

## PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1  
 Stylesheet Version v1.2

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<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	BINDING TERM SHEET WITH ASSIGNMENT OF PATENT RIGHTS		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>			<b>Execution Date</b>
AEROVOLUTION CORP.			12/22/2014
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	TRANSTEX COMPOSITE INC.		
<b>Street Address:</b>	6200 HENRI-BOURASSA BLVD. W.		
<b>City:</b>	MONTREAL		
<b>State/Country:</b>	CANADA		
<b>Postal Code:</b>	H4R 1C3		
<b>PROPERTY NUMBERS Total: 4</b>			
<b>Property Type</b>	<b>Number</b>		
<b>Patent Number:</b>	7854468		
<b>Patent Number:</b>	8177287		
<b>PCT Number:</b>	US0933647		
<b>Application Number:</b>	61065490		
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	(877)248-5100		
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<b>ATTORNEY DOCKET NUMBER:</b>	1204 TRANSTEX		
<b>NAME OF SUBMITTER:</b>	CHAD D. TILLMAN		
<b>SIGNATURE:</b>	/Chad D. Tillman/		
<b>DATE SIGNED:</b>	04/09/2015		
<b>Total Attachments: 4</b>			
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## TERM SHEET

Transtex Composite Inc. ("Transtex") and Aerovolution Corp. ("Aerovolution"), through their legal representatives are agreeing to the commercial terms summarized hereinafter in this Term Sheet. This Term Sheet is binding and will be followed by the more formal legal documents.

Effective date:	The Effective date of this Agreement shall be January 1, 2015.
Intellectual property rights covered by this Agreement:	<p>The intellectual property rights ("IP rights") covered by this Agreement are:</p> <ol style="list-style-type: none"> <li>Each and every new and useful improvement and/or designs disclosed in the following patent properties (each hereinafter an "Invention" and collectively "Inventions"): <ul style="list-style-type: none"> <li>US Patent 7,854,468 B2 issued on December 21, 2010,</li> <li>US Patent 8,177,287 B2 issued on May 15, 2012, and</li> <li>International Patent Application PCT/US09/33647;</li> </ul> </li> <li>The right and authorization to file any application for any one or more of the Inventions;</li> <li>Any and all applications for patent for any of the Inventions that may be or have been filed in any and all countries;</li> <li>Any and all applications for patent that has or may be filed in any and all countries and that has a claim that would be infringed by a Product (as defined below);</li> <li>Any and all patents in any and all countries that has or may be granted that has a claim that covers a Product (as defined below);</li> <li>Any reissue, reexamination, extension, renewal, substitution, conversion, confirmation, division, continuation, nonprovisional, provisional, continuation-in-part and the like of any of the foregoing;</li> <li>Any application claiming priority to any of the foregoing;</li> <li>Any application from which any of the foregoing claims priority; and</li> <li>Any past, present, and future right or cause of action arising with respect to any of the foregoing, including any right to sue for patent infringement, and any copyright in any embodiment of an Invention and any derivative right.</li> </ol> <p>All of the know-how (technical knowledge, engineering knowledge, trade secrets, recipes, formulas, manufacturing processes, design, methods) owned or controlled by Aerovolution regarding the manufacturing of products that incorporate elements of any Invention.</p> <p>Aerovolution represents that they are the part-owners of the IP rights (the other party holding the remaining ownership interests being Aero Industries inc.).</p>
Pre-existing and later arising Intellectual property:	Any intellectual property of Transtex shall remain the intellectual property of Transtex and shall not be subject to this Agreement. Any intellectual property that arises out of activities performed hereunder shall be the sole property of Transtex.

