

## PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1  
Stylesheet Version v1.2

EPAS ID: PAT5945494

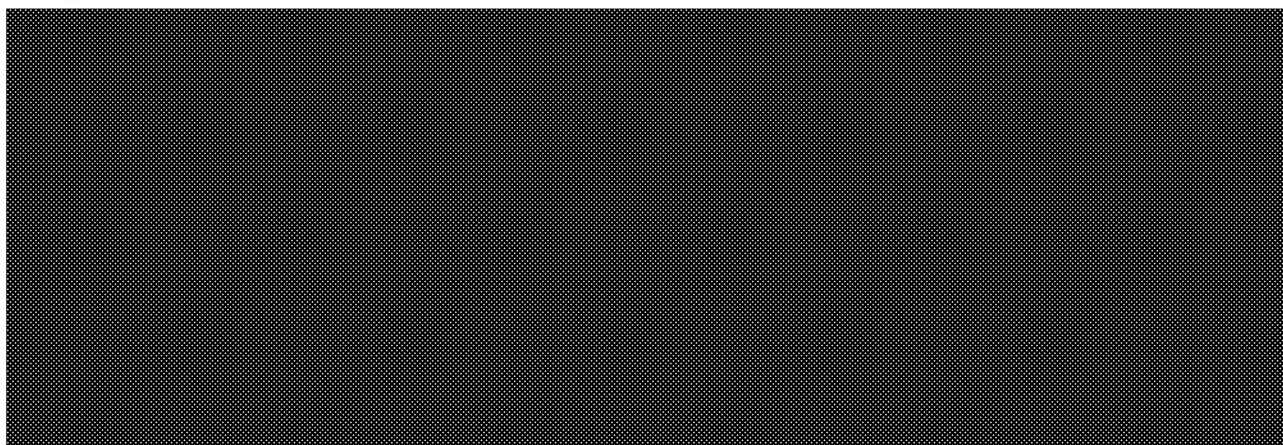
<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	OBLIGATION TO ASSIGN
<b>CONVEYING PARTY DATA</b>	
<b>Name</b>	<b>Execution Date</b>
MICHAEL P MEHLHOFF	07/24/2012
<b>RECEIVING PARTY DATA</b>	
<b>Name:</b>	PARADIGM WATER SOLUTIONS, INC.
<b>Street Address:</b>	1429 AVENUE D
<b>Internal Address:</b>	#394
<b>City:</b>	SNOHOMISH
<b>State/Country:</b>	WASHINGTON
<b>Postal Code:</b>	98290
<b>PROPERTY NUMBERS Total: 1</b>	
<b>Property Type</b>	<b>Number</b>
<b>Application Number:</b>	14945043
<b>CORRESPONDENCE DATA</b>	
<b>Fax Number:</b>	
<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>	2069572460
<b>Email:</b>	voigt@lowegrahamjones.com
<b>Correspondent Name:</b>	MARK WALTERS
<b>Address Line 1:</b>	701 5TH AVE
<b>Address Line 4:</b>	SEATTLE, WASHINGTON 98104-7009
<b>ATTORNEY DOCKET NUMBER:</b>	CWHI-1-1002
<b>NAME OF SUBMITTER:</b>	MARK P. WALTERS
<b>SIGNATURE:</b>	/Mark P. Walters/
<b>DATE SIGNED:</b>	02/04/2020
<b>Total Attachments: 18</b>	
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**CONSULTING AND  
IP DEVELOPMENT AGREEMENT**

AGREEMENT made this 21st day of July, 2012, by and between PARADIGM WATER SOLUTIONS, INC. a Nevada Corporation [hereinafter "Company" and/or "PWS"] and MICHAEL P. MEHLHOFF, individually and on behalf of his community [hereinafter "Consultant" and/or "MM"]; in and for mutual and valuable consideration including without limitation the promises and covenants contained herein, the receipt and sufficiency of which is hereby mutually acknowledged; the parties hereby acknowledge, covenant and agree as follows:

1. Parties: The Company is a Nevada Corporation in good standing, with its principal address in the State of Washington being 1429 Avenue "D", #394, Snohomish, WA 98290.



