

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	CORRECTIVE ASSIGNMENT
NATURE OF CONVEYANCE:	Corrective Assignment to correct the Recordation Form Cover Sheet previously recorded on Reel 026104 Frame 0728. Assignor(s) hereby confirms the text of the original Assignment has not been changed..
CONVEYING PARTY DATA	
Name	Execution Date
Graham Martin	06/16/2010
RECEIVING PARTY DATA	
Name:	Impact Systems UK Limited
Street Address:	249 West George Street
City:	Glasgow, G2 4RB, Scotland
State/Country:	UNITED KINGDOM
PROPERTY NUMBERS Total: 1	
Property Type	Number
Application Number:	12300500
CORRESPONDENCE DATA	
Fax Number:	
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	208-345-1122
Email:	judy@dykaslaw.com
Correspondent Name:	Scott D. Swanson
Address Line 1:	P. O. BOX 877
Address Line 4:	Boise, IDAHO 83701
ATTORNEY DOCKET NUMBER:	MARG101NUS
NAME OF SUBMITTER:	Scott D. Swanson
Total Attachments: 12 source=marg101nus_corrected_coversheet_as_filed#page1.tif source=marg101nus_corrected_coversheet_as_filed#page2.tif source=marg101nus_corrected_coversheet_as_filed#page3.tif source=marg101nus_orig_coversheet#page1.tif	

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TO:FRANK J. DYKAS COMPANY:PO BOX 877

PATENT ASSIGNMENT

Electronic Version v1.1
Stylesheet Version v1.104/11/2011
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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	ASSIGNMENT
CONVEYING PARTY DATA	
Name	Execution Date
Graham Martin	06/16/2010
RECEIVING PARTY DATA	
Name:	Impact Technologies, LLC
Street Address:	200 Canal View Boulevard
City:	Rochester
State/Country:	NEW YORK
Postal Code:	14623
PROPERTY NUMBERS Total: 1	
Property Type	Number
Application Number:	12300500
CORRESPONDENCE DATA	
Fax Number:	(888)388-6035
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	2083451122
Email:	julie@dykaslaw.com
Correspondent Name:	Frank J. Dykas
Address Line 1:	PO Box 877
Address Line 4:	Boise, IDAHO 83701
ATTORNEY DOCKET NUMBER:	MARG101NUS
NAME OF SUBMITTER:	Frank J. Dykas
Total Attachments: 8 source=marg101nus_assignment#page1.tif source=marg101nus_assignment#page2.tif source=marg101nus_assignment#page3.tif source=marg101nus_assignment#page4.tif source=marg101nus_assignment#page5.tif source=marg101nus_assignment#page6.tif source=marg101nus_assignment#page7.tif source=marg101nus_assignment#page8.tif	

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TECHNOLOGY TRANSFER AGREEMENT

THIS ASSIGNATION is made by Graham Martin, residing at 34 Old Station Court, Bothwell, G71 8PE, Scotland, United Kingdom ("Seller"), to and for the benefit of Impact Systems UK Limited, a private limited company incorporated in Scotland under the Companies Act 2006 on 1 June 2010 with company number SC379544 and having its registered office at 249 West George Street, Glasgow, G2 4RB, Scotland, United Kingdom ("Buyer").

WHEREAS

- (A) The Seller is a UK resident engineer with specialist knowledge and registered intellectual property in relation to fluid diagnostics and industrial fluid sensing (the "Business").
- (B) The Buyer is a subsidiary of Impact US and has been established to acquire, and with Impact US commercialize, the Seller's Business Technology and know-how in both the US and the UK.
- (C) On or around the date hereof, the Buyer and the Seller and Impact US and the Seller entered into employment agreements (the "Employment Agreements"), pursuant to which Buyer and Impact US have each respectively agreed to employ the Seller as Director of Engineering and benefit from the Seller's know-how and expertise.
- (D) It is a condition of the Employment Agreements that the Seller assign and/or transfer to the Buyer the Seller's Business Technology (as hereinafter described).

