

PATENT ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	LICENSE
CONVEYING PARTY DATA	
Name	Execution Date
KREPO UK LIMITED	06/16/2010
RECEIVING PARTY DATA	
Name:	ABSL POWER SOLUTIONS LIMITED
Street Address:	Denchi House
Internal Address:	Thurso Business Park
City:	Thurso, Caithness
State/Country:	UNITED KINGDOM
Postal Code:	KW14 7XW
PROPERTY NUMBERS Total: 1	
Property Type	Number
Patent Number:	5897973
CORRESPONDENCE DATA	
Fax Number:	(703)491-8444
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	703-491-8880
Email:	WilliamHolt@HoltLawOffices.com
Correspondent Name:	William H Holt
Address Line 1:	12311 Harbor Drive
Address Line 4:	Woodbridge, VIRGINIA 22192
ATTORNEY DOCKET NUMBER:	5897973 LICENSE
NAME OF SUBMITTER:	William H. Holt
<p>Total Attachments: 9</p> <p>source=KrePo-ABSL-license#page1.tif</p> <p>source=KrePo-ABSL-license#page2.tif</p> <p>source=KrePo-ABSL-license#page3.tif</p>	

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PATENT LICENSE AGREEMENT

THIS PATENT LICENSE AGREEMENT (the "*Agreement*") is made and effective, as of ~~16 June 2011~~ the "*Effective Date*", by and between KREPO UK LIMITED, a limited company organized under the laws of England and Wales ("*Licensor*"); and ABSL POWER SOLUTIONS LIMITED., a limited company organized under the laws of England and Wales ("*Licensee*").

RECITALS

WHEREAS, Licensor desires to grant a Patent License (as defined below) to Licensee of the Licensed Patents (as defined below), and Licensee desires to accept such Patent License, all on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the foregoing premises, the terms, conditions and other covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. DEFINITIONS

Unless otherwise defined in Section 1, capitalized terms used herein shall have the respective meanings assigned to them elsewhere in this Agreement.

- 1.1. "**Business Day**" means a day (other than a Saturday or Sunday) on which the clearing banks in the City of London are open for business, and "**Business Hours**" means between the hours of 09.00 and 17.00 inclusive local time.
- 1.2. "**Exclusive Field**" means the research, development, manufacture, distribution, sale and maintenance of custom, portable, battery-based power solutions based upon re-chargeable Li-ion technology for use by Sovereign Military, Police and Security Forces (i) in support of dismounted soldiers or operational personnel, and (ii) for use in power systems for unmanned aerial, ground and underwater vehicles, robots and weapons targeting systems. For the avoidance of doubt, the Exclusive Field does not include use of re-chargeable Li-ion technology in civilian or consumer applications, except where such technology has been specifically adapted to meet military, police or security specifications.
- 1.3. "**Improvements**" means all patentable or non-patentable inventions, discoveries, technology and information of any type whatsoever, whether known to the Licensor or Licensee on the Effective Date or later conceived, developed or reduced to practice by Licensor or Licensee or any employee, agent, contractor, or permitted sublicensee, including methods, processes, technical information, knowledge, experience and know-how which use, incorporate, derive from, are based on or could not be conceived, developed or reduced to practice without infringing the Licensed Patents, and any derivative terms shall have corollary meanings.

- 1.4. **"Licensed Patents"** means the patents set forth in Schedule 1.
- 1.5. **"Licensee Group"** means Licensee together with each of those entities (i) in which it owns more than fifty percent (50%) of the voting interest in and to any of the capital, profits or revenue of such entity, or (ii) as to which it owns or possesses by contract or otherwise, the right to appoint, designate or have elected a majority of the persons who direct or control policy decisions of the entity, from time to time, but in each case only for so long as Licensee owns or possesses such interests or rights.
- 1.6. **"Patent License"** means the license granted by Licensor to Licensee pursuant to Section 2.1.
- 1.7. **"Person"** means an individual, partnership, joint venture, association, corporation, limited liability company, trust or any other legal entity.
- 1.8. **"Sovereign Military, Police and Security Forces"** means organizations authorized by (i) a nation officially recognized by the United Nations as a sovereign nation or any political subdivision thereof or (ii) any other territory or geopolitical entity with the right of self-defense or police powers under international or domestic law, to use force, including use of weapons, in its own defense or in the maintenance of internal law and order, to combat actual or perceived military threats or threats to its sovereignty, homeland security, or rights of self-determination, or to enforce duly enacted laws, court orders or other decisions of a recognized legal authority of any such sovereign nation, political subdivision, territory or geopolitical entity.
- 1.9. **"Term"** means the period from the Effective Date through and including the last date of expiration of the protections afforded by applicable law under any Licensed Patent.

1.10. **Other Definitions and Interpretive Matters**

Unless otherwise expressly provided, for purposes of this Agreement, the following rules of interpretation shall apply:

- 1.10.1. Gender and Number. Any references in this Agreement to gender shall include all genders, and words imparting the singular number only shall include the plural and vice versa.
- 1.10.2. Headings. The division of this Agreement into Sections and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect or be utilized in construing or interpreting this Agreement. All references in this Agreement to any "Section" are to the corresponding Section of this Agreement unless otherwise specified.
- 1.10.3. Herein. Words such as "herein," "hereinafter," "hereof," and "hereunder" refer to this Agreement as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires.