2. Duties of Consultant:

2.1 Transfer: Consultant will cause to be delivered and provided to the Company the following:

(a) Within thirty (30) days from the date of execution of this Agreement by MM, a list of any and all vendors, suppliers and equipment utilized by MM in the development, research, creation, concept, systems, techniques, discoveries, improvements, manufacturing, design, discovery and/or production of any patent, provisional patent, patent application, Technology, intellectual property or other discovery of any kind whatsoever.

(b) Transfer to Company of all MM's knowledge, facts, formulas, text, graphics, concepts, techniques, discoveries, specifications, improvements, prototypes, drawings, code, documentation, reports, "know how", materials, composition listing, processes, notes, experimental data, research data, deliverables, inventions, innovations, designs, information, "know how", Technology, and/or any and all information or knowledge related to or arising from the Technology or otherwise [collectively "Technology Information"], in any form, format, writing, record, magnetically or optically encoded media, data stream, method of presentation, disk, hard drive, oral, visual, computer data holding program or equipment, or other type of

informational storage or presentation system whatsoever, to Company within thirty (30) days of execution of this Agreement by MM. For the avoidance of doubt, Technology Information includes, but not limited to any Technology Information regarding a water treatment and purification system for waste water capable of meeting standards set by the Environmental Protection Agency ("EPA") for the treatment and purification of waste water, to the satisfaction of Company.

(c) In addition to subsections (a) and (b) hereinabove, any and all Technology or Technology Information as required, provided, acquired or developed by, or in conjunction with, MM during the term of this Agreement as detailed hereinafter or otherwise [collectively hereinafter "New Technology" without intending to limit same by such designation]. Such New Technology shall be reported, transferred and delivered to the Company on a daily basis by or on behalf of MM.

(d) MM shall provide the Company will full and complete access to any and all such Technology, Technology Information and/or New Technology, and the storage systems or methods for same, to facilitate the transfers, deliveries and reportings required in subsections (a)(b)(c) hereinabove by the Company and by any means required by the Company to accomplish same.



2.3 Consulting:

(a) Development of New Technology. Consultant shall perform such additional services and work as required by the Company for the research, development, testing, presentation, and production of New Technology as directed and determined by the Company [collectively "Additional Technology Services"].

(b) Work: Consultant shall further perform such additional services and work of any kind or nature as required, directed and determined by the Company from time to time during the Term of this Agreement [collectively "Additional Work"].

2.4 Work For Hire:

(a) Consultant acknowledges and agrees that any work, services, consulting, inventions, creations, experiments and the results of same, research, development, actions, acts or other thing performed or contributed by Consultant to Company pursuant to this Agreement, or otherwise, prior to and during the Term hereof, including without limitation any Additional Technology Services or Additional Work, [collectively "MM Work"] shall be and shall be considered a "work made for hire"; and the Company, without further compensation to Consultant, shall be the sole and exclusive owner and author of all rights and title in such MM Work, and/or to the results and proceeds of the MM Work, and/or any copyright(s) and/or patent(s) available or as filed by the Company or Consultant with regard thereto, or arising therefrom, and/or any inventions, concepts, plans, processes, ideas,

discoveries, products, procedures, tests, prototypes or technology, information, as well as all renewals thereof and extensions thereto, and regardless of the stage of completion of same [collectively "Work Product"].

(b) Consultant hereby irrevocably transfers and assigns to the Company, all right, title and interest of the Consultant, alleged or actual, to the Work Product, Technology, Technology Information, the items referenced in subsection 2.2 above, MM Work, Additional Technology Services and/or Additional Work, all without further compensation to Consultant of any kind.

