in each case that the Vendor promptly notifies the Purchaser of any such claim or demand; and allows the Purchaser sole control of the defense and settlement of any such claim or demand; and (b) any loss arising out of or pursuant to any claims or demands in connection with any breach of the Purchaser's representations or warranties under this Agreement and all costs, damages and expenses (including reasonable legal fees) incurred by the Vendor in connection therewith.

5.2 Indemnity to Purchaser

The Vendor shall indemnify and save the Purchaser harmless from and against any loss arising out of or pursuant to any claims or demands in connection with any breach of the Vendor's representations or warranties under this Agreement and all costs, damages and expenses (including reasonable legal fees) incurred by the Purchaser in connection therewith. The Purchaser's sole recourse against the Vendor under this section shall be with respect to the Common Shares issued to the Vendor hereunder and the Purchaser shall not under any circumstances have any right to payment in respect of any other property or assets of the Vendor.

5.3 Exclusive Remedy

The provisions under this Article 5 shall be the exclusive remedy of either Party for any breach of a representation or warranty under this Agreement by the other Party.

5.4 Survival

The provisions of this Article 5 shall survive termination of this Agreement.

ARTICLE 6 LIMITATION OF LIABILITY

THE PARTIES ACKNOWLEDGE THAT IN NO EVENT SHALL THE LIABILITY OF THE VENDOR TO THE PURCHASER, OR THE PURCHASER TO

THE VENDOR, ARISING FROM OR RELATING TO THIS AGREEMENT, UNDER ANY THEORY OF LIABILITY, EXCEED THE VALUE OF THE COMMON SHARES ISSUED TO THE VENDOR HEREUNDER.

**ARTICLE 7
MISCELLANEOUS**

7.1 Governing Law: Jurisdiction

This Agreement shall be governed by the laws of the Province of British Columbia and the federal laws of Canada applicable therein, and the federal and provincial courts in the City of Vancouver, Province of British Columbia shall have exclusive jurisdiction over any matters arising out of this Agreement.

7.2 Entire Agreement Modification

This Agreement, including all the Schedules attached hereto, constitutes the entire agreement among the Parties with regard to the subjects hereof and may be amended or modified only by a subsequent written amendment signed on behalf of all Parties, which specifically references this Agreement. There are no representations, warranties, terms, conditions, undertakings or agreements, whether written or oral, and whether express, implied or statutory, between the Purchaser and the Vendor other than as expressly set forth in this Agreement.

7.3 Notices

Any notice, demand, offer, request or other communication required or permitted to be given by a Party pursuant to the terms of this Agreement shall be in writing and shall be deemed effectively given the earlier of (i) when delivered personally, (ii) one (1) business day after being delivered by facsimile (with receipt of confirmation), (iii) one (1) business day after being deposited with a courier service that guarantees "next business day" delivery, or (iv) five (5) days after being deposited in the regular mail with postage prepaid, and addressed to the respective Party at the address first set out above or to such other address as a Party may request by notifying the other in writing pursuant to this Section 7.3.

7.4 Assignment

Neither Party may assign, transfer or delegate any of its rights or obligations hereunder without the prior written consent of the other Party. Subject to the foregoing, this Agreement shall enure to the benefit of and be binding upon the parties and their respective heirs, successors and permitted assigns.

7.5 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

7.6 Headings

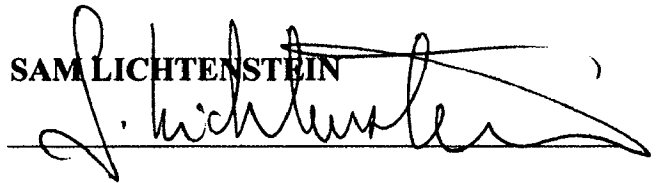
The headings contained in this Agreement are for purposes of convenience only and shall not affect the meaning or interpretation of this Agreement.

7.7 Facsimile Execution

A facsimile, telecopy or other reproduction of this Agreement may be executed by any of the Parties hereto and delivered by such Party by facsimile or any similar electronic transmission device pursuant to which the signature of or on behalf of such Party can be seen. Such execution and delivery shall be considered valid, binding and effective for all purposes.

IN WITNESS WHEREOF this Agreement has been signed, sealed and delivered by the Parties hereto as of the Effective Date.

SAM LICHTENSTEIN



KARDIUM INC.



By: Amos Michelson

Title: Chairman of the Board

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**SCHEDULE A
INVENTIONS**

1. CHF-System for improving diastolic dysfunction, patent application US11/497,309.
2. Closure-Method and device for closing holes in tissue, patent application US11/436,585.
3. Mapping and ablation-Intra-cardiac mapping and ablation method, patent application US11/475,950.
4. U.S. Patent Application No. 11/400,260 for a Method and Apparatus for Percutaneous Reduction of Anterior-posterior Diameter of Mitral Valve (published under U.S. Patent Application Publication No. 2006/0184242).
5. U.S. Patent Application No. 10/622,129, for Methods and Devices for Altering Blood Flow Through the Left Ventricle (published under U.S. Patent Application Publication No. 2005/0015109).

6, Bone repair using wires. *flu a.u*

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