NOW THEREFORE the parties hereto agree as follows:

1. Definitions

1.1 In this Assignment, the following terms shall have the following meanings:

"Affiliate" means any Person which controls, or is controlled by, or is under common control with such Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling", "controlled by" and "under common control with"), as used with respect to a Person, means ownership of more than 50% of the stock, membership interest or other equity or ownership interest of such Person or the right to vote more than 50% of the equity interest in such person;

"Business Technology" means the Intellectual Property used by the Seller in relation to the Business, including but not limited to the Core Technology;

"Claim" means a claim for a breach, or alleged breach, of the warranties or indemnity under Clause 2.4.1;

"Core Technology" means the Intellectual Property listed at Schedule A;

"Intellectual Property" means intellectual property rights in relation to patents, inventions,

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processes, the assigns, formulae, know-how, trade secrets, industrial models, confidential and technical information, manufacturing, engineering and technical drawings, product specifications, software, laboratory notebooks, prototypes, business plans, sales plans, customer lists and confidential information;

"Impact US"

means Impact Technologies LLC, a domestic limited liability company, incorporated on 27 April 1999 in Monroe, New York with its registered address at 200 Canal View Boulevard, Suite 300, Rochester, New York 14623;

"Person"

shall mean a natural person; a corporation (for profit or not-for-profit); an association; a partnership (general or limited); a joint venture; a trust; a government or political department, subdivision, or agency; or any other entity;

"Seller's Solicitors' Account"

means Macdonald Henderson Limited, The Royal Bank of Scotland, Account No. 10306933, Sort Code 83-07-06; and

"Schedule"

means the schedules A and B attached hereto.

- 1.2 References to statutory provisions shall be construed as references to those provisions as respectively amended or re-enacted or as their application is modified by any other provisions (whether made before or after the date of this Assignment) from time to time.
- 1.3 References to Clauses or Parts are to clauses of this Assignment and the parts of the Schedule and references to sub-clauses are to sub-clauses of the Clause in which the reference appears.
- 1.4 Headings are inserted for convenience only and shall not affect the construction of this Assignment.
- 1.5 Words in the singular include the plural and vice versa and words in one gender include any other gender.
- 1.6 Except as expressly set out in this Assignment, any lists contained in any part are for guidance only and are not exhaustive or complete lists of the items in question and shall not constitute any warranty in respect of the ownership of the listed items or otherwise by the Seller.
2. Transfer of Intellectual Property
 - 2.1 Assignment of Intellectual Property
 - 2.1.1 In consideration of the Buyer paying to the Seller SEVENTY FIVE THOUSAND POUNDS STERLING (£75,000.00) (the "Cash Sum") (exclusive of any VAT which may be payable by the Buyer thereon) and in implement of the Employment Agreements, the Seller hereby assigns, transfers and conveys to Buyer and Buyer hereby acquires from the Seller full right, title and interest in and to the Business Technology.
 - 2.1.2 The Buyer shall pay the Seller the Cash Sum in cleared funds to the Seller's Solicitors' Account, as PAH/M578.3

follows:

- (i) FIFTY THOUSAND POUNDS STERLING (£50,000) upon execution of this Assignment; and
- (ii) TWENTY FIVE THOUSAND POUNDS STERLING (£25,000) upon recordal of the transfer of ownership of the Patents / Patent Applications set out in Part 2 of Schedule A or two (2) business days after the execution of this Assignment, whichever date is the later.

2.2 Further Assurances

- 2.2.1 The Seller shall, from time to time, upon reasonable written request of the Buyer, and at the Buyer's expense, make, do and execute or cause or procure to be made, done and executed all such further acts, deeds, assurances or documents, whether for more effectually and completely vesting in Buyer the Business Technology, or any portion thereof or right therein, in accordance with the terms of this Agreement.
- 2.2.2 The Seller agrees that he shall hold in trust for the Buyer, and transfer to the Buyer at such time and in such manner as the Buyer may direct, any rights which was intended to be transferred, assigned and conveyed hereby, as to which title may not have passed to Buyer by virtue of this Assignment or any other document which may hereafter be executed and delivered in pursuance of the foregoing covenants.
- 2.2.3 The Buyer shall be wholly responsible for the completion and filing (and associated fees) in respect of recordation of the change of ownership of any and all of the Core Technology, including the lodging of a UK IPO Form 21 (sample attached as Schedule B) within the appropriate timescales.