(c) Upon request, Consultant shall execute and deliver any and all documents deemed necessary by the Company to confirm, transfer, assign or perfect the exclusive ownership of the Company in and to the referenced Work Product.

(d) Consultant hereby waives and releases any claims or demands whatsoever as to such Work Product, including any patents, copyrights or other intellectual property ["IP"] rights.

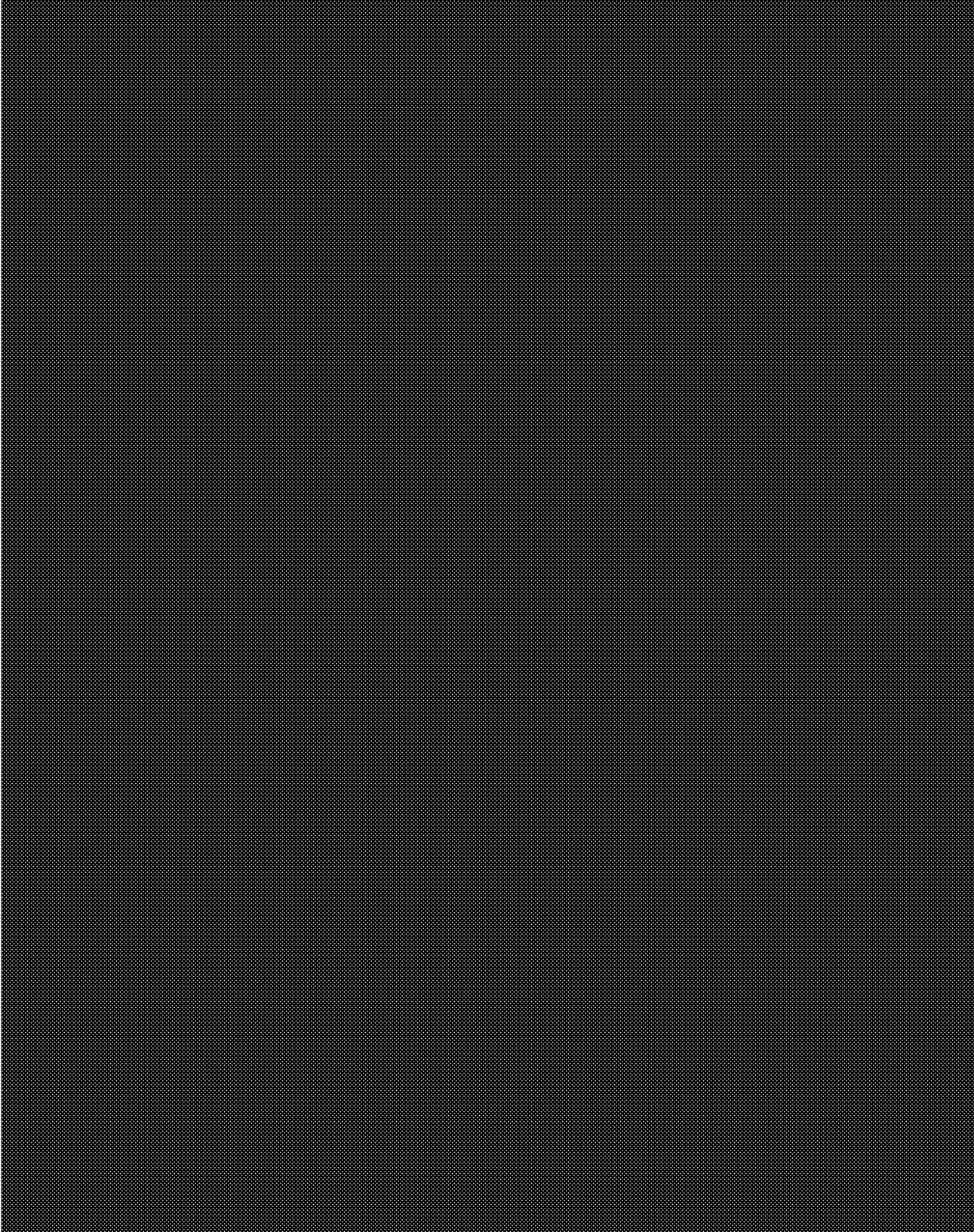
(e) Consultant has not done, and/or will not do, anything to cause an interference by any entity, person or party with the rights granted to the Company herein, and the granting of such rights as to the Work Product and/or MM Work does not constitute a breach of any agreement or covenant or promise.

