

## PATENT ASSIGNMENT COVER SHEET

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<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT	
<b>NATURE OF CONVEYANCE:</b>	ASSIGNMENT	
<b>CONVEYING PARTY DATA</b>		
	<b>Name</b>	<b>Execution Date</b>
	V-PATCH MEDICAL SYSTEMS 1 PTY LTD	06/27/2017
<b>RECEIVING PARTY DATA</b>		
<b>Name:</b>	INTELESSENS LIMITED	
<b>Street Address:</b>	17 HERON ROAD	
<b>City:</b>	BELFAST	
<b>State/Country:</b>	UNITED KINGDOM	
<b>Postal Code:</b>	BT3 9LE	
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<b>Fax Number:</b>	(215)988-2757	
<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>		
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<b>SIGNATURE:</b>	/Robert E. Cannuscio/	
<b>DATE SIGNED:</b>	06/12/2018	
<b>Total Attachments: 25</b> source=Assignment_3#page1.tif source=Assignment_3#page2.tif source=Assignment_3#page3.tif source=Assignment_3#page4.tif source=Assignment_3#page5.tif source=Assignment_3#page6.tif		

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DATED 27<sup>th</sup> of June 2017

(1) INTELESENS LIMITED

and

(2) V-PATCH MEDICAL SYSTEMS 1 PTY LTD

and

(3) VPATCH CARDIO PTY LTD

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LICENCE AGREEMENT

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THIS AGREEMENT is dated June 2017

#### **PARTIES**

- (1) **INTELESSENS LIMITED** incorporated and registered in Northern Ireland with company number NI038611 whose registered office is at 17 Heron Road, Belfast, BT3 9LE ("Intelesens");
- (2) **V-PATCH MEDICAL SYSTEMS 1 PTY LTD**, ACN 137 512 684 of Unit 131, 45 Gliby Road, Mount Waverley VIC 3149 Australia; ("VPMS"); and
- (3) **VPATCH CARDIO PTY LTD** ACN 619 774 239 of Level 1, 4 Clarke Street, Lilydale VIC 3140 Australia ("VPC")

#### **BACKGROUND**

- (A) Intelesens and, inter alia, VPMS entered into certain licence and manufacturing agreements in or around August 2009, under which Intelesens granted patent licences to VPMS and related group companies and agreed to manufacture and supply certain products for VPMS. Those licence and manufacturing agreements have since terminated.
- (B) This agreement sets out the terms and conditions on and subject to which VPMS is willing to assign its interest in the Patents to Intelesens and Intelesens is willing to licence VPC to use the Patents and other intellectual property rights owned by Intelesens in the manufacture of Licensed Products.

#### **AGREED TERMS**

##### **1. INTERPRETATION**

The following definitions and rules of interpretation apply in this agreement.

##### **1.1 Definitions:**

<b>"Algorithm"</b>	means the 10 set Arrhythmia Detection Algorithm specified in Section 3 of Schedule 2.
<b>"Business Day"</b>	a day other than a Saturday, Sunday or public holiday in Northern Ireland when banks in Belfast are open for business.
<b>"Device"</b>	means any body worn device which is used within the field of use for cardiac event monitoring of human patients via a wireless protocol, specifically the identification and transmission of cardiac events.
<b>"Effective Date"</b>	the date of execution of this agreement.
<b>"External Administrator"</b>	an 'administrator', 'controller' or 'managing controller' (each as defined in the <i>Corporations Act 2001</i> (Cth)), trustee, provisional liquidator, liquidator or any other person (however described) holding or appointed to an analogous office or acting or purporting to act in an analogous capacity.
<b>"Field of Use"</b>	ECG cardiac monitoring of human patients via a wireless protocol; including associated ECG data transmission, collection and analysis.

<b>"Group"</b>	in relation to a company, that company, any subsidiary or holding company from time to time of that company, and any subsidiary from time to time of a holding company of that company.
<b>"Hardware Improvement"</b>	means any improvement, enhancement or modification to the device hardware licensed and specified in Section 1 of Schedule 2 (Technology).
<b>"Insolvency Event"</b>	<p>In respect of a person, any of the following occurring:</p> <ul style="list-style-type: none"> <li>(a) It becomes insolvent within the meaning of section 95A, or is taken to have failed to comply with a statutory demand under section 459F(1), or must be presumed by a court to be insolvent under section 459C(2), or is the subject of a circumstance specified in section 461 (whether or not an application to court has been made under that section) or, if the person is a Part 5.7 body, is taken to be unable to pay its debts under section 585, of the Corporations Act 2001 (Cth);</li> <li>(b) except with each other party's consent: <ul style="list-style-type: none"> <li>(i) It is the subject of a Liquidation, or an order or an application is made for its Liquidation; or</li> <li>(ii) an effective resolution is passed or meeting summoned or convened to consider a resolution for its Liquidation;</li> </ul> </li> <li>(c) an external administrator is appointed to it or any of its assets or a step is taken to do so or its related body corporate requests such an appointment;</li> <li>(d) If a registered corporation under the Corporations Act 2001 (Cth), a step is taken under sections 601AA, 601AB or 601AC of the Corporations Act 2001 (Cth) to cancel its registration;</li> <li>(e) If a trustee of a trust, it is unable to satisfy out of the assets of the trust the liabilities incurred by it as and when those liabilities fall due;</li> <li>(f) an analogous or equivalent event to any listed above occurs in any jurisdiction; or</li> <li>(g) It stops or suspends payment to creditors generally.</li> </ul>
<b>"Licensed Products"</b>	means the V-Post, V-Cell and V-Patch products defined in Schedule 2 and any Similar Product.
<b>"Liquidation"</b>	<ul style="list-style-type: none"> <li>(a) a winding up, dissolution, liquidation, provisional liquidation, administration, bankruptcy or other proceeding for which an External Administrator is appointed, or an analogous or equivalent event or proceeding in any jurisdiction; or</li> <li>(b) an arrangement, moratorium, assignment or composition with or for the benefit of creditors or any class or group of them.</li> </ul>

<b>"Patents"</b>	the patents and patent applications, short particulars of which are set out in Schedule 1, all patents and patent applications disclosing or claiming the information disclosed in such Schedule 1 documents, all continuations, continuations-in-part, divisionals, extensions, re-examinations, reissues, and foreign counterparts of any such Schedule 1 patents and patent applications.
<b>"Similar Product"</b>	means any Device (or part(s) thereof) (for use within the Field of Use) that is developed by VPC in accordance with the terms of, and restrictions contained within, this agreement (including, without limitation, any enhanced, modified or improved version of V-Pod, V-Cell and V-Patch (as defined in Schedule 2))
<b>"Technology"</b>	the technology specified in Schedule 2, as such technology exists and to the point of such technology's development as at the Effective Date.
<b>"Technology Improvement"</b>	means any improvement, enhancement or modification to the Patents or Technology licensed and specified in Sections 2 and 3 of Schedule 2.

