

## PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1  
 Stylesheet Version v1.2

EPAS ID: PAT3860530

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	ASSIGNMENT
<b>CONVEYING PARTY DATA</b>	
<b>Name</b>	<b>Execution Date</b>
FARADOX ENERGY STORAGE, INC.	12/31/2015
<b>RECEIVING PARTY DATA</b>	
<b>Name:</b>	TEXAS TREASURY SAFEKEEPING TRUST COMPANY
<b>Street Address:</b>	208 EAST 10TH STREET
<b>Internal Address:</b>	FOURTH FLOOR
<b>City:</b>	AUSTIN
<b>State/Country:</b>	TEXAS
<b>Postal Code:</b>	78701
<b>PROPERTY NUMBERS Total: 3</b>	
<b>Property Type</b>	<b>Number</b>
<b>Patent Number:</b>	8256078
<b>Patent Number:</b>	7460352
<b>PCT Number:</b>	US2011042411
<b>CORRESPONDENCE DATA</b>	
<b>Fax Number:</b>	(512)463-4368
<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>	
<b>Phone:</b>	5124637363
<b>Email:</b>	emergingtechnologyfund@ttstc.texas.gov
<b>Correspondent Name:</b>	TEXAS TREASURY SAFEKEEPING TRUST COMPANY
<b>Address Line 1:</b>	208 EAST 10TH STREET
<b>Address Line 2:</b>	FOURTH FLOOR
<b>Address Line 4:</b>	AUSTIN, TEXAS 78701
<b>NAME OF SUBMITTER:</b>	PAUL BALLARD, CEO
<b>SIGNATURE:</b>	/PBBallard/
<b>DATE SIGNED:</b>	05/05/2016
	This document serves as an Oath/Declaration (37 CFR 1.63).
<b>Total Attachments: 8</b>	
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## INTELLECTUAL PROPERTY ASSIGNMENT AGREEMENT

This Intellectual Property Assignment Agreement (this "Agreement") is made effective the 31st day of December, 2015 ("Effective Date"), between FARADOX ENERGY STORAGE, INC., a Delaware corporation ("Faradox" hereinafter also referred to as "Assignor"); and the TEXAS TREASURY SAFEKEEPING TRUST COMPANY ("TTSTC"), on behalf of the State of Texas ("Assignee"). Faradox, TTSTC, and the State of Texas may be referred to collectively as the "Parties" or singularly as a "Party".

### WITNESSETH:

WHEREAS, on October 30, 2008, the State of Texas, acting by and through the Office of the Governor Economic Development and Tourism (the "OOGEDT") and Faradox entered a Texas Emerging Technology Fund Award and Security Agreement, and amended such Agreement on August 31, 2009 (collectively the "ETF Agreement");

WHEREAS, on March 7, 2012, OOGEDT notified Faradox of Faradox's default under the ETF Agreement;

WHEREAS, on October 31, 2012, Faradox licensed its intellectual property assets related to niche high temperature capacitor components and sold certain related assets to Custom Electronics, Inc. in exchange for a cash payment and certain royalties on the sale of related products (the "Custom License");

WHEREAS, the OOGEDT is a stockholder of Faradox;

WHEREAS, the OOGEDT acknowledged and approved the Custom License;

WHEREAS, on December 20, 2012, the Parties entered into a Settlement and Release Agreement to compromise and settle certain defaults under the ETF Agreement;

WHEREAS, pursuant to House Bill 26 of the 84th Regular Session of the Texas Legislature, the ETF Agreement has been subsequently assigned to the TTSTC on behalf of the State of Texas;

WHEREAS, in a letter to Faradox dated April 22, 2015, Custom Electronics terminated the Custom License for its convenience;

WHEREAS, Faradox is again in default of its obligations under the ETF Agreement, including its obligations under Section 2.7(A) thereof to commercialize the product as described in its application for an EFT grant; and

WHEREAS, the Parties have agreed to compromise and settle certain defaults by Faradox and claims by the State of Texas under the ETF Agreement;

NOW, THEREFORE, for and in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Definitions.

1.1 "Intellectual Property" means Patent Rights, Technology Rights, and License Rights.

1.2 "Patent Rights" means (a) U.S. Patent Nos. 7,460,352 B2 entitled "*Flexible Dielectric Film and Method for Making*" issued December 2, 2008; (b) U.S. Patent No. 8,256,078 B2 entitled "*Method of Forming Long Strips of Dielectric Coated Metalized Film*" issued September 4, 2012; (c) PCT Patent Application No. PCT/US11/42411[WO 2012/003229 entitled "*Method of Forming Long Strips of Dielectric Coated Metalized Film*"; and (d) the following properties and rights with respect to the foregoing patents: (i) the inventions claimed or described in the foregoing patents; (ii) any corresponding foreign patents and patent applications that have been or may be granted or filed, respectively, with respect to the inventions described and/or claimed in the foregoing patents, including without limitation all foreign patents that may claim priority based on and correspond to the foregoing patents, (iii) all divisions, continuations, continuations-in-part, renewals, reissues, reexaminations, and extensions of the foregoing patents and patent applications, (iv) all income, royalties, damages, and payments due or payable to the Assignor with respect to the patents, including without limitation unpaid damages and payments for past, present, and future infringements of any patent, and (v) all rights to sue and recover damages and payments for past, present, and future infringements of any of the patents, including the right to fully and entirely replace the Assignor in all related matters.