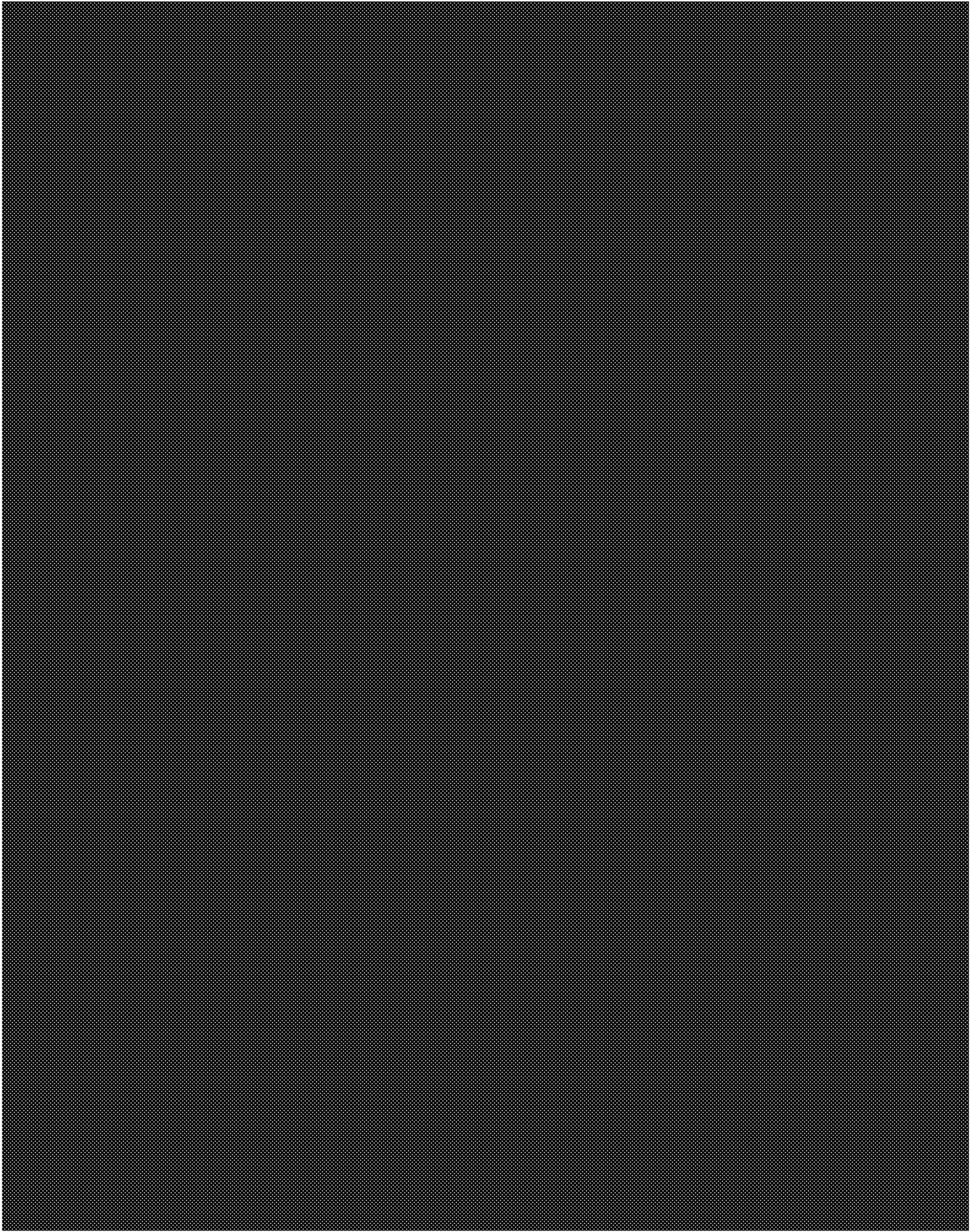
(f) The Company may use, transfer, assign, exploit, manufacture, promote, advertise, license, sell, transfer, encumber, distribute, or otherwise act upon any of the rights granted in this Agreement thereto, including as to the Work Product, without restrictions of any kind, and without further remuneration to Consultant, and in any manner desired by the Company.