- 1.2 Clause, Schedule and paragraph headings shall not affect the interpretation of this agreement.
- 1.3 A person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 1.4 The Schedules form part of this agreement and shall have effect as if set out in full in the body of this agreement. Any reference to this agreement includes the Schedules.
- 1.5 A reference to a company shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- 1.6 References to clauses and Schedules are to the clauses and Schedules of this agreement.
- 1.7 Unless the context otherwise requires, words in the singular include the plural and in the plural include the singular.
- 1.8 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.9 This agreement shall be binding on, and enure to the benefit of, the parties to this agreement and their respective personal representatives, successors and permitted assigns, and references to any party shall include that party's personal representatives, successors and permitted assigns.
- 1.10 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.11 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.12 A reference to writing or written includes fax and, for all notices other than a notice purporting to terminate this agreement, email.
- 1.13 Any obligation on a party not to do something includes an obligation not to allow that thing to be done.
- 1.14 Any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

**2. PATENT ASSIGNMENT**

2.1 In part consideration for the grant of licence rights set out in clause 4 below, VPMS hereby assigns to Intelesens, with effect from the Effective Date, all of its right, title and interest in and to the Patents, and in and to all and any inventions disclosed in the Patents including:

- (a) In respect of any and each application in the Patents:
  - (i) the right to claim priority from and to prosecute and obtain grant of patent; and
  - (ii) the right to file divisional applications based thereon and to prosecute and obtain grant of patent on each and any such divisional application;
- (b) In respect of each and any invention disclosed in the Patents, the right to file an application, claim priority from such application, and prosecute and obtain grant of patent or similar protection in or in respect of any country or territory in the world;
- (c) the right to extend to or register in or in respect of any country or territory in the world each and any of the Patents, and each and any of the applications comprised in the Patents or filed as aforesaid, and to extend to or register in, or in respect of, any country or territory in the world any patent or like protection granted on any of such applications;
- (d) the absolute entitlement to any patents granted pursuant to any of the applications comprised in the Patents or filed as aforesaid; and
- (e) the right to bring, make, oppose, defend, appeal proceedings, claims or actions and obtain relief (and to retain any damages recovered) in respect of any infringement, or any other cause of action arising from ownership, of any of the Patents or any patents granted on any of the applications in the Patents or filed as aforesaid, whether occurring before on or after the date of this agreement.

**3. WARRANTIES AND INDEMNIFICATION**

3.1 VPMS warrants that:

- (a) it has not assigned or licensed any of its rights under the Patents;
- (b) its rights in each Patent are free from any security interest, option, mortgage, charge or lien;
- (c) it is unaware of any infringement or likely infringement of, or any challenge or likely challenge to the validity of, any of the Patents or of anything that might render any of the Patents invalid or subject to a compulsory licence order or prevent any application in the Patents proceeding to grant; and
- (d) so far as it is aware, exploitation of the Patents will not infringe the rights of any third party.

3.2 VPMS and VPC shall jointly and severally indemnify Intelesens against all liabilities, costs, expenses, damages or losses (including any direct or indirect or consequential losses or loss of opportunity, profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by Intelesens arising out of or in connection with:

- (a) any breach by VPMS of the warranties in clause 3.1; and/or
- (b) the enforcement of this agreement.

3.3 At the request of Intelesens, and at the expense of either VPMS or VPC, VPMS and VPC shall provide all reasonable assistance to enable Intelesens to resist any claim, action or proceedings brought against Intelesens as a consequence of any breach by VPMS of the warranties in clause 3.1.

3.4 This indemnity shall apply whether or not Intelesens has been negligent or at fault.

3.5 Nothing in this clause shall restrict or limit Intelesens' general obligation at law to mitigate a loss it may suffer or incur as a result of an event that may give rise to a claim under this indemnity.

#### 4. GRANT

4.1 Subject to receipt by Intelesens of the amount due from VPC under clause 10.1, Intelesens grants to VPC, with effect from the Effective Date, a non-exclusive, personal, non-transferable worldwide and royalty free licence to use the Patents and the Technology in the Field of Use to enable VPC to:

- (a) manufacture, use, sell or otherwise supply the Licensed Products;
- (b) further develop, modify and enhance the Licensed Products; and
- (c) provide training, support and/or maintenance services to those customers who purchase or otherwise acquire the Licensed Products.

For the avoidance of doubt, VPC shall not, under the licence granted in this clause 4, be entitled to use the Patents and the Technology to manufacture, use, sell or otherwise supply products other than the Licensed Products.

4.2 Subject to VPC's compliance with the terms of this agreement, Intelesens hereby acknowledges and agrees that it will not use, nor will it license or otherwise permit or grant access to any third party (other than VPC) to use, the Algorithm for any purpose relating to cardiac arrhythmia detection in human patients for a period of five (5) years from the Effective Date. For the avoidance of doubt however:

- (a) nothing in this clause 4.2 shall operate so as to otherwise limit, prevent or restrict Intelesens' business, products or markets or its use of the Patents or Technology in any way;
- (b) Intelesens shall not be prohibited from licensing, using, accessing or developing improvements to, those parts of the Algorithm, or processes connected with or contained within the Algorithm that are not unique to the V-Pod, V-Cell or V-Patch products as defined in Schedule 2. VPC acknowledges and agrees that it is only the defined and specific core mathematical functions within the Algorithm that are unique to the V-Pod, V-Cell and V-Patch products as defined in Schedule 2 that are captured by this clause 4.2 and nothing in this clause 4.2 provides VPC with any form of exclusivity in relation to any third party software, the application programme interfaces and surrounding firmware contained within the Algorithm.

4.3 VPC undertakes not to exploit the Patents or the Technology other than in the Field of Use.

4.4 The licence set out in this clause 4 is provided to VPC on an "as is" basis, without any warranty or representation by Intelesens.

4.5 The duration of the licence grant in clause 4.1 shall:

- (a) in relation to the Technology, be perpetual; and
- (b) in relation to the Patents, continue in force until the date of termination or expiration of the last Patent.



4.6 The licence rights referred to in clause 4 are conditional upon the following:

- (a) VPC shall not sub-licence its rights under this agreement without Intelesens' prior written consent, which consent must not be unreasonably withheld or delayed;
- (b) VPC shall not (without Intelesens' prior written consent, which consent must not be unreasonably withheld or delayed);
  - (i) assign, transfer, mortgage, charge, declare a trust over or deal in any other manner with any or all of its rights under this agreement; or
  - (ii) undergo a change in control ("control" for the purposes of this clause meaning the ability to direct the affairs of a party, whether by virtue of the ownership of shares, contract or otherwise).
- (c) VPC shall not (and shall not licence, authorise or permit any third party to):
  - (i) pass off any of its products or services as being in any way affiliated, associated with or endorsed by Intelesens or any of its shareholders;
  - (ii) represent that the Licensed Products or any of its other products or services are an alternative or substitute for Intelesens' products or services and shall not attempt to copy or replicate the design or look and feel of Intelesens' products and services.
- (d) All Licensed Products must be labelled with:
  - (i) VPC's name; and
  - (ii) VPC branding used from time to time.