- 1.10.4. Including. The word “including” or any variation thereof means “including, without limitation” and shall not be construed to limit any general statement that it follows to the specific or similar items or matters immediately following it.
- 1.10.5. Schedules. The Schedules attached to this Agreement shall be construed with and as an integral part of this Agreement to the same extent as if the same had been set forth at length herein.
- 1.10.6. Draftsmanship. The parties are equally responsible for the preparation of this Agreement, and in any proceeding the terms hereof will not be more strictly construed against one party relative to the other.

2. LICENSED PATENTS

- 2.1. **Exclusive Patent License of the Licensed Patents.** During the Term but subject to the remaining terms of this Agreement, Licensor does hereby grant to Licensee, an irrevocable, perpetual, royalty-free, exclusive, non-transferable, fully paid-up license under the Licensed Patents to make, have made, use, Improve, create Improvements, sublicense (as contemplated by Section 2.3), import, sell and offer to sell products and services in the Exclusive Field.
- 2.2. **Non-Exclusive Patent License of the Licensed Patents.** During the Term but subject to the remaining terms of this Agreement, Licensor does hereby grant to Licensee, an irrevocable, perpetual, royalty-free, non-exclusive, non-transferable, fully paid-up license under the Licensed Patents to make, have made, use, Improve, create Improvements, sublicense, import, sell and offer to sell products and services generally and not otherwise within the scope of the Exclusive Field.
- 2.3. **Restrictions on Patent License.** Notwithstanding Sections 2.1 and 2.2, Licensee
- (i) Licensee shall not sublicense, or otherwise permit any Person to use, the Licensed Patents, except that Licensee may sublicense the Licensed Patents to one or more members of the Licensee Group, limited to the purposes set forth in Sections 2.1 and 2.2 and subject to the further provisions of this Section 2.3;
 - (ii) Licensee shall comply with all applicable laws, which compliance includes Licensee’s agreement to neither export nor re-export any product or service covered by any claim in the Licensed Patents without the appropriate United States, United Kingdom or other government licenses; and
 - (iii) all sublicenses from Licensee to members of the Licensee Group (A) shall contain the rights and restrictions set forth in Sections 2.1 and 2.2 with respect to the Patent License granted to Licensee and subject such members of the Licensee Group

to the restrictions set forth in Section 2.3 (B) shall be diligently enforced by Licensee.

- 2.4. **Ownership of Improvements.** The entire right, title and interest in and to all Improvements conceived, developed or reduced to practice by or on behalf of Licensee, will be owned solely by Licensee. The entire right, title and interest in and to all Improvements conceived, developed or reduced to practice by or on behalf of Licensor, will be owned solely by Licensor.
- 2.5. **No Implied License.** The Patent License granted in this Agreement will not be construed to confer any rights upon Licensee by implication or otherwise as to any technology not specifically identified in this Agreement as "Licensed Patents."

3. COOPERATION

- 3.1. **General.** Each of Licensor and Licensee shall cooperate with one another as shall be necessary or appropriate to enforce either's rights in and to the Licensed Patents and this Patent License. Such cooperation shall include access to relevant books, records and personnel and agents, upon reasonable advance notice and during normal business hours, and further subject to not unreasonably disrupting normal business operations. The party granted access to the other's personnel and agents shall reimburse the other for the reasonable costs of providing such cooperation.

4. DISCLAIMER OF REPRESENTATIONS AND WARRANTIES; INDEMNITY

- 4.1. **Disclaimer of Representations and Warranties.** LICENSOR EXPRESSLY DISCLAIMS EACH AND EVERY WARRANTY OF EVERY KIND, INCLUDING THE WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE AND THE WARRANTY OF NON-INFRINGEMENT. LICENSOR MAKES NO WARRANTIES IN THIS AGREEMENT AND LICENSEE TAKES THE LICENSED PATENTS "AS IS, WHERE IS".
- 4.2. **Indemnity of Licensee.** Licensor hereby agrees to indemnify and hold Licensee and each of its directors, officers, employees, agents and representatives, and its successors and assigns, harmless from and against, all liabilities, costs, expenses and claims which have arisen or may arise in connection with any products or services made, used, created, Improved, sublicensed, imported sold or offered for sale by or on behalf of Licensor on or after the date hereof.
- 4.3. **Indemnity of Licensor.** Licensee hereby agrees to indemnify and hold Licensor and each of its directors, officers, employees, agents and representatives, and its successors and assigns, harmless from and against, all liabilities, costs, expenses and claims which have arisen or may arise in connection with any products or services made, used,

created, Improved, sublicensed, imported sold or offered for sale by or on behalf of Licensee or any of its sublicensees on or after the date hereof.