1.3 "License Rights" any rights in or under any contract to the extent assignable, including, but not limited to, any right in any license agreement and sub-license agreement with third Persons relating to any of Intellectual Property, including without limitation any rights under the Exclusive License Agreement between Ohio University and Nanohmics, Inc. dated February 15, 2008, as subsequently assigned by Nanohmics, Inc. to Faradox.

1.4 "Technology Rights" means trade secrets, know-how, copyrights, design, and other information of a scientific, engineering, manufacturing or technical nature relating to systems, apparatus, equipment, methods or processes related to the Patent Rights, including without limitation, (i) the systems, equipment, methods or processes described and/or claimed in Patent Rights, and (ii) other inventions, discoveries, and improvements (whether or not patentable), trade secrets, research and engineering data, engineering drawings and specifications, manuals, technical reports, computer software, manufacturing and tooling data, and quality control procedures created, developed, conceived or reduced to practice by Assignor and/or its employees, contractors, or its assignors and licensors.

1.5 "Confidential Information" means all Technology Rights, except to the extent such Technology Rights is in the public domain as of the Effective Date or becomes part of the public domain following the Effective Date other than through an act or omission of any of the Assignor.

2. Assignment.

2.1 Assignor agrees to and hereby assigns, conveys, transfers and delivers to Assignee, its successors, and assigns, all its right, title and interest in the Intellectual Property.

2.2 Concurrently with the execution and delivery of this Agreement, Assignor will execute and deliver to Assignee all of such other documents and instruments as may be required to transfer the Intellectual Property, including the recordable Patent Assignment attached as Exhibit A, and will cooperate with Assignee in causing all such documents and instruments to be properly filed and recorded with appropriate governmental agencies.

2.3 Concurrently with the execution and delivery of this Agreement, Assignor will deliver to Assignee all files, documents, data, electronically stored information, and other information in whatever form embodying or relating to the Intellectual Property. To the extent that any such information is confidential information, Assignor shall destroy all additional tangible copies of information that was delivered to Assignee, and shall destroy all electronically stored information.

3. No Assumption of Liabilities. Assignee does not assume, and shall not be liable for any debts or obligations of Assignor. Assignor will retain and remain responsible for all of Assignor's debts, liabilities and obligations of any nature whatsoever, whether accrued, absolute or contingent, whether known or unknown, whether due or to become due, whether related to the Intellectual Property or otherwise, and regardless of when asserted.

4. Further Assurances. Assignor agrees to assist Assignee in every legal way to evidence, record and perfect the assignment made in this Agreement and to apply for and obtain recordation of the assigned rights. If Assignee is unable for any reason whatsoever to secure the Assignor's signature to any document it is entitled to under these Sections, Assignor hereby irrevocably designates and appoints Assignee and Assignee's duly authorized officers and agents, as their agents and attorneys-in-fact, with full power of substitution, to act for and on their behalf and instead of Assignor, to execute and file any such document or documents and to do all other lawfully permitted acts to further the purposes of the foregoing with the same legal force and effect as if executed by Assignor. This power of attorney is coupled with an interest and shall be irrevocable.

5. Representations and Warranties.

5.1 Authority. Assignor represents and warrants that it has all requisite power and authority to execute, deliver and perform this Agreement and to assign the Intellectual Property. Assignor represents that it has all requisite power and authority to execute, deliver and perform this Agreement. The execution, delivery, and performance by the Assignor of its obligations under this Agreement have been duly and validly authorized by all necessary action. This Agreement has been duly and validly executed and delivered by Assignor and constitutes the valid and binding obligation of Assignor, enforceable against Assignor in accordance with its terms.

5.2 Title; No Encumbrances. Except for potential rights and claims by Ohio University to patent number 7,460,352, Assignor represents and warrants that Assignor owns all of the Intellectual Property and no other person or entity has any claim thereto. Assignor represents and warrants that it has made no previous assignment, transfer or agreement in conflict with this Agreement or constituting a present or future assignment of or encumbrance on any of the Intellectual Property. Assignor further represents and warrants that the Intellectual Property are free and clear of any encumbrance, charge, lien, claim, option, pledge, restriction on title or use, security interest, right of first refusal or other right or interest of any nature whatsoever.

