

PATENT ASSIGNMENT COVER SHEET

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Stylesheet Version v1.2

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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	ASSIGNMENT
CONVEYING PARTY DATA	
Name	Execution Date
THEY INNOVATE INC.	12/08/2015
RECEIVING PARTY DATA	
Name:	CORTEX DESIGN INC
Street Address:	61 ELM GROVE AVENUE , SUITE 207
City:	TORONTO
State/Country:	CANADA
Postal Code:	M6K 2J2
PROPERTY NUMBERS Total: 1	
Property Type	Number
Patent Number:	8823477
CORRESPONDENCE DATA	
Fax Number:	(905)665-7025
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>	
Phone:	6476697706
Email:	dan.malanczyj@gmail.com
Correspondent Name:	DANILO MALANCZYJ
Address Line 1:	418 HILLSIDE AVE
Address Line 4:	OSHAWA, ONTARIO L1J6L7
NAME OF SUBMITTER:	DANILO MALANCZYJ
SIGNATURE:	/Danilo Malanczyj/
DATE SIGNED:	12/09/2015
This document serves as an Oath/Declaration (37 CFR 1.63).	
Total Attachments: 9	
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TECHNOLOGY ACQUISITION AGREEMENT

THIS AGREEMENT is made as of the 7th day of December, 2015.

BETWEEN:

THEY INNOVATE INC., a corporation duly incorporated under the laws of Canada (hereinafter referred to as the “**Vendor**”)

- and -

CORTEX DESIGN INC., a corporation duly incorporated under the laws of Ontario (hereinafter referred to as the “**Purchaser**”)

WHEREAS the Vendor is indebted to the Purchaser in the amount of \$10,450, pursuant to the terms of a manufacturing agreement between the Vendor and the Purchaser dated November 14th 2013 (the “**Vendor Debt**”);

WHEREAS the Purchaser has agreed to purchase certain technology and patent rights owned by the Vendor in accordance with the terms of this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the respective covenants, agreements, representations, warranties and indemnities of the parties herein contained and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

Wherever used in this Agreement, unless the context otherwise requires, the following terms shall have the following meanings and grammatical versions of such terms shall have the corresponding meanings:

“**Act**” means the Business Corporations Act (Ontario);

“**Affiliate**” has the meaning given to that term in the Act;

“**Business Day**” means any day, other than a Saturday or a Sunday, or statutory holiday in Alberta;

“**Closing**” means December 7, 2015;

“**Developer**” means all persons who either alone or in concert with others, developed, invented, discovered, derived, programmed, designed, modified, corrected or maintained any or all of the Technology;

“Know-how” means know-how, information in the public domain and information not in the public domain, developments, products, improvements, designs, techniques and processes used in the development of the Technology;

“Person” means an individual, corporation, partnership, joint venture, association, company, trust, enterprise, unincorporated organization or governmental entity;

“Purchase Price” has the meaning set out in Section 3.1;

“Tax Act” means the Income Tax Act (Canada);

“Technology” and the **“Product”** means all past, present and future versions of Clipless, a mobile mounting solution for mobile technology and all related designs, specifications, and all Know-How and Intellectual Property Rights, including, but not limited to, United States patent number 8,823,477 (the **“Patent”**), as further described in Section 4.5;

“Vendor’s Business” means the Vendor’s business specializes in the manufacture and sale mobile mounting solution for mobile technology.

ARTICLE 2 PURCHASE AND SALE OF THE TECHNOLOGY

2.1 Purchased Technology

Subject to the terms and conditions of this agreement, the Vendor hereby agrees to sell, transfer, convey, and assign to the Purchaser and the Purchaser agrees to purchase from the Vendor, effective as of December 7, 2015, the interest of the Vendor in the Technology and the Patent.

2.2 Title

The Vendor has good and marketable title to all of the Technology, and the Technology is not subject to any contract of sale or licence lien, mortgage, security interest, pledge, encumbrance, claim, or restriction of any kind.