4.7 Intelesens shall promptly notify VPC in writing in the event that any of the events specified in clause 16.1 (c)-(j) occurs in relation to Intelesens.

#### 5. PROVISION OF TECHNOLOGY AND KNOW-HOW

5.1 Intelesens shall make the Technology available to VPC in stages in accordance with the milestones specified in Schedule 3. Intelesens shall also make available to VPC such know-how relating to the manufacture of the Licensed Products as has been used by Intelesens to manufacture the Licensed Products for VPMS prior to the Effective Date that, in the opinion of Intelesens, is reasonably necessary for such manufacture.

5.2 The know-how supplied by Intelesens pursuant to clause 5.1 shall be used by VPC only for the purposes specified in clause 4 and shall be subject to the provisions of clause 8.

5.3 Intelesens warrants that, following completion of the assignment set out in clause 2 of this agreement:

- (a) so far as it is aware, it has the right to license (and make available) the Technology and know-how to VPC as contemplated by this agreement; and
- (b) so far as it is aware, exploitation of the Technology and know-how by VPC in accordance with the terms of this agreement will not infringe the rights of any third party.

5.4 Nothing in this agreement shall constitute any representation or warranty that the know-how supplied to VPC pursuant to clause 5.1 is accurate, up to date, complete, non-infringing, or relevant to the Patents or the manufacture, development, modification or enhancement of the Licensed Products.

**6. QUALITY CONTROL AND MARKING**

- 6.1 VPC shall, in exercising the rights granted to it under this agreement, comply with the specifications, standards and reasonable directions relating to the Patents and Technology as notified in writing by Intelesens from time to time to comply with all applicable laws, regulations and codes of practice.
- 6.2 Each of VPMS and VPC shall promptly provide Intelesens with copies of all communications, relating to the Patents, Technology or the Licensed Products, received from any regulatory, industry or other authority to the extent that any such communication may affect Intelesens' ownership of, or Intelesens' or VPC's right to exploit, any one or more of the Patents, know how or Technology.
- 6.3 VPC shall permit, and shall use its reasonable endeavours to obtain permission for, Intelesens at all reasonable times and on reasonable notice to enter any place used for the manufacture or storage of the Licensed Products for the sole purpose of confirming compliance by VPC with the terms of this agreement, provided that Intelesens' representatives entering such premises shall first enter into a confidentiality agreement with VPC to protect VPC's intellectual property rights and shall confine their inspection to confirming VPC's compliance with the terms of this agreement.
- 6.4 Each of VPMS and VPC shall, upon Intelesens' request, provide Intelesens with details of any complaints they have received relating to the Licensed Products that directly impact or affect (or may directly impact on or affect) Intelesens' intellectual property rights or regulatory approvals and, to the extent that the complaints relate to or may be prejudicial to Intelesens' rights in and ownership of the Patents or the Technology, shall comply with any reasonable directions given by Intelesens in respect of such complaints.

**7. IMPROVEMENTS**

- 7.1 Any Technology Improvement and/or Hardware Improvement made, devised or discovered by or on behalf of any party prior to the Effective Date shall belong to Intelesens and, subject to the terms of this agreement, shall be included within the scope of the licence referred to in clause 4 only if such Technology Improvements and Hardware Improvements are also embodied in a Licensed Product as at the Effective Date.
- 7.2 All Technology Improvements made, devised or discovered by or on behalf of any party following the Effective Date shall belong to Intelesens. Unless otherwise specified under clause 7.4, VPC shall not receive a licence to any such Technology Improvements.
- 7.3 All Hardware Improvements made, devised or discovered by or on behalf of Intelesens following the Effective Date shall belong to Intelesens. VPC shall not receive a licence to any such Hardware Improvements, unless otherwise agreed in writing by Intelesens.
- 7.4 If a Technology Improvement is made, devised or discovered by VPC following the Effective Date, then VPC shall receive a licence to use that Technology Improvement on the same terms as set out in clause 4, and such Technology Improvement shall be deemed to form part of the Patents and/or Technology (as appropriate according to the nature of the Technology Improvement) licensed to VPC under this agreement.
- 7.5 If VPC makes a Hardware Improvement or an improvement, enhancement or modification to the Licensed Products (or any part(s) thereof) which does not also constitute a Technology Improvement, then the intellectual property rights in such improvement, enhancement or modification shall belong to VPC. Intelesens will not receive a licence to any such improvements, unless otherwise agreed in writing by VPC. In the event that Intelesens requests a licence to that improvement, enhancement or modification, then VPC shall act reasonably in considering any such request.

**8. CONFIDENTIALITY**

**8.1** Confidential Information means all confidential information (however recorded or preserved) disclosed by a party (Disclosing Party) or its Representatives (as defined below) to another party (Recipient) or its Representatives whether before or after the date of this agreement in connection with this agreement, including:

- (a) the existence and terms of this agreement;
- (b) (In relation to Intelesens only) all information and know-how relating to the Patents, Technology, Hardware Improvements and Technology Improvements;
- (c) (In relation to Intelesens only) any information provided by Intelesens to VPC under clause 5;
- (d) any information provided by a party to another party under clause 7; and
- (e) any information (whether or not technical) that would be regarded as confidential by a reasonable business person.

Representatives means, in relation to a party, its employees, officers, representatives, agents and advisers.

**8.2** The provisions of this clause shall not apply to any Confidential Information that:

- (a) is or becomes generally available to the public (other than as a result of its disclosure by the Recipient or its Representatives in breach of this clause);
- (b) was available to the Recipient on a non-confidential basis before disclosure by the Disclosing Party;
- (c) was, is or becomes available to the Recipient on a non-confidential basis from a person who, to the Recipient's knowledge, is not bound by a confidentiality agreement with the Disclosing Party or otherwise prohibited from disclosing the information to the Recipient; or
- (d) the parties agree in writing is not confidential or may be disclosed.

**8.3** The Recipient shall keep the Disclosing Party's Confidential Information confidential and shall not:

- (a) use such Confidential Information except for the purpose of exercising or performing its rights and obligations under or in connection with this agreement ("Permitted Purpose"); or
- (b) disclose such Confidential Information in whole or in part to any third party, except:
  - (i) in accordance with this agreement (which, in the case of VPC, includes disclosure to a permitted sub-licensee or sub-contractor appointed by VPC in accordance with the terms of this agreement); or
  - (ii) as expressly permitted by this clause 8.

