

PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	IP ACQUISITION AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
SAN FRANCISCO INDUSTRIAL	12/31/2016
RECEIVING PARTY DATA	
Name:	SFI ALPHA SPIN LTD.
Street Address:	REHOV HILLEL 18
City:	YERUSHALAYIM
State/Country:	ISRAEL
Postal Code:	9458118
PROPERTY NUMBERS Total: 1	
Property Type	Number
Application Number:	16572490
CORRESPONDENCE DATA	
Fax Number:	(310)556-1802
<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:	(310) 556-1801
Email:	bvo@polsinelli.com
Correspondent Name:	POLSINELLI LLP
Address Line 1:	2049 CENTURY PARK EAST
Address Line 2:	SUITE 2900
Address Line 4:	LOS ANGELES, CALIFORNIA 90067
ATTORNEY DOCKET NUMBER:	085403-637141
NAME OF SUBMITTER:	BRIAN VO
SIGNATURE:	/Brian Vo/
DATE SIGNED:	09/18/2019
Total Attachments: 9	
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IP ACQUISITION AGREEMENT

This IP Acquisition Agreement ("Agreement") is made and entered into as of December 31st, 2016 ("Effective Date") by and between San Francisco Industrial (SFI) a Delaware LLC, and SFI Alpha Spin Ltd. (SFII), an Israeli corporation. Each company is referred to herein as a Party and together collectively as the Parties.

RECITALS

WHEREAS, SFI is the owner of certain Intellectual Property Rights, including certain patent applications, as further defined and described in this Agreement ("IP"); and

WHEREAS, SFII desires to acquire such IP in order to commercialize its underlying products;

WHEREAS, SFI acknowledges the ongoing litigation ("Litigation") against some of its advisors, which has the potential to fatally affect the value of the IP, and SFII is aware of the Litigation;

WHEREAS, SFI has been rebuffed by numerous companies because of the Litigation and SFII is aware of the problematic status of SFI and its IP;

WHEREAS, SFI owes its patent attorneys sums in substantial excess of \$50,000 and presently has no means with which to pay these sums;

WHEREAS, SFI owes its shareholders amounts from an owners' loan to the Company and presently has no means with which to pay these sums;

WHEREAS, SFI may have a disputed Note outstanding to a third party in a face value amount claimed to be equal to or exceeding \$125,000;

WHEREAS, SFII is prepared to assume all of the risks delineated above that lead to the diminution in value of the IP; and

WHEREAS, SFI and SFII agree that this preamble to the Agreement is an integral, material and necessary part of the Agreement;

Now, THEREFORE, for good and valuable consideration as described herein, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

AGREEMENT

1. Definitions

1.1 "Affiliates," with respect to SFI, means any other current or future corporation, company or other entity that is, directly or indirectly, controlling, controlled by or under common control with SFI or any of its shareholders, but only so long as such control exists. For the avoidance of doubt and without in any way limiting the foregoing, ownership of at least fifty percent (50%) of the voting rights (or equivalent rights) in an entity constitutes control. For the purposes of this definition, SFI and SFII are not deemed Affiliates.

1.2 "IP" means any and all Intellectual Property Rights that SFI or any of its Affiliates owns or otherwise has the right to including, without limitation, the Intellectual Property Rights set forth on Schedule 1, together with any improvements, enhancements, derivatives and other modifications thereof or thereto, whether existing as of the Effective Date or made, created, developed, invented, conceived, reduced to practice or otherwise acquired at any time thereafter by SFI or any of its Affiliates.

1.3 "Intellectual Property Rights" means any and all patents and patent applications; copyrights and similar rights in works of authorship (including, without limitation, software); trademarks, service marks, trade names, trade dress and domain names; trade secret rights and other rights in proprietary and confidential information; and all other intellectual and industrial property and related rights with respect to any Technology, whether statutory or common law, and whether protected, created or arising under the laws of the United States or any other jurisdiction, together with all national, foreign, state and common law registrations, applications for registration and renewals and extensions thereof and all goodwill associated therewith.

1.4 "Later-acquired IP" means any new Intellectual Property Rights or additional or greater interest in any IP than that acquired hereunder (including, without limitation, any interest in improvements, enhancements, upgrades, modifications or derivative works to any IP or Technology covered by the IP) which SFI or any of its Affiliates hereafter develop or acquire, by agreement, operation of law or otherwise.

1.5 "Technology" means all software, hardware, documentation and other works, inventions, discoveries, improvements, know-how, technical information and materials and other technology.