2.3 Further Assurances Regarding Patents Improvements

In furtherance of its obligations contained in section 2.2.1 of this Assignment, the Seller covenants and agrees that it will communicate to the Buyer, its successors, legal representatives and assigns any facts known by it respecting the improvements that are the subject of the Core Technology and (all at the expense of the Buyer) testify in any legal proceeding, sign all lawful papers, execute all divisional, continuing and reassurance applications, make all rightful oaths and generally do everything possible to aid the Buyer, its successors, legal representatives and assigns, to obtain and enforce proper patent protection for such improvements in all countries.

2.4 Representations, Warranties, Indemnity and Limitations

- 2.4.1 The Seller represents, warrants and agrees as follows with respect to the Business Technology transferred and assigned pursuant to this agreement:
 - (i) Seller is the exclusive owner of the Business Technology;
 - (ii) The Core Technology does not infringe any of the rights of any Caledonia Instrumentation Systems, Ltd, ("CIS") or any parent, subsidiary or affiliate of CIS.
 - (iii) The Seller has not received neither is he aware of any claim or assertion by any third

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party that it has any right, title or interest in the Core Technology annexed hereto or which is otherwise adverse to the rights of Seller, as represented herein; and

- (iv) The Seller shall defend, indemnify and hold Buyer harmless from any loss, cost, liability, damage or expense, (including reasonable attorneys fees), suffered or incurred by the Buyer by reason of the foregoing representations or warranties not being true in any material respect, or as a result of any claim that the Core Technology infringes on the rights of any third party.

- 2.4.2 No Claim shall be made by the Buyer after December 31, 2010 unless before the expiry of that period that Claim shall have been intimated in writing to the Seller specifying in reasonable detail the event or circumstances giving rise to the Claim, the nature of the Claim and an estimate of the amount of the alleged liability under the Claim.
- 2.4.3 The Seller shall be under no liability under this Assignment in respect of any loss or damage suffered by reason of any breach of any of the warranties unless and until the aggregate of all Claims exceeds £10,000 in which event all Claims shall be included. No Claim under £1,000 shall be included in such calculation.
- 2.4.4 The aggregate liability of the Seller in respect of all Claims shall be limited to all payments paid or payable by the Buyer to the Seller under this Assignment (for the avoidance of doubt, the Cash Sum and the Sum for Costs).
- 2.4.5 For the avoidance of doubt the Seller makes no representations and grants no warranties regarding the Business Technology other than those set out at 2.4.1 above.

3. Power of Attorney

The Seller hereby appoints the person or persons who shall, from time to time, be designated by the Buyer, its successors or assigns, and each of them, as its attorney-in-fact to (at the Buyer's sole expense): (i) do, sign and execute all acts, deeds, assurances and other instruments that in the discretion of the said attorney-in-fact may be necessary or desirable for the purpose of vesting in Buyer, its successors or assigns, the Business Technology hereby assigned, transferred or conveyed; (ii) obtain letters patents in the United Kingdom, the European Union, the United States and in any other countries foreign Buyer deems necessary or appropriate, with respect to the invention that is the subject of the Core Technology. Such power of attorney-in-fact, being coupled with an interest, may not (except in giving effect to Clause 4.1) be revoked and may be exercised in the name and on behalf of the successors and assigns of Buyer.

4. Non-embarrassment

- 4.1 Notwithstanding any provision to the contrary, if the Seller's employment under any Employment Agreements ceases, or is materially reduced, within 42 months from the date hereof, for any reason other than the Seller's breach of or default under any Employment Agreements then Clause 2 and Clause 3 shall be restated and agreed between the parties with the effect that the Seller shall be the buyer and the Buyer shall be the seller for the purpose of assigning the Business Technology back to the Buyer for the Cash Sum only.
- 4.2 In such an event, the Buyer shall deposit another Sum for Costs (as hereinafter defined), in advance, with
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the Seller's Solicitors Account to assist with the reverse in ownership of the Business Technology.

- 4.3 Notwithstanding the foregoing, or anything herein to the contrary, provided and for so long as Seller is receiving his salary under the Employment Agreements, or equivalent compensation from Buyer, Impact US, or any affiliate of either, the Seller shall have no rights and Buyer shall have no obligations under this Section 4. For avoidance of doubt, once the Seller has been paid the compensation payable under the Employment Agreements, or has received equivalent of the compensation payable under the Employment Agreements from Seller, Impact US or any affiliate of either, the Seller shall have no rights to re-transfer of the Business Technology.