(g) Consultant irrevocably appoints the acting President and/or CEO of the Company as the duly authorized Attorney-In-Fact for Consultant for the limited purpose of negotiating, executing and delivering any and all applications, documents, contracts, writings or other item deemed required to effectuate the provisions of this subparagraph and this Agreement [collectively "Documents"] on the Consultant's part to be performed, including without limitation any such required patent or copyright applications with the USPTO, in the event Consultant fails or refuses for any reason to provide any such Documents and/or proceed with and file any such patent or copyright application(s).

(h) The provisions of this subsection 2.4 shall survive any expiration and/or cancellation of this Agreement for any reason.

2.5 The Company shall provide appropriate research and development facilities and support staff as deemed appropriate by the Company to facilitate the projects and work set forth in subsections 2.2 and 2.3 hereinabove.







4. Term: The term of this Agreement shall be two (2) years, unless sooner terminated as provided hereinafter. The commencement date shall be that date when this Agreement is executed by all parties hereto.

4.1 Termination for Convenience: Company may terminate this Agreement at any time during the Term of the Agreement for any reason or for no reason at all.

5. Assignment: Consultant may not transfer, assign, encumber, sell, vest or otherwise alienate his obligations due to the Company or benefits to be received from the Company pursuant to this Agreement to any person or entity for any reason or by any means whatsoever, without the prior written consent of the Company, first had and received. The Company has the absolute right to refuse to allow any such transfer, assignment, encumbrance, sale, vesting and/or alienation. The Company may transfer, assign, encumber, sell, vest or otherwise alienate its obligations due to Consultant or benefits to be received from the Consultant pursuant to this Agreement without restriction at any time; provided, however, that any such action as to an obligation for the payment of money to Consultant shall be fully assumed in writing by any such applicable transferee, assignee, creditor, buyer or other person or entity as a condition precedent to the ability of the Company to take any such action.

6. Independent Contractor; Employment Taxes and Benefits.

6.1 1099 Contractor: Consultant hereby acknowledges and agrees, and/or represents and warrants to the Company, that Consultant is an independent contractor (1099 contractor) in the performance of Consultant's duties under this Agreement and his relationship with the Company. Consultant is not employed by, or serving hereunder as an employee of, the Company under this Agreement, or otherwise. As such, Consultant will not be eligible for any benefits, including workers compensation coverage and/or protection or responsibility for any injuries or losses to Consultant while on the business premises of the Company, provided by the Company to its employees now or any time in the future. Accordingly, it shall be Consultant's sole obligation to: (i) properly report as self-employment income all compensation and/or monies received by Consultant pursuant to Section 3 hereof, or otherwise hereunder; and (ii) pay all taxes and other expenses arising out of the activities of Consultant in accordance with this Agreement, including, but not limited to, federal and state income taxes, social security taxes, unemployment and disability insurance, and other taxes or business license fees required. Nothing in this Agreement shall be deemed to constitute a partnership, joint venture, or other business organization between the Company and Consultant, nor shall anything in this Agreement be deemed to constitute the Company or Consultant the agent of the other, other than as set forth in subsection 2.4(g) above. Neither the Company nor Consultant shall have the authority under this Agreement to bind, obligate, or otherwise commit the other party to any agreement or transaction for any purpose whatsoever, other than as set forth in said subsection 2.4(g).