2. Acquisition

2.1 SFI, on behalf of itself and its Affiliates, hereby sells, transfers and conveys, and to SFII, its successors and assigns, all right, title and interest in and to the IP, together with all benefits, privileges, causes of action and remedies relating to any of the IP, whether before or hereafter accrued (including, without limitation, the sole and

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exclusive rights to apply for and maintain all registrations, renewals and/or extensions with respect to the IP; to sue for all past, present or future infringements or other violations of any rights in the IP; and to settle and retain proceeds from any such actions).

2.2 Later-acquired Rights. In the event that SFI or any of its Affiliates hereafter develop or acquire, by agreement, operation of law or otherwise, ownership in any Later-acquired IP, such Later-acquired IP will automatically be subject to this Agreement and for all purposes deemed to have been acquired as if SFI had possessed them on the Effective Date.

2.3 Back-up Disposition. To the extent, if any, that, notwithstanding the foregoing, SFI or any of its Affiliates retains any right, title or interest with respect to any IP or Later-acquired IP (including any Intellectual Property Rights which SFI does not own but has the right to license or sublicense), SFI, on behalf of itself and its Affiliates, hereby agrees to retroactively include in the previous IP sale to SFII all of its rights in such IP and Later-acquired IP.

2.4 Moral Rights. SFI, on behalf of itself and its Affiliates, irrevocably waives any "moral rights" or other rights with respect to attribution of authorship or integrity of any IP that SFI or any of its Affiliates may have or acquire under any applicable law under any legal theory, and, in the event such waiver is held to be ineffective, unenforceable, void or voidable under applicable law, SFI irrevocably covenants not to assert any such rights against SFII or any of its affiliates.

2.5 Delivery. SFI will promptly after the Effective Date deliver to SFII copies of all software (including all source code with comments, libraries, tools, utilities and other related materials), hardware, documentation, media and other Technology and tangible property (collectively, "Tangible Property") covered by the IP. SFI will further deliver to SFII any additional Tangible Property included in or related to the IP or Later-acquired IP promptly upon SFII's request from time to time.

2.6 Cooperation. SFI will cooperate in supplying such information as may be reasonably requested by SFII to complete and file any forms, documents or instruments presently or hereafter required, and will execute and deliver to SFII such other documents and do such other acts and things, all as SFII may reasonably request for the purpose of vesting, securing, perfecting, protecting and enforcing SFII's right, title and interest in and to the IP or Later-acquired IP or otherwise carrying out the intent of this Agreement and the transactions contemplated hereby.

3. Consideration

3.1 Assumption of Debt. On the Effective Date SFII will assume all of SFI's debt, including by way of illustration but not limitation, debt to service providers (e.g., accountants lawyers, and to shareholders).

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3.2 Winding Down. Within one year of the Effective Date or as soon as practicable thereafter, SFII will pay for the costs associated with the winding down and closure of SFI.

3.3 Taxes. Through winding down, SFII will pay for all outstanding taxes owed by SFI to any and all governmental authorities.

4. Representations and Warranties

4.1 Warranties of SFI. SFI represents, warrants and covenants that (a) it has the right, power and authority to enter into this Agreement and to perform its obligations hereunder, (b) it has the exclusive right to sell the rights and interests in the IP to SFII hereunder, (c) it is the exclusive owner of all IP and will convey to SFII good and marketable title in and to all IP and Later-acquired IP, free and clear of any liens or other encumbrances, (d) SFI has and enforces (and will continue to have and enforce) a policy requiring each employee, consultant and independent contractor involved in the creation of any Technology or Intellectual Property Rights for SFI or any of its Affiliates to execute proprietary information, confidentiality and invention license agreement appropriate for and enforceable in the jurisdiction in which such employee, consultant or independent contractor resides and/or provides development services that irrevocably licenses to SFI all Intellectual Property Rights associated with any development or invention made, conceived or reduced to practice by each such employee, consultant or independent contractor in the course of or in connection with their employment with or performance of services for SFI or any of its Affiliates, and all current and former employees, consultants or independent contractors of SFI involved in the development of any Technology or Intellectual Property Rights have executed such agreement; (e) the sale of IP made and rights granted by SFI under this Agreement do not and will not conflict with, violate or breach or constitute a default, or require any consent that has not been obtained, under any contractual obligations of SFI, (f) no third party has or will have any right or license with respect to any IP or any Later-acquired IP prior to their sale and transfer to SFII, and (g) no items in the IP have been found invalid in any administrative, arbitration, judicial or other proceeding and none are currently involved in any reexamination, reissue or interference proceeding and no such proceedings are pending or threatened.