**8.4** A Recipient may disclose Confidential Information to those of its Representatives who need to know such Confidential Information for the Permitted Purpose, provided that:

- (a) it informs such Representatives of the confidential nature of the Confidential Information before disclosure; and

- (b) It procures that its Representatives shall, in relation to any Confidential Information disclosed to them, comply with the obligations set out in this clause as if they were a party to this agreement,

and at all times, it is liable for the failure of any Representatives to comply with the obligations set out in this clause.

- 8.5 Each party may disclose Confidential Information of another party to the extent such Confidential Information is required to be disclosed by law, by any governmental or other regulatory authority or by a court or other authority of competent jurisdiction provided that, to the extent it is legally permitted to do so, it gives that party as much notice of such disclosure as possible and, where notice of disclosure is not prohibited and is given in accordance with this clause 8.5, it takes into account the reasonable requests of that party in relation to the content of such disclosure.
- 8.6 Each party reserves all rights in its Confidential Information. No rights or obligations in respect of any of its Confidential Information, other than those expressly stated in this agreement, are granted to another party or are to be implied from this agreement.
- 8.7 On termination of this agreement, to the extent that each party is a Recipient, it shall:
- (a) destroy or return to the other party all documents and materials (and any copies) containing, reflecting, incorporating or based on the Confidential Information of the Disclosing Party;
  - (b) erase all the Confidential Information of the Disclosing Party from its computer and communications systems and devices used by it, including such systems and data storage services provided by third parties (to the extent technically and legally practicable); and
  - (c) certify in writing to the Disclosing Party that it has complied with the requirements of this clause, provided that it may retain documents and materials containing, reflecting, incorporating or based on the Confidential Information of the Disclosing Party to the extent required by law or any applicable governmental or regulatory authority. The provisions of this clause shall continue to apply to any such documents and materials retained by VPC, subject to clause 17.
- 8.8 The provisions of this clause 8 shall continue to apply after the expiry or earlier termination of this agreement.
9. **RECORDAL OF LICENCE**
- 9.1 Intelesens shall record the licence granted to VPC in clause 4 in the relevant registries.
- 9.2 Each of VPMS and VPC shall provide reasonable assistance, at their own cost, to enable Intelesens to comply with clause 9.1.
10. **PAYMENT**
- 10.1 In part consideration for the rights granted under clause 4, VPC shall pay to Intelesens (in cash or cleared funds):
- (a) [REDACTED] pounds sterling [REDACTED] within 5 Business Days of the Effective Date;
  - (b) [REDACTED] pounds sterling [REDACTED] upon the earlier of:
    - (i) completion of milestone 4 (as described in Schedule 3); or
    - (ii) within 14 Business Days of completion of milestone 3 (as described in Schedule 3).

whichever occurs first.

(c) [REDACTED] pounds sterling [REDACTED] upon the earlier of:

(i) completion of milestone 5 (as described in Schedule 3); or

(ii) the date which falls 180 days after the Effective Date,

whichever occurs first.

## **11. PROTECTION OF THE PATENTS**

11.1 Each of VPMS and VPC shall immediately notify Intelesens in writing, giving full particulars, if any of the following matters come to its attention:

- (a) any actual, suspected or threatened infringement of any of the Patents, Technology or know how;
- (b) any actual or threatened claim that any of the Patents is invalid;
- (c) any actual or threatened opposition to any of the Patents;
- (d) any claim made or threatened that exploitation of any of the Patents, Technology or know how infringes the rights of any third party;
- (e) any person applies for, or is granted, a patent by reason of which that person may be, or has been, granted, rights which conflict with any of the rights granted to VPC under this agreement;
- (f) any application is made for a compulsory licence under any Patent; or
- (g) any other form of attack, charge or claim to which the Patents, Technology or know how may be subject.

11.2 In respect of any of the matters listed in clause 11.1:

- (a) Intelesens shall, in its absolute discretion, decide what action, if any, to take;
- (b) Intelesens shall have exclusive control over, and conduct of, all claims and proceedings;
- (c) Neither VPMS nor VPC shall make any admissions other than to Intelesens and each shall provide Intelesens with all assistance that it may reasonably require in the conduct of any claims or proceedings; and
- (d) Intelesens shall bear the cost of any proceedings and shall be entitled to retain all sums recovered in any action for its own account.

11.3 The provisions of section 67(1) of the Patents Act 1977 (or equivalent legislation in any jurisdiction) are expressly excluded.

11.4 Nothing in this agreement shall constitute any representation or warranty that:

- (a) any Patent is valid or relevant to the Licensed Products;
- (b) any Patent (if a patent application) shall proceed to grant or, if granted, shall be valid; or

- (c) the exercise by VPC of rights granted under this agreement will not infringe the rights of any person.

## 12. LIABILITY, INDEMNITY AND INSURANCE

12.1 Intelesens shall indemnify VPC and VPMS (up to an aggregate limit of the total amount received by Intelesens under clause 10 as at the date of the claim arising) against all liabilities, costs, expenses, damages or losses (including any consequential losses or loss of opportunity all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by either VPC or VPMS arising out of or in connection with:

- (a) Intelesens' use of the Patents and/or the Technology (other than the grant of the licence to VPC under this agreement);
- (b) Intelesens' breach or negligent performance or non-performance of this agreement; or
- (c) the enforcement of this agreement by either VPMS or VPC.

12.2 Other than as expressly agreed under clause 12.1, to the fullest extent permitted by law, Intelesens shall not be liable to either VPMS or VPC for any costs, expenses, loss or damage (whether direct, indirect or consequential and whether economic or other) arising from VPC's exercise of the rights granted to it under clause 4 of this agreement.

12.3 Each of VPMS and VPC, jointly and severally, shall indemnify Intelesens against all liabilities, costs, expenses, damages or losses (including any consequential losses or loss of opportunity profit, reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by Intelesens arising out of or in connection with:

- (a) VPC's exercise of the rights granted to it under this agreement;
- (b) breach or negligent performance or non-performance of this agreement by either VPMS or VPC, including any product liability claim relating to Licensed Products developed, modified, enhanced, manufactured, supplied or put into use by VPC;
- (c) the enforcement of this agreement by Intelesens against either or both of VPMS or VPC;
- (d) any claim made against Intelesens by a third party for death, personal injury or damage to property arising out of or in connection with any defective Licensed Product, to the extent that the defect in the Licensed Products is attributable to the acts or omissions of either VPMS or VPC (or both) or any of their employees, agents, sub-licensees or subcontractors; or
- (e) any act or omission of any subcontractor appointed by VPC under clause 14.1 which, if such act or omission had been an act or omission of VPC, it would have constituted a breach of this agreement by either VPMS or VPC.

12.4 If any third party makes a claim, or notifies an intention to make a claim, against a party which may reasonably be considered likely to give rise to a liability under this indemnity (a "Claim"), that party shall as soon as reasonably practicable, give written notice of the Claim to the relevant party, specifying the nature of the Claim in reasonable detail.