2.3 Vesting of Title

Upon execution and delivery to Purchaser of this agreement, and the other instruments of transfer provided for herein, Purchaser will be vested with good and marketable title to the Technology, free and clear of all liens, mortgages, security interests, pledges, encumbrances, charges, claims, and restrictions of any nature whatsoever. As of the date of Closing, the Purchaser shall have full ownership of any and all right, title, and interest in and to the Technology and the Patent, with full and unencumbered rights to:

- (a) disassemble, decompile, reverse engineer or otherwise manipulate, develop, change, and/or abandon all or any part thereof: and
- (b) license, sublicense, sell, encumber or otherwise dispose of all or any part thereof.

2.4 No Restrictions

Neither of the Technology or the Patent is subject to any contractual or governmental restriction which might prohibit the consummation of the transactions contemplated by this agreement or the use

thereof in the manner in which the Vendor is now using the same. All authorizations, approvals, licenses or permits issued or to be issued by any national, federal, provincial, state, municipal, local or other government or governmental or public department, court, commission, board, bureau, agency or instrumentality, domestic or foreign have been obtained.

ARTICLE 3 PURCHASE PRICE AND ROYALTY

3.1 Purchase Price

The Purchase Price payable to the Vendor for the Technology, exclusive of all applicable sales, goods and services and transfer taxes (such amount being hereinafter referred to as the "Purchase Price"), shall be \$1.

3.2 Waiving of Vendor Debt

Upon the transfer of ownership of the Patent the Purchaser shall provide the Vendor with a letter confirming that the Vendor Debt has been cancelled and is no longer an obligation of the Vendor to the Purchaser.

3.2 Tax

On the Closing, the Purchaser and the Vendor will complete (in the prescribed form, containing the prescribed information) the requisite joint election necessary for the supply, transfer and sale of the Technology to be exempt of any sales tax, including but not limited to the Ontario Harmonized Sales Tax.

3.3 Royalty

The Vendor shall receive a royalty to be paid to Danilo Malanczyj as follows:

- (a) in the event that the Purchaser Licences the Technology for the remaining life of the patent the Vendor shall receive a royalty equal to 20% of all revenue received by the Vendor pursuant to the Licence subsequent to the first CDN\$10,000 in revenue which shall be exempt from royalty (the "**Licence Royalty**"); and
- (b) in the event that the Purchaser manufactures the Product either for his own purposes or a third party the Vendor shall receive a royalty equal to 6% of all revenue received by the Vendor pursuant to the manufacturing of the Product subsequent to the first CDN\$10,000 in revenue which shall be exempt from royalty (the "**Manufacturing Royalty**").

3.4 Payment of the Royalty

The Royalty shall be payable no later than 90 days after the financial year end of the Purchaser.

3.5 Verification

Purchaser agrees to grant the Vendor access to its financial records relating to the Product and the Technology in order to verify the revenue derived by the Purchaser from the Technology and the Product.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF THE VENDOR

4.1 General

The Vendor represents and warrants to the Purchaser as stated below and acknowledges that the Purchaser is relying on the accuracy of each such representation and warranty in entering into this agreement and completing the Purchase.

4.2 Power and capacity.

Vendor has all power and capacity required to execute, deliver and perform this agreement, and to sell, transfer, convey, and assign the Technology and the Patent to the Purchaser pursuant to this agreement.

4.3 Authorization and enforceability.

This agreement is a legal, valid and binding obligation of Vendor, enforceable against it in accordance with its terms. When executed and delivered by the parties thereto, all instruments, agreements, writings, consents, assignments and other documentation as delivered by Vendor as a condition of closing or as a closing, delivery, will each constitute a legal, valid, and binding obligation against it in accordance with its terms.

4.4 Representations and Warranties at Closing

Each and every representation and warranty of Vendor made in this Article 4 shall be deemed to be repeated by Vendor as at the Time of Closing and shall be true and correct in all material respects at and as of the Time of Closing with the same force and effect as if such representations and warranties had been made at and as of the Time of Closing.