<b>Current status of product development and target:</b>	As of this date, Aerovolution have developed a prototype based on the IP rights. Further development needs to occur to transform the prototype in a commercially viable product (the "Product"). The target of development will be to achieve a commercialization manufacturing cost position of a suitable product of no more than \$ 450 per unit (the "Target"), at a production rate of 5,000 units per year. The Target may change as more market intelligence is gathered.
<b>Consulting by Aerovolution</b>	<p>Transtex will call upon Aerovolution to provide expertise on a consulting basis during twelve months starting from the Effective date regarding the Product and the market for such Product. Aerovolution undertakes to be available for a period equivalent to 40 hours per week and provide such expertise. Consulting fees will be paid at the monthly fixed rate of USD\$8,333.33 for this 12-month period, and Aerovolution will issue a monthly invoice at the end of each month and Transtex will pay such invoice within 5 working days.</p> <p>Payment for the first month of consulting services is being made exceptionally on the date of signing of this Agreement and therefore the second payment hereunder shall occur once Aerovolution invoices Transtex on February 28, 2015.</p> <p>Transtex will reimburse Aerovolution for pre-approved travel and lodging expenses related to the consulting engagement upon receipt of an invoice for same.</p>
<b>Assignment of IP</b>	<p>All rights, title and interests in, to and under the IP rights owned by Aerovolution shall immediately be sold, assigned, and transferred to Transtex and such sale, assignment and transfer shall become legally effective as of the Effective date. The required documentation for such sale, assignment, and transfer shall include:</p> <ol style="list-style-type: none"> <li>1. A <i>nunc pro tunc</i> quitclaim assignment from Lee Telnack, and John Vogel to Aerovolution Corp. of any and all rights, title, and interests in, to and under the IP rights. The effective date thereof shall be February 9, 2009.</li> <li>2. A quitclaim assignment from each of Lee Telnack, and John Vogel to Transtex of any and all rights, title, and interests in, to and under the IP rights. The effective date thereof shall be the Effective Date of the Agreement.</li> <li>3. An unconditional assignment from Aerovolution Corp. of all of its rights, title, and interests in, to and under the IP rights, with representations and warranties for such rights, title, and interests. The effective date thereof shall be the Effective Date.</li> </ol>
<b>Aerovolution obligations:</b>	Aerovolution undertakes to deal exclusively with Transtex regarding the IP rights and therefore will not directly or indirectly offer, discuss, present, market, or act in a way that would negatively impact Transtex's clear and unencumbered acquisition of the IP rights or otherwise take any action that

	would negatively affect Transtex's rights under the Agreement.
<b>Royalties:</b>	<p>Transtex undertakes to pay a royalty to Aerovolution of 2% of the net selling price (selling price minus freight, rebates and refunds to customers) of any Product covered by any patent of the IP rights until December 31, 2024. Such royalty shall be payable monthly, based on previous month's sales, which Transtex will report on to Aerovolution on the 20<sup>th</sup> of the month.</p> <p>Transtex will have full authority and discretion to brand and market the Product worldwide, as well as improve it through time.</p>
<b>Term:</b>	This Agreement shall remain in effect for a term 10 years from the Effective date, unless earlier terminated as provided herein.
<b>Termination:</b>	<p>This Agreement will terminate upon one of the following events:</p> <ul style="list-style-type: none"> <li>• At the end of the Term</li> <li>• The filing of a petition for bankruptcy or the bankruptcy of either party</li> <li>• If one of the parties breaches a significant term of this agreement and fails to cure such breach after receiving a 15-day written notice from the other party.</li> </ul> <p>Provisions regarding ownership of intellectual property shall survive termination of the Agreement except in the case where Transtex becomes bankrupt, then the IP rights will revert to Aerovolution.</p>
<b>Patent infringement and defense</b>	Aerovolution agrees to notify Transtex upon discovery of any infringement of any of the IP rights. Because the acquired IP rights are partial, Transtex has no obligation to enforce any of the IP rights, but Transtex may elect, at its discretion, to try to enforce the patents.
<b>Non-Compete:</b>	<p>Aerovolution undertakes to not sell directly or indirectly the Products and similar products for the duration of this Agreement worldwide plus for 2 years after its termination.</p> <p>Aerovolution represents that it currently has a license agreement with North Sports regarding patents for an inflatable rear drag reducing trailer tail but no longer actively pursues and develops this product line. It is agreed between the parties that receiving royalties from North Sports will not constitute a violation of the non-compete obligation.</p>
<b>Confidentiality:</b>	Aerovolution undertakes to keep confidential all proprietary information (be it technical or commercial) exchanged during the term of this Agreement.
<b>Undertaking to sign legal documentation</b>	The parties undertake to complete and execute all required legal documentation by February 27, 2015 to implement this Agreement. Until

	such documentation is signed, this term sheet will be binding upon them and will reflect the extent of their agreement.
<b>Applicable law:</b>	This Agreement will be governed by the laws of Canada applicable in the province of Quebec.

Read and agreed on December 22, 2014

**Transtex Composite Inc.**

Name

**Aerovolution Corp.**

Name

Name