5. Value Added Tax

- 5.1 The Buyer and the Seller recognise that the various considerations set out in this Assignment are exclusive of value added tax ("VAT").
- 5.2 In the event that demand is made upon the Seller by HM Revenue and Customs for VAT in respect of any supply of the Business Technology, the Cash Sum payable by the Buyer shall be increased by a sum equal to the VAT so demanded ("VAT Payment").
- 5.3 The Buyer shall only make payment of the VAT payment on the later of:
- 5.3.1 the business day following the date of the receipt by the Buyer of a VAT invoice from the Seller in respect of the VAT payment; and
- 5.3.2 the business day before the date on which the Buyer is obliged by law to account for output tax to HM Revenue and Customs in respect of supplies made under this Assignment.

6. Costs

The Buyer has agreed to contribute up to £10,000 (inclusive of VAT) (the "Sum for Costs") towards the Seller's actual legal costs and expenses in connection with the negotiation, preparation, execution and implementation of this Assignment and the Employment Agreements and shall deposit same in the Seller's Solicitors' Account upon execution of this Assignment.

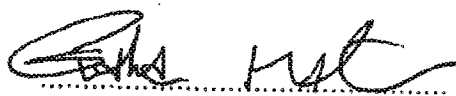
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7. Miscellaneous

This Assignment shall be governed by and construed in accordance with Scots law. It may not be changed orally, but only by agreement in writing signed by the party against whom enforcement of any wavier, change, modification or discharge is sought. This Assignment (together with the Employment Agreements) contain the entire agreement of the parties hereto with respect to the transactions covered hereby, and there are no agreements, undertakings or conditions, express or implied, between the parties hereto relating to the subject matter hereof, except as set forth in this Assignment.

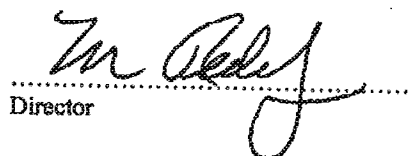
IN WITNESS WHEREOF, this Assignment together with the Schedule annexed hereto has been duly executed as follows:

SUBSCRIBED by GRAHAM MARTIN
at
on June 2010
in the presence of this witness:


Graham Martin

Witness
Name
Address
.....
.....

SUBSCRIBED for and on behalf of
IMPACT SYSTEMS UK LIMITED
by Mark Redding, one of its directors
at
on June 2010
in the presence of this witness:


Director

Witness
Name
Address
.....
.....

WARNING; SIGNING THIS DOCUMENT WILL MAKE
YOU LEGALLY BOUND BY ITS TERMS. YOU SHOULD
TAKE INDEPENDENT LEGAL ADVICE BEFORE
SIGNING

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SCHEDULE A
SPECIFIC LIST OF SELLER'S INTELLECTUAL PROPERTY

Part 1
Copyright material

- Engineering drawings;
- Operation manual;
- Support documents; and
- Build schedule,

as further detailed in, and including all other Intellectual Property described within, the electronic file titled "DemonBuildPackage020610.zip" and delivered by the Seller to the Buyer on 2 June 2010.

Part 2
Patents / Patent Applications

Country	Patent / application no.	Title
Canada	CA 2662527	Metallic debris detection sensor
EU Community	EP2030047	Metallic debris detection sensor
USA	US 2010-0066354 A1	Metallic debris detection sensor

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OWNERSHIP TRANSFER CONSENT

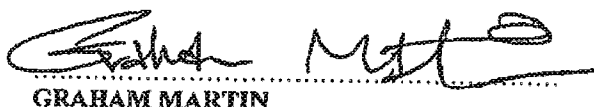
Graham Martin
34 Old Station Road
Bothwell
G71 8PE,
United Kingdom

16 June 2010

To whom it may concern

Dear Sir/Madam,

I, Graham Martin, residing at 34 Old Station Court, Bothwell, G71 8PE, Scotland, United Kingdom hereby consent to the registration of the assignation of patent numbers CA 2662527, EP 2030047 and US 2010-0066354 A1 to and for the benefit of Impact Systems UK Limited, a private limited company incorporated in Scotland, with company number SC379544 and having its registered office at 249 West George Street, Glasgow, G2 4RB, Scotland, United Kingdom in accordance with the Technology Transfer Agreement attached.


GRAHAM MARTIN

Witness.....

Name... PHILIP HANNAM

Address... STAMMARD BUILDINGS

94 HALF STREET

G2 6PH