4.5 Intellectual Property Rights - Ownership

- (a) Definition. The Intellectual Property Rights described in this provision and within this Agreement means the Technology and documentation, data, inventions, discoveries, designs, and all improvements thereto and all know-how, applications, registrations and renewals related thereto, copyrightable works, copyrights, applications, registrations, and renewals related thereto, or portions thereof including waiver of all moral rights, trade secrets and confidential information, and other intellectual property rights of a proprietary nature.
- (b) Assignment of Intellectual Property Rights. The transfer of the Technology includes the sale, transfer, conveyance, and assignment of all the Intellectual Property Rights of the Vendor relating to the Technology.
- (c) Ownership. Vendor is the sole and exclusive owner of all right, title and interest (including all copyright, and trade secret rights), in and to the Technology and the Patent and all copies thereof and has the right to assign all such rights to the Purchaser. Upon transfer of the Technology to Purchaser in accordance with this agreement, no further right or licence or permission or consent is or will be required for Purchaser to use, copy, modify, manufacture, market, distribute and support the Technology and/or the Patent.

- (d) The Vendor agrees that he or she will provide all the assistance which is reasonably required by the Purchaser to assign and transfer the Patent into the name of the Purchaser.

4.6 Vendor rights - Protection and infringement

- (a) Secrecy. Vendor has taken reasonable security measures to protect the secrecy, confidentiality, and value of the Technology and Patent, and all confidential information and trade secrets related thereto. Neither the Technology, nor the documentation or any other proprietary information relating thereto, in whole or in any material part, has ever been copied, released, distributed, removed from Vendor's premises or in any way disclosed to any person; except that standard back-up copies and working copies where required have been made and maintained securely under the sole control of Vendor.

Vendor has taken reasonable efforts to protect its Patent and all patent rights accorded by applicable law.

- (b) Infringement of third party rights. To Vendor's knowledge, no infringement of any patent, copyright, trade secret, trade mark, or misappropriation or violation of any other party's proprietary right by Vendor has occurred or results from the use, copying, modification, manufacture, marketing, promotion or distribution of the Technology or the Documentation, and no claim or threat thereof has been made in respect of any of the foregoing matters, and its use, copying, modification distribution, licensing, and commercial exploitation by Purchaser, and its use by customers, will not infringe upon or violate any rights, whether pursuant to patent, copyright, trade secret, trade mark, trade name or otherwise of any third party. Vendor has the right and authority to use such inventions, trade secrets, copyrights, processes, models, designs, and formulas as are necessary for the design, development, production, marketing and support of the Technology and Documentation, with no limitation or restriction on the usage thereof or on the right to make enhancements, derivations or versions thereof.

4.7 No Violation

Neither the execution nor the delivery of this Agreement nor the consummation of the transactions contemplated hereby will conflict with, violate, or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, or (with or without the giving of notice or the passage of time or both) entitle any party to terminate or declare a default under any contract, agreement, lease, licence, or instrument or any judgment or decree to which Vendor is a party or to or by which Vendor or any of the Technology may be subject or bound.

4.8 Disclosure

No representation or warranty by Vendor herein contained, and no statement made in any schedule hereto or certificate furnished in connection with the transactions contemplated hereby, contains or will contain any untrue statement of a material fact, or omits to state any material fact necessary to make the statements contained therein not misleading.

**ARTICLE 5
REPRESENTATIONS AND WARRANTIES OF THE PURCHASER**

5.1 General

The Purchaser represents and warrants to the Vendor as stated below and acknowledges that the Vendor is relying on the accuracy of each such representation and warranty in entering into this agreement and completing the Purchase.

5.2 Corporation organization and standing; power and authority.

Purchaser is a corporation duly organized, validly existing and in good standing under the laws of Canada, and is duly qualified to do business and is in good standing as a foreign corporation in all other jurisdictions where the nature of its business or the ownership or leasing of its property requires such qualification, except where failure to be so qualified would not have a material adverse effect on Purchaser or its business or assets.

5.3 Power and capacity.

Purchaser has all power and capacity required to execute, deliver and perform this agreement, and to purchase the Technology pursuant to this agreement.

5.4 Authorization and enforceability.

The execution, delivery, and performance of this agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary corporate action on the part of Purchaser. This agreement is a legal, valid and binding obligation of Purchaser, enforceable against it in accordance with its terms. When executed and delivered by the parties thereto, all instruments, agreements, writings, consents, assignments and other documentation as delivered by Purchaser as a condition of closing or as a closing, delivery, will each constitute a legal, valid, and binding obligation against it in accordance with its terms.