4.2 Warranties of SFII. SFII represents, warrants and covenants that (a) it has the right, power and authority to enter into this Agreement and to perform its obligations hereunder, (b) SFII has and enforces (and will continue to have and enforce) a policy requiring each employee, consultant and independent contractor involved in the creation of any IP to execute proprietary information, confidentiality and invention license agreement appropriate for and enforceable in the jurisdiction in which such employee, consultant or independent contractor resides and/or provides development services that irrevocably licenses to SFII all Intellectual Property Rights associated with such IP.

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4.3 Mutual Indemnity. Each party (the "indemnifying party") will indemnify and hold harmless the other party, its officers, directors, employees, affiliates, subsidiaries, agents, successors and licenses from and against any liability, claim, suit, proceeding, demand or action and any damages, losses, costs, expenses or settlement fees incurred in connection therewith (including reasonable attorneys' fees and costs) arising out of or relating to any breach or alleged breach by the indemnifying party of its representations and warranties set forth above in this Section 4.

5. Enforcement

5.1 Cooperation. In any suit, proceeding or dispute involving the infringement by a party allegedly infringing on the IP ("Alleged Infringer"), the parties hereto will provide each other with reasonable cooperation and assistance, including agreeing to be named as a party to such action, and, upon the request and at the expense of SFII, the other party will make available, at reasonable times and under appropriate conditions, all relevant personnel, records, papers, information, samples, specimens, and the like in its possession. Notwithstanding any other provision of this Section 5, SFI will not make any settlements of any suit, proceeding or action relating to an infringement of any IP without first obtaining SFII's prior written consent, such consent to be withheld or delayed in SFII's sole and exclusive judgment.

6. Term and Termination

6.1 Term of Agreement. This Agreement is substantially complete upon transfer of the IP.

6.2 Ongoing obligations. Other commitments made hereunder will commence on the Effective Date and will continue in full force and effect in perpetuity unless terminated pursuant to this Section.

6.3 Termination. Either party may terminate this Agreement immediately if the other party ceases to conduct business in the normal course, is unable to pay its debts, becomes insolvent, makes a general license for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets, avails itself of or becomes subject to any petition or proceeding under any statute of any state or country relating to insolvency or the protection of the rights of creditors, or any other insolvency or bankruptcy proceeding or similar proceeding for the settlement of its debt is instituted.

7. Miscellaneous

7.1 Governing Law. This Agreement will be governed by, and construed and interpreted, in accordance with the internal laws of the State of Israel without giving effect to any choice of law rule that would cause the application of the laws of any

jurisdiction other than the internal laws of the State of Israel to the rights and duties of the parties.

7.2 Limitation of Liability. EXCEPT WITH RESPECT TO LIABILITY UNDER SECTION 4.3, IN NO EVENT WILL ANY PARTY, ITS AFFILIATES OR ANY OF ITS OR THEIR DIRECTORS, OFFICERS, EMPLOYEES OR AGENTS BE RESPONSIBLE OR LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY, PUNITIVE OR OTHER DAMAGES, OR FOR ANY LOSS OF PROFITS, LOSS OF REVENUE, LOSS RESULTING FROM INTERRUPTION OF BUSINESS OR LOSS OF USE OF DATA, EVEN IF THAT PARTY, ITS AFFILIATES OR ANY OF THEIR DIRECTORS, OFFICERS, EMPLOYEES OR AGENTS HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY OF ANY KIND, UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER THEORY, ARISING OUT OF OR RELATING IN ANY WAY TO THIS AGREEMENT OR ITS IMPLEMENTATION.

7.3 Independent Contractors. The relationship established between SFI and SFII by this Agreement is that of independent contractors. Nothing in this Agreement will be constructed to create any other relationship between SFI and SFII. Neither party will have any right, power or authority to bind the other or assume, create or incur any expense, liability or obligation, express or implied, on behalf of the other.

7.4 Notices. Any notice, report, communication or consent required or permitted by this Agreement will be in writing and will be sent (a) by prepaid registered or certified mail, return receipt requested, (b) by overnight express delivery service by an internationally recognized courier, at the address shown below or at such other address for which such party gives notice hereunder; by an email or a telephone call so long as followed up by a hard copy sent by mail. Such notice will be deemed to have been given when delivered or, if delivery is not accomplished by some fault of the addressee, when tendered.