12.5 If a payment due from a party under this clause is subject to tax (whether by way of direct assessment or withholding at its source), the party to whom payment is due shall be entitled to receive from that party such amounts as shall ensure that the net receipt, after tax, to the other party in respect of the payment is the same as it would have been were the payment not subject to tax.

- 12.6 VPC shall, at its expense, carry product liability and comprehensive general liability insurance coverage of [REDACTED] annual in the aggregate in any one period of insurance, increasing annually in accordance with the UK Retail Prices Index. VPC shall use all reasonable endeavours to ensure that such insurance policy names Intelesens as co-insured with VPC and remains in effect throughout the duration of this agreement and for a period of six (6) years after termination or expiry of the agreement, and shall supply Intelesens with a copy of such policy on request.
- 12.7 Nothing in this agreement shall have the effect of excluding or limiting any liability of a party for death or personal injury caused by the negligence of such party.

### 13. ADDITIONAL VPC OBLIGATIONS

#### 13.1 VPC shall:

- (a) ensure that the Licensed Products that it manufactures, sells, distributes or otherwise supplies are safe for the use for which they were intended;
- (b) obtain at its own expense all licences, permits and consents necessary for the manufacture, sale, supply or distribution by it of any Licensed Product as permitted by the terms of this agreement;
- (c) perform its obligations in connection with the provision of any Licensed Product with reasonable skill, care and diligence including good industry practice;
- (d) only make use of the Patents and the Technology (and the rights granted to it under clause 4 of this agreement) for the purposes authorised in this agreement;
- (e) comply with all applicable regulations relating to the use of the Patents and the Technology;
- (f) comply with all regulations in force or use and reasonable practices advised by Intelesens to safeguard Intelesens' rights in the Patents and the Technology; and
- (g) obtain any Government approval required for this agreement before the Effective Date.

#### 13.2 Neither VPMS nor VPC shall, or directly or indirectly assist any other person to:

- (a) do or omit to do anything to diminish the rights of Intelesens in the Patents or the Technology or impair any registration of the Patents; and
- (b) use any child labour in the manufacture or distribution of the Licensed Products, and, where third parties manufacture or distribute any Licensed Products, VPC shall procure from those third parties written confirmation that they shall not use any child labour in the manufacture or distribution of the Licensed Products.

#### 13.3 Each of VPMS and VPC acknowledges and agrees that:

- (a) the exercise of the rights / licence granted to VPC under this agreement is subject to all applicable laws, enactments, regulations and other similar instruments; and
- (b) each shall at all times be jointly and severally liable and responsible for such due observance and performance by VPC under this agreement.

### 14. SUBCONTRACTING

#### 14.1 VPC shall have the right to subcontract the manufacture of the Licensed Products provided that:

- (a) any subcontractor shall first enter into an agreement with VPC containing terms similar to, and no less onerous than, the provisions in this agreement (including, without limitation, confidentiality) to the extent applicable to the scope of the subcontractor's activities and VPC agrees to monitor the subcontractor's compliance with such agreement and, if necessary, promptly enforce such agreement either on its own motion or at the request of Intelesens. Without limiting the foregoing, VPC shall procure that any subcontractor appointed by it shall comply with all regulatory compliance activities imposed upon VPC as legal manufacturer of the Licensed Products; and
- (b) the terms of any agreement entered into by VPC under clause 14.1(a) above: (i) provide for immediate termination by VPC of a subcontract in the event the subcontractor does or omits to do any act which, if done (or not done) by VPC, would give Intelesens the right to terminate this agreement; and (ii) permit VPC to immediately terminate that subcontract if this agreement is terminated for any reason; and
- (c) Each of VPMS and VPC shall be jointly and severally liable for all acts and omissions of any subcontractor as if those acts or omissions were acts or omissions of VPC under this agreement and each shall indemnify Intelesens against all costs, expenses, claims, loss or damage incurred or suffered by Intelesens, or for which Intelesens may become liable (whether direct, indirect or consequential and including any economic loss or other loss of profits, business or goodwill) arising out of any act or omission of any subcontractor, including any product liability claim relating to Licensed Products manufactured by the subcontractor. Any claim under the indemnity given in this clause must be made under the procedure described in clause 12.4 and the provisions of clause 12.5, clause 12.6 and clause 12.7 shall apply to this clause, the necessary changes having been made.

14.2 VPC shall:

- (a) give Intelesens no less than 20 Business Days' notice in writing of the identity of any subcontractor it intends to use to manufacture the Licensed Products, prior to entering into any agreement under clause 14.1 above; and
- (b) only use subcontractors which are solvent, reputable and able to carry out their obligations in accordance with the terms of the agreements entered into under clause 14.1 above; and
- (c) if so requested by Intelesens, provide Intelesens with such information about the subcontractor as Intelesens reasonably requests (and VPC is able to provide) and will consult with Intelesens upon request in relation to any legitimate concerns Intelesens may have regarding any such subcontractor.



**15. ASSIGNMENT AND OTHER DEALINGS BY INTELESENS**

- 15.1 Intelesens may at any time assign, transfer, mortgage, charge or deal in any other manner with any or all of its rights and obligations under this agreement.
- 15.2 Intelesens may subcontract or delegate in any manner any or all of its obligations under this agreement to any third party.
- 15.3 Each of VPMS and VPC shall, at Intelesens' request, execute and deliver (and ensure that its employees, agents and representatives execute and deliver) any documents, agreements or other instruments (including any supplement or amendment to this agreement) which may be required (or which Intelesens or any successor entity deems necessary or desirable), at any time during or after termination of this agreement, in order to give effect to or perfect or evidence assignment of the Patents or Intelesens' ownership of the Patents or Technology.
- 15.4 VPMS shall, at Intelesens' request, execute any agreements or other instruments (including any supplement or amendment to this agreement) which may be required in order to give effect to or perfect any assignment, transfer, mortgage, charge, or other dealing referred to in this clause.