5.3 Disclaimer of Other Warranties. Except as expressly provided in Sections 5.1 and 5.2, Assignor makes no warranty or representation, express or implied and Assignor assigns and conveys the Intellectual Property AS IS.

5.4 Survival. All of the representations and warranties contained herein shall survive the execution and delivery of this Assignment Agreement.

6. Confidential Information. Assignor will not use or disclose, and will not permit any third party to use or disclose, any Technology Rights assigned to Assignee under this Agreement, unless such

Assignor has provided Assignee with 30 days prior written notice of such proposed use or disclosure, together with information documenting the fact that the information proposed to be used or disclosed is generally available (through no fault of such Assignor) for use and disclosure by the public without any charge, license or restriction. Assignor recognizes and agrees that there is no adequate remedy at law for a breach of this Section 6, that such a breach would irreparably harm Assignee and that in addition to any other remedies to which Assignee may be entitled, Assignee is entitled to equitable relief, including, without limitation, injunctive relief, without the necessity of providing bond, with respect to any breach or potential breach of this Section 6.

7. Termination of ETF Agreement. Assignor and Assignee agree to the termination of the ETF Agreement effective December 31, 2015.

8. Release. For and in consideration of the consideration recited in this Agreement, and the mutual covenants contained herein, Assignee, for themselves and their successors and assigns, hereby releases, remises, cancels, quits, and discharges Faradox and Faradox's present and former affiliates, shareholders, officers, directors, agents, employees, representatives and attorneys, and their respective heirs, executors, administrators, legal representatives, successors and assigns from any and all claims, rights, demands, debts, liabilities, controversies or causes of action, known or unknown, asserted or unasserted, liquidated or unliquidated, in contract or in tort, fixed or contingent, of any nature whatsoever, that Assignee now has for the particular events of default under the ETF Agreement since December 20, 2012. This Section shall only apply to events of default that are based on the specific past actions/inactions of Faradox since December 20, 2012 relating to its efforts to commercialize its product.

9. Miscellaneous.

9.1 Notices. Any notice required or permitted by this Agreement shall be in writing and shall be deemed given on the date of delivery, when delivered personally, by overnight courier, or on receipt of delivery of a fax, or three business days after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the party to be notified. Each notice shall be delivered to the party's address, fax number, or as set forth on the signature page or as subsequently modified by written notice.

9.2 Binding Agreement. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

9.3 Choice of Law. This Agreement and all disputes arising out of or relating thereto shall be construed and interpreted in accordance with the laws of Texas, including (to the extent applicable to such a claim) Chapter 2260 of the Texas Government Code and the rules promulgated by the Texas Comptroller of Public Accounts without regard to any otherwise applicable conflicts of law rules, requirements, or principles. Venue for any action or dispute shall be in the appropriate state or federal district court in Travis County, Texas.

9.4 Construction. Each party acknowledges that it has had the opportunity to review this Agreement with an attorney of its choice to the extent that it believed necessary or appropriate. Accordingly, if an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. Whenever used in this Agreement, the singular number will include the plural, and the plural number will include the singular, and pronouns in the masculine, feminine, or neuter gender will include each other gender. Headings are used for convenience only, and are not to be given substantive effect. All references to

section numbers and exhibits in this Agreement are references to sections and exhibits in this Agreement, unless otherwise specifically indicated. All exhibits and schedules are incorporated in this Agreement as if set forth herein in full.

9.5 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. An executed faxed or emailed copy of this Agreement shall be deemed an original executed copy of this Agreement.

9.6 Entire Agreement. This Agreement, including the exhibits, contains the entire agreement of the parties with respect to its subject matters, and supersedes all prior agreements between them, whether oral or written. No amendment to this Agreement shall be valid unless in writing duly executed by the parties.

9.7 Severability. If any provision of this Agreement is held by final judgment of a court of competent jurisdiction to be invalid, illegal or unenforceable, such invalid, illegal or unenforceable provision shall be severed from the remainder of this Agreement, and the remainder of this Agreement shall be enforced. In addition, the invalid, illegal or unenforceable provision shall be deemed to be automatically modified, and, as so modified, to be included in this Agreement, such modification being made to the minimum extent necessary to render the provision valid, legal and enforceable. Notwithstanding the foregoing, however, if the severed or modified provision concerns all or a portion of the essential consideration to be delivered under this Agreement by one party to the other, the remaining provisions of this Agreement shall also be modified to the extent necessary to equitably adjust the parties' respective rights and obligations hereunder.

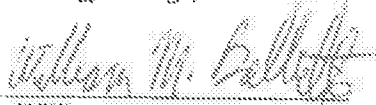
**[Signature Page Follows]**

Executed by the Parties as of the Effective Date set forth above.