6.2 Indemnification. Consultant hereby agrees to indemnify, defend (with counsel of the Company's choosing) and hold harmless the Company and all of its directors, officers, shareholders, employees, affiliates, and agents against any and all liabilities, losses, expenses (including reasonable attorneys' fees and related legal expenses), fines, penalties, taxes and damages resulting from any claim brought by any governmental authority or third party

which arises out of, results from, or pertains to: (i) any actions taken or omitted to be taken by Consultant which would, if proven, violate any of the provisions of Section 2 above, including but not limited to any claim for infringement upon any patent, copyright, trademark, trade secret or other proprietary right; (ii) Consultant's failure or alleged failure to pay taxes or fees as required by Section 4 above; (iii) any obligation imposed by law or regulation on the Company to pay any withholding taxes, social security taxes, unemployment or disability insurance, employee-related benefits, or other similar items in connection with any Services performed by Consultant hereunder; and/or (iv) failure of Consultant to comply with its obligations under the Agreement or from the acts or omissions of Consultant or its employees, agents, successors or assigns. The Company will promptly notify Consultant of any such claim brought against the Company.

If, in the event of an indemnifiable claim under this Section 6.2(i), the Consultant's Work Product is held to infringe any third-party proprietary right, or in Company's opinion, is likely to infringe any third-party proprietary right, then, in addition to its indemnity obligation, Consultant shall, either: (a) obtain for Company the right to continue using the Work Product in accordance with its rights under the Agreement; (b) replace or modify the Work Product with a substantially equivalent service that does not infringe any third party's intellectual property rights, or (c) if Consultant is unable to provide one of the foregoing remedies under reasonable terms, or otherwise determines that such remedies are or become economically impractical, then Company may terminate this Agreement by providing written notice thereof to Consultant, without further obligation by either party, except that: (i) Company shall be entitled to a refund equal to the Fees paid for under Section 2.1 and 2.2 above.

6.3 Vehicle/Machinery Use: In the event that Consultant uses or operates, whether with the consent of the Company or otherwise, a motor vehicle or any machinery or equipment of the Company, either on Company property or for a Company purpose or otherwise, Consultant is solely responsible for any damages or injuries sustained by or to Consultant or his property during such operation. Consultant should obtain and maintain any and all insurance coverage necessary or advisable to insure Consultant against any such injuries or loss, and/or any medical or dental services or treatment required for same. Further, Consultant agrees to be fully liable and responsible for any damage to or loss of any motor vehicle and/or any machinery or equipment of the Company arising from the use or operation of same by Consultant or his agents or family members; and/or for any loss or injury to any person or their property arising from any such use or operation of such vehicle, machinery and/or equipment by Consultant or his agents or family members.

## 7. Confidential and Proprietary Information.

7.1 The existence or negotiation of this Agreement, this Agreement and/or everything contained herein or related hereto may not be disclosed by Consultant to any person or entity, directly or indirectly, who/which is not a signatory hereto for any reason or by any means at any time. The only exception to this restriction is the attorney or accountant for Consultant, and then only for the purposes of review and advising Consultant on the contents hereof. This restriction includes any alleged or actual competitor of the business(es) of the Company, and any person or entity that has done business with Consultant in the past.

7.2 "Confidential Information" means any type of information, data, and/or knowledge of the Company, including without limitation any such information, data and/or knowledge which is developed for or revealed to the Company pursuant to this Agreement by or on behalf of Consultant, and/or which is otherwise disclosed to Consultant. Such Confidential Information is considered secret information and any disclosure of same will result in irreparable damage and harm to the Company and its business(es) and principals.

The Company desires to protect the Confidential Information against unrestricted disclosure or unauthorized use, regardless of the form of disclosure (e.g., whether written, oral, graphic, electronic, or visual), the date of disclosure (e.g., whether before, on, or after the date of this Agreement), or the party through whom disclosure is made (e.g., whether direct or indirect disclosure).