**16. TERMINATION**

- 16.1 Without prejudice to any rights that have accrued under this agreement or any of its rights or remedies, but subject to clause 16.2, Intelesens may terminate this agreement immediately by giving written notice to both VPMS and VPC if any of the following circumstances occurs:
- (a) either VPMS or VPC fails to pay any amount due under this agreement on the due date for payment and remains in default not less than fourteen (14) days after being notified in writing to make such payment;
  - (b) either VPMS or VPC commits a material breach of any term of this agreement, which breach is either not capable of remedy or, if such breach is capable of being remedied, either VPMS or VPC (as the case may be) fails to remedy that breach within a period of fourteen (14) days after both VPMS and VPC have been notified in writing by Intelesens to do so;
  - (c) either VPMS or VPC undergoes an Insolvency Event, suspends payment of its debts or is unable to pay its debts as they fall due;
  - (d) either VPMS or VPC commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with any of its creditors other than (being a company) for the sole purpose of a scheme for a solvent amalgamation of either VPMS or VPC (as the case may be) with one or more other companies or the solvent reconstruction of either VPMS or VPC;
  - (e) a resolution is passed, or an order of the court is made, for or in connection with the winding-up of either VPMS or VPC (being a company) other than for the sole purpose of a scheme for a solvent amalgamation of either VPMS or VPC (as the case may be) with one or more other companies or the solvent reconstruction of either VPMS or VPC;
  - (f) an administrator is appointed to either VPMS or VPC;
  - (g) a receiver is appointed over all or substantially all of the assets of either VPMS or VPC;
  - (h) a creditor or encumbrancer of either VPMS or VPC attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or substantially all of the assets of either VPMS or VPC and such attachment or process is not discharged within 14 days;

- (i) any event occurs, or proceeding is taken, with respect to either VPMS or VPC in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in clause 16.1(c) to clause 16.1(h) (inclusive);
- (j) either VPMS or VPC suspends or ceases, or threatens to suspend or cease, carrying on all or a substantial part of its business;
- (k) either VPMS or VPC challenges the validity of any of the Patents; or
- (l) either VPMS or VPC contests the secret or substantial nature of the know-how or Technology.

**17. CONSEQUENCES OF TERMINATION**

**17.1** On expiry or termination of this agreement for any reason and subject to any express provisions set out elsewhere in this agreement:

- (a) all outstanding sums payable by either VPMS or VPC to Intelesens shall immediately become due and payable;
- (b) all rights and licences granted pursuant to this agreement shall cease;
- (c) VPC shall cease all exploitation of the Patents, Technology and any know-how provided by Intelesens to VPC, except insofar as provided in clause 17.2 or such know-how ceases or has ceased to be confidential, unless this is or was as a consequence of the default of VPC or VPMS;
- (d) VPC shall co-operate with Intelesens in the cancellation of any licences registered pursuant to this agreement and shall execute such documents and do all acts and things as may be necessary to effect such cancellation; and
- (e) within ninety (90) days after the date of termination VPC shall promptly destroy or, if Intelesens shall so elect, deliver to Intelesens or any other person designated by Intelesens, at VPC's expense, all Licensed Products that it has not disposed of within that period after the date of termination.

**17.2** On expiry or termination of this agreement for any reason other than termination by Intelesens under any right provided by clause 16.1, VPC shall for a period of 90 days after the date of termination have the right to:

- (a) complete the manufacture of Licensed Products for which VPC is in receipt of an order at the date of termination; and
- (b) sell or otherwise dispose of all Licensed Products (including stocks of Licensed Products) which incorporate the Patents, Technology and/or know-how and which are in its possession, control or are in the course of manufacture at the date of termination.

17.3 Any provision of this agreement that expressly or by implication is intended to come into or continue in force on or after termination or expiry of this agreement shall remain in full force and effect.

17.4 Termination or expiry of this agreement shall not affect any rights, remedies, obligations or liabilities of the parties that have accrued up to the date of termination or expiry, including the right to claim damages in respect of any breach of the agreement which existed at or before the date of termination or expiry.

#### 18. FURTHER ASSURANCE

18.1 Each of VPMS and VPC shall at its own expense, and shall use all reasonable endeavours to procure that any necessary third party shall, promptly, execute such documents and perform such acts as may be reasonably required by Intelesens for the purpose of giving full effect to the assignment of the Patents effected under clause 2.1 of this agreement, including:

- (a) registration of Intelesens as sole applicant for, or proprietor of, the Patents; and
- (b) assisting Intelesens in obtaining, defending and enforcing the Patents, and assisting with any other proceedings which may be brought by or against Intelesens against or by any third party relating to the rights assigned by this agreement.

18.2 Each of VPMS and VPC appoints Intelesens to be its attorney in his name and on its behalf to execute documents, use its name and do all things which are necessary or desirable solely for Intelesens to enforce its rights under clause 18.1. A certificate in writing, signed by any director or the secretary of VPMS or VPC (as the case requires) or by any person appointed in accordance with this clause 18.2, that any instrument or act falls within the authority conferred by this agreement shall be conclusive evidence that such is the case so far as any third party is concerned.

18.3 The respective powers of attorney are irrevocable and are given by way of security to secure the performance of the obligations of VPMS and, if applicable, VPC under this clause and the proprietary interest of Intelesens in the Patents and are given for so long as such obligations of VPMS and, if applicable, VPC remain undischarged or Intelesens has such interest in the Patents. The respective powers may not be revoked by either VPMS or, if applicable, VPC, save with the consent of Intelesens.

18.4 Without prejudice to clause 18.2, Intelesens may, in any way it thinks fit and in the name and on behalf of VPMS or, if applicable, VPC:

- (a) take any action that this clause requires VPMS or VPC to take;
- (b) exercise any rights which this clause requires to VPMS or VPC to exercise; and
- (c) appoint one or more persons to act as substitute attorney(s) for either VPMS or VPC (as the case may be) and to exercise such of the powers conferred by either power of attorney granted under this clause as Intelesens thinks fit and revoke such appointment.

18.5 Each of VPMS and VPC undertakes to ratify and confirm everything that Intelesens and any substitute attorney does or arranges or purports to do or arrange in good faith in exercise of any power granted under this clause.

#### 19. WAIVER

No failure or delay by a party to exercise any right or remedy provided under this agreement or by law shall constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

**20. ENTIRE AGREEMENT**

20.1 This agreement constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

20.2 Each party agrees that it shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this agreement. Each party agrees that it shall have no claim for innocent or negligent misrepresentation or negligent misstatement based on any statement in this agreement.

**21. VARIATION**

No variation of this agreement shall be effective unless it is in writing and signed by the parties (or their authorised representatives).

**22. SEVERANCE**

22.1 If any provision or part-provision of this agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of this agreement.

22.2 If any provision or part-provision of this agreement is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended commercial result of the original provision.

**23. COUNTERPARTS**

23.1 This agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute the one agreement.

23.2 No counterpart shall be effective until each party has executed and delivered at least one counterpart.

**24. THIRD PARTY RIGHTS**

No one other than a party to this agreement, their successors and permitted assignees, shall have any right to enforce any of its terms.

**25. NO PARTNERSHIP OR AGENCY**

25.1 Nothing in this agreement is intended to, or shall be deemed to, establish any partnership or joint venture between any of the parties, constitute either party the agent of another party, or authorise either party to make or enter into any commitments for or on behalf of another party.