If to SFI:

Address: jerry@sfsinvent.com

Attention: Jerry Sanders

If to SFII:

Address: ilan_y@012.net.il

Attention: Ilan Yehezkeili

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7.5 Modification; Waiver. This Agreement may not be altered, amended or modified in any way except by a writing signed by the parties hereto. The failure of a party to enforce any rights or provisions of this Agreement will not be construed to be a waiver of such rights or provisions, or a waiver by such party to thereafter enforce such rights or provision or any other rights or provisions hereunder. No waiver will be effective unless made in writing and signed by the waiving parties.

7.6 Construction. The parties hereto have jointly participated in the negotiations and drafting of this Agreement. In the event any ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the parties hereto and no rule of construction, presumption or burden of proof will arise favoring one party or another concerning the interpretation of ambiguous provisions or otherwise by virtue of one party's presumed authorship of this Agreement or any provision hereof.

7.7 Severability. If any provision of this Agreement will be found by a court of competent jurisdiction to be void, invalid or unenforceable, the same will be reformed to comply with applicable law or stricken if not so conformable, so as not to affect the validity or enforceability of this Agreement; provided that no such reformation or striking will be effective if the result materially changes the economic benefit of this Agreement to the parties hereto. In the event that any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be void, invalid or unenforceable, and reformation or striking of such provision would materially change the economic benefit of this Agreement to the parties hereto, such provision will be modified in accordance with this Section 7.7 to obtain a legal, valid and enforceable provision and provide an economic benefit to the parties hereto that most nearly effects the parties' intent on entering into this Agreement.

7.8 Entire Agreement. The parties hereto acknowledge that this Agreement, and all exhibits attached hereto, set forth the entire agreement and understanding of the parties as to the subject matter hereof, and supersedes all prior and contemporaneous discussions, agreements and writings in respect hereto.

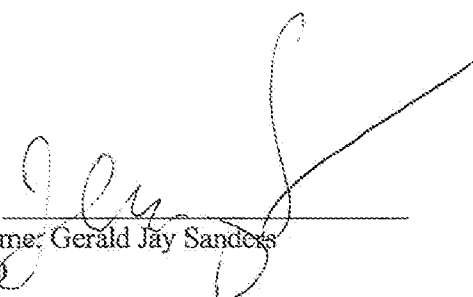
7.9 Headings. The section and paragraph headings contained herein are for the purposes of convenience only, and are not intended to define or limit the contents of the articles, sections or paragraphs to which such headings apply.

7.10 Counterparts. This Agreement may be executed in two or more counterparts, each of which will be deemed an original and all of which together will constitute one instrument.

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IN WITNESS WHEREOF, the parties hereto have signed this Agreement on the date first written above.

SFI

Signature: 

Printed Name: Gerald Jay Sanders

Title: CEO

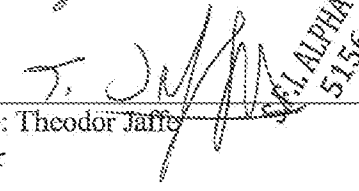
SFI

Signature: 

Printed Name: Ilan Yehezkeili

Title: Director

SFI

Signature: 

Printed Name: Theodor Jaffe

Title: Director

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SCHEDULE I

IP

Asset #	Title	Registration or Application Number	Description of Asset
1	TURBINE DRIVEN POWER UNIT FOR A CUTTING TOOL	16108233.2	Hong Kong Patent Application
2	TURBINE DRIVEN POWER UNIT FOR A CUTTING TOOL	201480025550.7	Chinese Patent Application
3	TURBINE DRIVEN POWER UNIT FOR A CUTTING TOOL	14713698.0	European Patent Application
4	TURBINE DRIVEN POWER UNIT FOR A CUTTING TOOL	241144	Israeli Patent Application
5	TURBINE DRIVEN POWER UNIT FOR A CUTTING TOOL	2015-561681	Japanese Patent Application
6	TURBINE DRIVEN POWER UNIT FOR A CUTTING TOOL	10-2015-7026780	Korean Patent Application
7	TURBINE DRIVEN POWER UNIT FOR A CUTTING TOOL	14/773,194	U.S. Patent Application
8	TURBINE DRIVEN POWER UNIT FOR A CUTTING TOOL	103107601	Taiwanese Patent Application

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