5.5 No violation.

Neither the execution nor the delivery of this Agreement nor the consummation of the transactions contemplated hereby will conflict with, violate, or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, or (with or without the giving of notice or the passage of time or both) entitle any party to terminate or declare a default under the Certificate of Incorporation or by-laws of Purchaser or any contract, agreement, lease, licence, or instrument or any judgment or decree to which Purchaser is a party or to or by which Purchaser or any of the Purchased Assets may be subject or bound, except that if the assignment of any contract requires the consent of other party thereto.

5.6 Representations and Warranties at Closing

Each and every representation and warranty of Purchaser made in this Article 5 shall be deemed to be repeated by Purchaser as at Closing and shall be true and correct in all material respects at and as of Closing with the same force and effect as if such representations and warranties had been made at and as of Closing.

5.7 Disclosure

No representation or warranty by Purchaser herein contained, and no statement made in any schedule hereto or certificate furnished in connection with the transactions contemplated hereby, contains or will contain any untrue statement of a material fact, or omits to state any material fact necessary to make the statements contained therein not misleading.

ARTICLE 6 SURVIVAL

6.1 Survival

Except as otherwise provided for in this Agreement, all representations, warranties, and covenants contained in this Agreement on the part of each of the parties shall survive for a period of six (6) months from the Closing Date. If no claim shall have been made under this Agreement against a party for any incorrectness in or breach of any representation, warranty or covenant made in this Agreement prior to the expiry of the survival period, such party shall have no further liability under this Agreement with respect to such representation, warranty or covenant unless otherwise provided herein.

ARTICLE 7 WAIVER

7.1 Waiver

No waiver of any condition or other provision, in whole or in part, shall constitute a waiver of any other condition or provision (whether or not similar) nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

ARTICLE 8 GENERAL

8.1 Termination

This Agreement may be terminated and abandoned at any time prior to the Closing Time:

- (a) By mutual written consent of the parties; and
- (b) By either party if there has been a material breach by the other party and the breach has not been remedied within five (5) days of receipt of notice of the breach.

8.2 Notices

All notices or other communications required or permitted to be given hereunder shall be in writing and delivered personally or sent by pre-paid registered mail or facsimile communication addressed below or such other address as a party may notify to the other in writing. Any such Notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted (or, if such day is not a Business Day, on the next following Business Day) or, if mailed, on the third Business Day following the date of mailing, providing that on the day of mailing if there is a labor dispute or other event that may reasonably prevent the delivery of documents by mail, any notice or other communication shall be delivered or transmitted by recorded electronic communication.

(a) To the Purchaser
Dylan Horvath, dhorvath@cortex-design.com

(b) To the Vendor
Danilo Malanczyj, dan.malanczyj@gmail.com

8.3 Further Assurances

Each of the parties shall from time to time both before and after the Closing Date take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the other such documents and further assurances as may, in the reasonable opinion of counsel for the other, be necessary or advisable to give effect to this agreement.

8.4 Time

Time shall be of the essence of this agreement.

8.5 Benefit of Agreement

This agreement shall not be assigned by either party without the written consent of the other and shall enure to the benefit of and be binding on the parties and their respective successors and permitted assigns.

8.6 Entire Agreement

This agreement and the attached schedule constitute the entire agreement between the parties with respect to the subject matter and supersede all prior negotiations and understandings. No provision may be amended or waived except in writing. This agreement shall be read with all changes of gender or number required by the context.

8.7 Headings

The headings in this agreement do not affect its interpretation.

8.8 Governing Law

This agreement shall be governed by and interpreted in accordance with the laws of the Province of Ontario and each of the parties irrevocably attorns to the jurisdiction of the courts of Ontario.

8.9 Counterparts

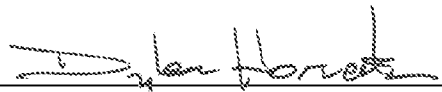
This Agreement may be executed in counterparts, each of which shall constitute an original and all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF this Agreement has been executed by the parties as of the date above first written.

THEY INNOVATE INC.

PER: 
Danilo Malanczyj, President

CORTEX DESIGN INC.

PER: 
Dylan Horvath, President