- 4.4. **Maintenance Fees and Annuities.** Following the Effective Date, Licenser shall take all necessary steps, to pay or cause to be paid to the United States Patent and Trademark Office and the UK Patent Office, as and when the same shall become due and payable, all maintenance, annuity or similar fees required to be paid during the Term in order to keep the Licensed Patents in full force and effect for the full term thereof. If Licenser decides in its discretion not to continue paying such fees with respect to any Licensed Patent, it will give written notice of such decision to Licensee not less than thirty (30) days prior to the date on which any lapse of the affected Licensed Patent for failure to pay any such would become permanent, and at the request of Licensee, Licenser will transfer and assign the affected Licensed Patent, for nominal consideration, on an "AS-IS, WHERE IS" basis to Licensee, whereupon such Licensed Patent shall cease to be subject to this Agreement and shall be the sole property and responsibility of Licensee. The indemnity provisions of Sections 4.2 and 4.3 shall survive the termination of this Agreement as to any Licensed Patent transferred to Licensee hereunder.

5. DISPUTE RESOLUTION; GOVERNING LAW

- 5.1. The construction, validity and performance of this Agreement are governed by the laws of England and the parties submit to the exclusive jurisdiction of the English courts. Each party irrevocably waives any objection which it may now or later have to proceedings being brought in the English Courts (on the grounds that the English courts are not a convenient forum or otherwise).

6. MISCELLANEOUS

- 6.1. This Agreement may not be amended, changed, supplemented, waived or otherwise modified except by an instrument in writing signed by all parties. This Agreement shall be binding on the parties hereto and their lawful successors. Licensee shall not assign any of its rights hereunder (except for Licensee's limited rights to sublicense under Section 2.3) without the express written consent of Licenser. Any purported assignment in violation of the preceding sentence shall be null and void.
- 6.2. The failure of any party hereto to exercise any right, power or remedy provided under this Agreement or otherwise available in respect hereof at law or in equity, or to insist upon compliance by any other party hereto with its obligations hereunder, and any custom or practice of the parties at variance with the terms hereof, shall not constitute a waiver by such party of its right to exercise any such or other right, power or remedy or to demand such compliance.
- 6.3. This Agreement is not intended to be for the benefit of and shall not be enforceable by any Person who is not a party hereto. Nothing in this

Agreement, express or implied, is intended to or shall (i) confer on any Person other than the parties hereto and their respective successors any rights (including third-party beneficiary rights), remedies, obligations or liabilities under or by reason of this Agreement or (ii) constitute the parties hereto as partners or as participants in a joint venture. This Agreement shall not provide third parties with any remedy, claim, liability, reimbursement, cause of action or other right in excess of those existing without reference to the terms of this Agreement. Without limiting the foregoing, this Agreement does not confer any rights on any Person (other than the parties to this Agreement) pursuant to the Contracts (Rights of Third Parties) Act 1999.

- 6.4. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies each signed by less than all, but together signed by all, the parties hereto.
- 6.5. The provisions of this Agreement are severable, and in the event that any one or more provisions, or any portion thereof, are deemed illegal or unenforceable, the remaining provisions or portions thereof, as the case may be, shall remain in full force and effect unless the deletion of such provision or portion thereof shall cause this Agreement to become materially adverse to either party, in which event the parties shall use their respective commercially reasonable efforts to arrive at an accommodation that best preserves for the parties the benefits and obligations of the offending provision or portion thereof.
- 6.6. This Agreement sets forth the entire agreement and understanding between the parties as to the subject matter hereof and merge all prior discussions between them. Neither party shall be bound by any warranties, understandings or representations with respect to such subject matter other than as expressly provided herein, in prior written agreements, or in a writing executed with or subsequent to the execution of this Agreement by an authorized representative of the party to be bound thereby.
- 6.7. All communications between the parties with respect to this Agreement shall: (i) be delivered by hand, or sent by first-class prepaid post, to the address in Great Britain of the addressee as set out below or to such other address as the addressee notifies for the purpose of this Section 6.7, or (ii) be sent by fax to the fax number stated below or as notified for the purpose of this Section. Communications shall be deemed to have been received as follows: (a) (if sent by post) two Business Days after posting; (b) (if delivered by hand) on the day of delivery, if delivered at least two hours before the close of Business Hours on a Business Day, and otherwise on the next Business Day; and (c) (if sent by fax) at the time of transmission, if received at least two hours before the close of Business

Hours on a Business Day, and otherwise on the next Business Day. The address and fax numbers of each party are:

if to Licensor, to:

3rd Floor
11 Strand
London
WC2N 5HR
UK
Attention: Ralph Forster
Fax No.: 0207 389 1541


if to Licensee, to:

Denchi House
Thurso Business Park
Thurso, Caithness
KW14 7XW
UK
Attention: Finance Director
Fax No.: 0184 780 8080

[Signature Page Follows]

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be duly executed on its behalf by one of its duly authorized officers as of the date first written above.

KREPO UK LIMITED

By: 
Name: R N FORSTER
Title: DIRECTOR

ABSL POWER SOLUTIONS LIMITED

By: 
Name: C G MURRAY
Title: DIRECTOR

Schedule 1

Licensed Patents

U.S. Patent No. 5897973, issued 27 April 1999, titled LITHIUM CELL RECHARGING

GB Patent No. 2,313,497, entitled LITHIUM CELL RECHARGING