25.2 Each party confirms it is acting on its own behalf and not for the benefit of any other person.

**26. FORCE MAJEURE**

No party shall be in breach of this agreement nor liable for delay in performing, or failure to perform, any of its obligations under this agreement if such delay or failure result from events, circumstances or causes beyond its reasonable control. In such circumstances the affected party shall be entitled to a reasonable extension of the time for performing such obligations. If the period of delay or non-performance continues for three (3) months, the party not affected may terminate this agreement by giving fourteen (14) days' written notice to the affected party, provided that VPC and VPMS shall not be entitled to terminate for a force majeure event affecting either VPMS or

VPC respectively. Notwithstanding the foregoing, force majeure shall not relieve any party of its payment obligations under this agreement.

**27. NOTICES**

27.1 Any notice given to a party under or in connection with this agreement shall be:

- (a) in writing and directed to the recipient's address for notices specified in this agreement, as varied by any notice given by that party under this agreement; and
- (b) delivered by hand or other next working day delivery service or sent by pre-paid post, facsimile or email to that address.

27.2 Any notice shall be deemed to have been received:

- (a) if delivered by hand, on signature of a delivery receipt or at the time the notice is left at the proper address;
- (b) if sent by pre-paid first-class post or other next working day delivery service, at 9.00 am on the second Business Day after posting or at the time recorded by the delivery service; or
- (c) if sent by facsimile or email, when the sender's facsimile or email system generates a message confirming successful transmission or delivery of the notice in entirety unless, within eight business hours after the transmission or delivery, the recipient informs the sender that it has not received the entire notice,

but if the delivery, receipt or transmission is not on a business day or outside of business hours, the notice is taken to be received at the commencement of business hours after that delivery, receipt or transmission.

27.3 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

27.4 A notice given under this agreement which purports to terminate this agreement is not valid if it is given or sent by e-mail.

**28. INADEQUACY OF DAMAGES**

Without prejudice to any other rights or remedies that the other party may have, each party acknowledges and agrees that damages alone may not be an adequate remedy for any breach of the terms of this agreement by them. Accordingly, each party shall be entitled to the remedies of injunction, specific performance or other equitable relief for any threatened or actual breach of the terms of this agreement.

**29. GOVERNING LAW**

This agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of Northern Ireland.

**30. RESOLUTION OF DISPUTES AND JURISDICTION**

30.1 The parties may agree at any time to refer any dispute, claim or difference ("Dispute") arising out of or in connection with this agreement to mediation.

30.2 This clause 30 sets out the intention of the parties to act in a collaborative manner and in a spirit of mutual trust and co-operation in seeking to resolve disputes at the earliest stage possible. However, for the avoidance of doubt, nothing in this clause 30 is intended to curtail or delay in any

way any party's right to seek interim or interlocutory relief from the courts of Northern Ireland at any time.

- 30.3 Unless otherwise agreed, all negotiations connected with a Dispute shall be in confidence and without prejudice to the rights of the parties in any future proceedings. If at any point the parties reach agreement on the resolution of a Dispute or any part of a Dispute, it shall be set out in writing and signed by the authorised representatives of all parties. Such resolution shall from that point be binding on the parties and may be referred to as evidence of their agreement.
- 30.4 If a Dispute arises, the party who wishes to raise it (Claiming Party) must give notice (Dispute Notice) to the other party or parties (Responding Party) as soon as reasonably possible after becoming aware of the circumstances giving rise to the Dispute. The Dispute Notice must specify in reasonable detail:
- (a) the relevant facts giving rise to the Dispute;
  - (b) any contractual obligation or other applicable legal duty which the Claiming Party asserts has been or will be breached; and
  - (c) the remedy or action claimed by the Claiming Party.
- 30.5 Subject to clause 30.2, if a Dispute arises between the parties at any time, such Dispute shall first be referred to the parties' senior representatives. The parties' senior representatives shall meet without prejudice within 5 Business Days of receipt of the Dispute Notice by the Responding Party and they shall attempt in good faith to resolve the Dispute. Any decision jointly made by the representatives shall be final and binding unless the parties otherwise agree, once it has been recorded in writing and signed by each representative in accordance with clause 30.3.
- 30.6 Subject to clause 30.2, if the senior representatives have failed to resolve the Dispute within 15 Business Days of receipt of the Dispute Notice by the Responding Party, the Dispute shall be referred to the Managing Directors of each party who shall, within 10 Business Days of the Dispute being referred to them meet without prejudice and attempt in good faith to resolve the Dispute. Any decision jointly made by the Managing Directors shall be final and binding unless the parties otherwise agree, once it has been recorded in writing and signed by each representative in accordance with clause 30.3.
- 30.7 Any party may nominate a deputy to attend in place of the representatives referred to above, provided that such deputy must be duly authorised to agree a resolution of the Dispute.
- 30.8 Subject to clause 30.2, if the Dispute cannot be resolved by negotiation, the Dispute may be referred to mediation in the parties, acting reasonably, consider and agree that the Dispute is suitable for mediation. The choice of mediator and venue shall be agreed by the parties, acting reasonably or, failing such agreement, nominated by the President for the time being of the Law Society of Northern Ireland.
- 30.9 Each party irrevocably agrees that the courts of Northern Ireland shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this agreement or its subject matter or formation (including non-contractual disputes or claims).

This agreement has been entered into as a deed and is delivered on the date stated at the beginning of it.

**SCHEDULE 1****THE PATENTS**

<b>Invention</b>	<b>Country/Region</b>	<b>Application Number</b>	<b>Publication or Grant Number</b>	<b>Status</b>
Magnetic Connectors	Europe	08737132.4	2155053	Granted
Magnetic Connectors	Germany	60200825152.7	2155053	Granted
Magnetic Connectors	France	08737132.4	2155053	Granted
Magnetic Connectors	UK	08737132.4	2155053	Granted
Magnetic Connectors	Ireland	08737132.4	2155053	Granted
Magnetic Connectors	Italy	08737132.4	2155053	Granted
Magnetic Connectors	USA	12/600644	6332009	Granted
Monitoring System Drinker	USA	10/495349	8248231	Granted

**SCHEDULE 2**  
**THE TECHNOLOGY**

**Section 1      Device Hardware (V-Pod, V-Cell)**

Intelesens will provide (or make available as appropriate and further detailed below) VPC with all the information it has which Intelesens deems necessary to manufacture the V-Pod and V-Cell as defined below to a quality assurance standard previously manufactured by Intelesens for VPMS including:

**V-Pod** (the ECG data collection, analysis, capture and reporting module developed by Intelesens for VPMS in 2005 for communicating with the V-Cell)

The V-Pod Bill of Materials (BOM) which includes all V-Pod components

Operational and testing manuals for V-Pod

Written V-Pod build sequences and manufacturing processes (where available)

Intelesens will make available any assembly or testing jigs, rigs, forms, special tools, testing panels, test software that are specific to V-Pod and required to produce and test the V-Pod