Assignor:

Faradox Energy Storage, Inc.

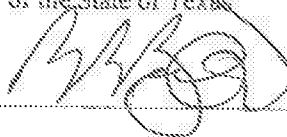
By: \_\_\_\_\_

  
William M. ("Bill") Balliet

Assignee:

Texas Treasury Safekeeping Trust Company ("TTSTC"),  
on behalf of the State of Texas

By: \_\_\_\_\_



Exhibits:

Exhibit A -- Patent Assignment

Signature Page



Exhibit A

PATENT ASSIGNMENT

In accordance with that certain Intellectual Property Assignment Agreement, dated December \_\_\_\_, 2015, between Faradox Energy Storage, Inc., a Delaware corporation; Assignor ("Assignor") and Texas Treasury Safekeeping Trust Company ("TTSTC"), on behalf of the State of Texas, having offices in Travis County, Texas or its assignee, ("Assignee") and for good and valuable consideration, the receipt of which is hereby acknowledged, Assignor does hereby sell, assign, convey, transfer and deliver to Assignee, its successors and assigns, the entire right, title, and interest in and to:

- (a) U.S. Patent No. 7,460,352 B2 entitled "*Flexible Dielectric Film and Method*" for Making" issued December 2, 2008;
- (b) U.S. Patent No. 8,256,078 B2 entitled "*Method of Forming Long Strips of Dielectric Coated Metalized Film*" issued September 4, 2012;
- (c) PCT Patent Application No. PCT/US11/42411[WO 2012/003229 entitled "*Method of Forming Long Strips of Dielectric Coated Metalized Film*" (collectively the "Patents"); and
- (c) the following properties and rights with respect to all Patents:
  - (i) the inventions claimed or described in the Patents;
  - (ii) any patents in the United States and anywhere else in the world and patent applications that have been or may be granted or filed, respectively, with respect to those inventions, including without limitation all foreign patents that may claim priority based on and correspond to the Patents;
  - (iii) all divisions, continuations, continuations-in-part, renewals, reissues, reexaminations, and extensions of the foregoing patents;
  - (iv) all income, royalties, damages, and payments due or payable to the Assignor with respect to the foregoing patents, including without limitation unpaid damages and payments for past, present, and future infringements of any patent; and
  - (v) all rights to sue and recover damages and payments for past, present, and future infringements of any of the foregoing patents, including the right to fully and entirely replace the Assignor in all related matters.

The foregoing rights in and under the Patents shall apply to the full end of their terms as fully as the Assignor would have held the same in the absence of this Assignment. As of the date set forth below, the Assignee has succeeded to all right, title, and standing of the Assignor to (a) receive all rights and benefits pertaining to the Patents, and (b) commence, prosecute, defend and settle all claims and take all actions that the Assignee, in his sole discretion, may elect in relation to the Patents and rights described above.

Assignor hereby authorizes and requests the officials of the United States Patent and Trademark Office and the corresponding officials of any and all other countries worldwide to issue any and all patent

applications, when granted, to Assignee, as Assignee of Assignor's entire right, title and interest in and to the same, for the sole use and benefit of the Assignee, its successors and assigns.

Assignor also agrees that they will reasonably cooperate with Assignee to fully carry out the terms of this Assignment and that they will promptly sign and/or deliver to Assignee all assignments, affidavits and other documents or instruments which may be reasonably necessary to record this Assignment and any prior assignments or other transfers of ownership of the Patents in any country of the world and otherwise perfect Assignee's ownership of the Patents.

Assignor also agrees to assist Assignee in the prosecution of any patent applications identified herein, including any application for reissue, application for reexamination, application for foreign patent rights, or any proceeding in the United States Patent and Trademark Office affecting the inventions disclosed or claimed therein.

IN WITNESS WHEREOF, Assignor has caused this Patent Assignment to be executed this 30th day of December, 2015.

Assignor:  
Paradox Energy Storage, Inc.

By: William M. Balliet  
William M. ("Bill") Balliet

Accepted this 31st day of December, 2015 by Assignee:

Texas Treasury Safekkeeping Trust Company ("TTSTC"),  
on behalf of the State of Texas

By: [Signature]

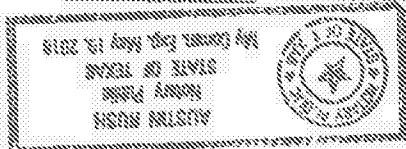
#### ACKNOWLEDGEMENT

THE STATE OF TEXAS

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§  
§

COUNTY OF TRAVIS

This Patent Assignment was acknowledged before me on January 2016 2015 by William M. Balliet, COO of Paradox Energy Storage, Inc. on behalf of said corporation.



Austin Rush  
Notary Public, State of Texas

(Printed Name)

My commission expires:

May 19, 2018