

PATENT ASSIGNMENT

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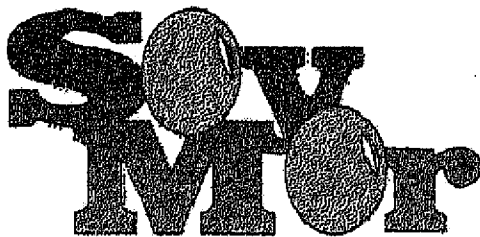
SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Contract (Memorandum of Understanding)
CONVEYING PARTY DATA	
Name	Execution Date
SoyMor Cooperative	01/19/2007
RECEIVING PARTY DATA	
Name:	POS Pilot Plant Corporation
Street Address:	118 Veterinary Road
City:	Saskatoon, Saskatchewan
State/Country:	CANADA
Postal Code:	S7N 2R4
PROPERTY NUMBERS Total: 1	
Property Type	Number
Application Number:	11624064
CORRESPONDENCE DATA	
Fax Number:	(310)595-3400
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	310-595-3090
Email:	laccprosecution@dlapiper.com
Correspondent Name:	William L. Androlia
Address Line 1:	1999 Avenue of the Stars, Suite 400
Address Line 4:	Los Angeles, CALIFORNIA 90067
ATTORNEY DOCKET NUMBER:	377819-000001
NAME OF SUBMITTER:	William L. Androlia
Total Attachments: 5 source=Contract - Memorandum of Understanding#page1.tif source=Contract - Memorandum of Understanding#page2.tif source=Contract - Memorandum of Understanding#page3.tif source=Contract - Memorandum of Understanding#page4.tif source=Contract - Memorandum of Understanding#page5.tif	

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15200 780th Avenue
Albert Lea, MN 56007
507-448-124 Fax 507-448-2042
Website: www.soymor.com

MEMORANDUM of UNDERSTANDING
BETWEEN

SoyMor Cooperative
And
POS Pilot Plant Corporation

This MEMORANDUM of UNDERSTANDING is hereby made and entered into by and between SoyMor Cooperative (a Minnesota, U.S. Cooperative), hereinafter referred to as SoyMor, and POS Pilot Plant Corporation (a Saskatchewan, Canada Corporation), hereinafter referred to as POS.

PURPOSE:

The purpose of this MEMORANDUM of UNDERSTANDING (MoU) is to continue to develop and possibly implement the urea complexation process for soybean oil (the "PROCESS") that both SoyMor and POS have worked on jointly, and as filed by SoyMor on July 27, 2006 in United States Patent Application Serial Number 11/415,596 filed on June 27, 2006 and amended by SoyMor on October 5, 2006 (the "PATENT APPLICATION"). The market value of the process will not be established until some time in the future, because further research, testing and practical application is required. The MoU will serve as a foundation document until such time that more detailed and binding documents can be created. Progress toward commercialization and establishing market value shall be reviewed on an annual basis commencing 12 months from the date of this agreement.

STATEMENT of MUTUAL BENEFIT and INTEREST:

SoyMor and POS will operate in good faith in a combined effort to research, develop, and implement the PROCESS for soy oil. It is the belief by both SoyMor and POS that by working together the potential for successful implementation of the PROCESS will be greater.

SOYMOR SHALL

- 1) Agree to forward to POS any correspondence received from the USPTO or any other Patent Office regarding prosecution of the PATENT APPLICATION immediately after receipt of such correspondence, and to review with POS any outgoing correspondence regarding prosecution of the PATENT APPLICATION and not to file with the USPTO or any other Patent Office such outgoing correspondence without consent from POS, which consent shall not be unreasonably withheld.
- 2) Use POS for SoyMor's future outsourcing needs in the areas of:
 - a. Research and development in regards to the PROCESS.
 - b. pilot plant scale work, paying POS its normal fees structure at the time the work is performed.
- 3) Provide POS with an up-front, nonrefundable prepayment of any future royalties due POS under (5) below in the amount of \$30,000, subject to approval of such payment by SoyMor's Board. In the event approval of such payment is not obtained from SoyMor's Board within thirty days of the date this Memorandum is executed by both SoyMor and POS, this Memorandum of Understanding shall be void *ab initio*, except that SoyMor shall remain bound by the obligations set forth in paragraph (1) above..
- 4) Have the rights to practice the PATENT APPLICATION and resulting patent only in its plant located at 15200 780th Avenue, Albert Lea, MN without paying POS any additional fees.
- 5) Have the exclusive right to create sublicenses or royalty agreements with others for the practice of the PROCESS
 - a. The revenue stream created by such sublicensing or royalty activities will be shared with POS at a rate of 40% to POS and 60% remaining with SoyMor.
 - b. At its discretion dictate the terms of the sublicensing and royalty agreements in regards to soybean oil.
- 6) Have an exclusive one-year "first rights of refusal" option to acquire exclusive licensing rights for palm oils.
- 7) Have the sole unrestricted right to sell, assign, transfer and otherwise convey its right, title and interest in the PROCESS, the PATENT APPLICATION and this Memorandum of Understanding to any successor in interest to the plant located at 15200 780th Avenue, Albert Lea, MN without requiring consent from or any payment to POS.
- 8) Pay ½ of all past and future costs involved in preparing, filing and prosecuting the PATENT APPLICATION.

POS SHALL

- 1) Assist SoyMor with prosecution of the PATENT APPLICATION, including providing counsel for SoyMor with Udaya Wanasundara's Inventor's Declaration immediately upon POS's receipt of this MoU executed by SoyMor.

- 2) Have the exclusive rights to create a license or royalty agreement with others for the practice of the urea complexation process for all oils except soybean oil.
 - a. The revenue stream created by such sublicensing or royalty activities will be retained entirely by POS.
 - b. At its discretion dictate the terms of the sublicensing and royalty agreements in regards to raw materials other than soybean oil.
- 3) Have the sole unrestricted right to sell, assign, transfer and otherwise convey its right, title and interest in the PROCESS, the PATENT APPLICATION and this Memorandum of Understanding to any successor in interest of substantially the entire business assets of POS without requiring consent from or any payment to SoyMor.
- 4) Pay ½ of all past and future costs involved in preparing, filing and prosecuting the PATENT APPLICATION.

IT IS UNDERSTOOD BY BOTH PARTIES THAT THIS DOCUMENT SHALL
SERVE AS A FOUNDATION ON WHICH MORE FORMAL, DEFINED AND
BINDING AGREEMENTS WILL BE CREATED

Principal contacts

Roger Peterson
President
SoyMor Coop
Board of Directors

Paul Fedec
POS Pilot Plant Corporation
118 Veterinary Road
Saskatoon, Canada S7N 2R4

Signature

Date



Signature



Date

- 2) Have the exclusive rights to create a license or royalty agreement with others for the practice of the urea complexation process for all oils except soybean oil.
 - a. The revenue stream created by such sublicensing or royalty activities will be retained entirely by POS.
 - b. At its discretion dictate the terms of the sublicensing and royalty agreements in regards to raw materials other than soybean oil.
- 3) Have the sole unrestricted right to sell, assign, transfer and otherwise convey its right, title and interest in the PROCESS, the PATENT APPLICATION and this Memorandum of Understanding to any successor in interest of substantially the entire business assets of POS without requiring consent from or any payment to SoyMor.
- 4) Pay ½ of all past and future costs involved in preparing, filing and prosecuting the PATENT APPLICATION.

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