**V-Cell** (the transceiver module developed by Intelesens for VPMS in 2005 wirelessly connected via a Nordic 2.4 GHz protocol to V-Pod that transmits its data to the web)

The Nordic 2.4 GHz communications software and protocol between V-Pod and V-Cell and the GPRS communications software between V-Cell and the phone networks

The V-Cell Bill of Materials (BOM) which includes all V-Cell components

Operational manuals for V-Cell and data sheets for components such as microprocessors, transmitters and receivers

Written V-Cell build sequences and manufacturing processes (where available)

V-Cell testing and manufacturing manual

Intelesens will make available any assembly or testing jigs, rigs, forms, special tools, testing panels that are specific to V-Cell and required to produce and test the V-Cell

**Section 2      Biosensor Patches**

Intelesens will provide a non-exclusive license (in accordance with the terms of clause 4.1 of this agreement) to use the know-how and Patents solely for the purposes of making, using and selling the biosensor patch developed for VPMS in 2004 with a two layer ink print process (V-Patch), which includes the conductive gels forming the V-Patch, the skin adhesive technology implemented with the V-Patch and the female magnetic studs used to mate with the machined male studs integrated into the V-Pod casing.



Written V-Patch build sequences and manufacturing processes including Testing and Manufacturing manual

Intelesens will make available any assembly, cutting, holding or testing jigs, rigs, forms, special tools, testing panels specific to V-Patch and required to produce and test the Patch

Section 3 Device Communications Software and 10 set Arrhythmia Detection Algorithm

Intelesens will provide VPC with the source code of for the 10 set Arrhythmia Detection Algorithm developed by Intelesens for VPMS in 2004 (final version dated 20 June 2011, tagged SVN revision 270, version 3.1.1) to support wireless data transmission over a Nordic 2.4 GHz protocol and currently installed in the V-Patch system and all information required to install the said software and allow VPC to further develop the V-Patch and V-Pod firmware and detection software as manufactured by Intelesens previously for VPMS.

For the avoidance of doubt, the following do not form part of the technology to be licensed to VPC in accordance with this agreement:

- (a) ISO 9001/13485 – Intelesens cannot transfer, licence or provide access to its quality management systems' (QMS) certifications or regulatory approvals to enable VPC to manufacture and distribute the Products. VPC hereby expressly acknowledges and agrees that it will need to obtain its own QMS' certifications and regulatory approvals to manufacture and distribute the Licensed Products;
- (b) CE approval – Intelesens will transfer the technical file for V-Patch CE certification to VPC, however VPC hereby expressly acknowledges and agrees that it will need to demonstrate (and will be solely responsible for demonstrating) to the relevant notified body that the premises at which the Licensed Products are manufactured are QMS certified and that it has the appropriate processes in place to enable CE approval to be added to the scope of VPC's certification. Intelesens cannot transfer, licence or provide access to its CE approval to enable VPC to manufacture and distribute the Licensed Products; and
- (c) FDA 510(k) K131000 clearance – Intelesens will transfer ownership of K131000 to VPC to enable VPC to sell the Licensed Products under its own name in the USA.

Under terms of this agreement VPC (or the person manufacturing the Licensed Products on its behalf) will be classified as the legal manufacturer and as such will be fully responsible for all regulatory compliance activities for placing the Licensed Products on the market.

### SCHEDULE 3

#### MILESTONES

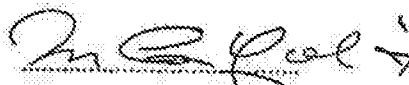
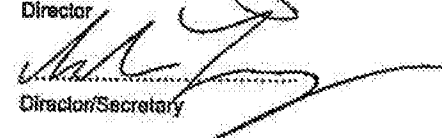
1.	Intelesens to provide to VPC a copy of quality management system (QMS) document index relating to the Licensed Products to enable VPC to identify and specify, in agreement with Intelesens, the necessary files and key documents for transfer, to enable VPC to exploit the licence granted under clause 4.1. This document index will be provided within 7 days of receipt of a signed copy of this agreement from VPC.
2.	Intelesens to transfer to VPC those items detailed in Schedule 2 which can be transferred in soft copy. This to include the specified QMS documentation agreed by the parties as part of milestone 1 including the device and electrode technical files, BOM's, PCBA drawings, algorithm source code (specified in Schedule 2 Section 3), firmware/software (SVN Repository REM V3, SVN Version 380, Tagged REM 3.2.5), manufacturing process information for the device and each of the jigs and fixtures used in the assembly, test and programming of the device and electrodes. This information will be provided via a drop box or similar format.
3.	Intelesens to provide catalogue inventory of all hardware detailed in schedule 2, custom to the Licensed Products including but not limited to test fixtures, cutting tools, stock items owned by VPMS etc and make available for shipping. Photographic evidence will be provided to confirm that all specified items are ready for collection.
4.	VPC to arrange shipping of inventory identified by Intelesens as part of milestone 3
5.	VPC to complete Australian installation of manufacturing processes to functional operating standard for current build versions: PN0304F            V-Pod PN0305E            V-Cell PN0306H            V-Kit PN0999A            1 x Pack of 4 electrodes

#### Notes:


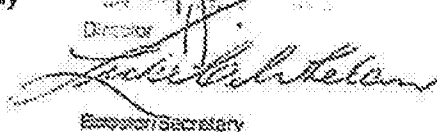
It is acknowledged by the parties that the exact time frame(s) are difficult to specify with precision, however time is of the essence. The parties hereby record their expectation that all milestones will be completed within 60 days of commencement of the first milestone and acknowledge that it is in the interests of all parties to complete the milestones, and their obligations in relation to each milestone, expeditiously.

In addition to the above milestones, a suitably qualified representative of Intelesens will physically attend VPC's manufacturing facility in Australia and assist in setting up the manufacturing process to realise completion of Milestone 5. The parties will aim to limit this to a maximum of two weeks of on-site support however acknowledge that there may be a requirement for a reasonable extension of this timeframe which will be agreed at the time. VPC shall give reasonable notice of travel requirements (exact dates for travel to be agreed in advance by the parties) and cover Intelesens' reasonable costs for such qualified representative's time and expenses.


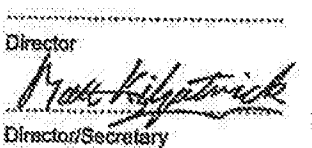
EXECUTED as a DEED by  
INTELESENS LIMITED  
acting by two directors  
or a director and the Company Secretary

  
Director  
  
Director/Secretary

EXECUTED as a DEED by  
V-PATCH MEDICAL SYSTEMS 1 PTY LTD  
acting by two directors  
or a director and the Company Secretary

  
Director  
  
Director/Secretary

EXECUTED as a DEED by  
VPATCH CARDIO PTY LTD  
acting by two directors  
or a director and the Company Secretary

  
Director  
  
Director/Secretary