"Confidential Information" also includes, without limitation: (i) all technical information and knowhow, intellectual property rights, instructions, services, works of authorship, methods of manufacturing, royalty rates, contractual terms and conditions, customer names and information, financial information, business plans or projections, the existence of this Agreement, marketing information strategy and data, product development strategy and activity, product concepts and features, corporate assessments and strategic plans, pricing, financial and statistical information, accounting information, identity of suppliers, software, systems, processes, formulae, inventions, discoveries, policies, guidelines, benchmark test results, information about employees, object code and source code, circuits, algorithms, procedures, practices, disputes or litigation, Contact Sources, confidential, proprietary or trade secret information, and any other information pertaining to the past, present, or future technology, patents, the information developed pursuant to Section 2 hereinabove, business operations, investment partners, investment opportunities, acquisition targets, or financial condition of the Company; (ii) any information that is clearly marked or otherwise clearly designated as confidential or proprietary; and/or (iii) any information based upon the nature of the information or the circumstances of disclosure it should be reasonably understood by the Receiving or disclosing party/person/entity to be the confidential or proprietary information of the Company.

Further, the parties agree and acknowledge that any analysis, results or derivative works based upon or created in connection with any Confidential Information provided or owned by the Company hereunder shall constitute the Confidential Information of the Company.

7.3 No Disclosure: Consultant shall: (i) hold all Confidential Information in strictest trust and confidence and will not copy, reproduce, transmit, summarize, quote, or make any commercial use whatsoever of any the Company's Confidential Information without the prior written consent of the Company or as otherwise expressly permitted herein; (ii) not disclose any Confidential Information, or permit any Confidential Information to be disclosed through Consultant, to any person, employee, agent representative, entity or governmental body, or personnel thereof; and (iii) use Confidential Information only as expressly permitted by this Agreement.

7.4 Exceptions: The obligations of Consultant herein shall not apply to any Confidential Information which, other than patents or copyright applications, becomes generally known to the public through no fault of Consultant or (ii) is required by law or regulation to be disclosed, but only to the extent and for the purpose of such required disclosure after providing notice to the Company no less than twenty (20) days prior to such legal or regulatory disclosure. Consultant shall have the burden of proving the existence of any of the exceptions described in this Subsection.

7.5 Ownership of Confidential Information: The Confidential Information shall be and remain the exclusive property of the Company regardless of whether or not Consultant assisted in or created same pursuant to this Agreement or otherwise. Consultant shall not take or use any materials, records, or media of any nature that contain Confidential Information or that belong to the Company, except as expressly authorized hereunder or as otherwise authorized by the Company in advance and in writing. Upon request by The Company, Consultant shall deliver to the Company all of same in Consultant's possession, custody or control, and Consultant shall not retain any copies thereof. Nothing in this Agreement is intended to grant any rights to Consultant under any patent, mark, work right, or copyright, trade secret or other intellectual property right of the Company, nor shall this Agreement grant any person or entity any rights in or to the Confidential Information except as expressly set forth herein.

7.6 Use of Confidential Information: Consultant shall not, internally or in conjunction with any other person, and shall not permit any parent, subsidiary, affiliated entity, or third party to: (i) reverse engineer, reverse compile or reverse assemble the Confidential Information; or (ii) use Confidential Information for its own benefit or for the benefit of others for any purpose other than as contemplated by this Agreement. Further, Consultant may only communicate with approved and designated personnel of the Company as to any such Confidential Information.

7.7 Standard of Confidentiality Protection: At all times, Consultant will protect the confidentiality of the Company's Confidential Information with the strictest of care, taking all steps necessary to ensure the safeguard of the Company's Confidential Information against any and all loss, theft or other disclosure. The minimum standard for protection thereof shall be that degree of protection, and those measures intended to implement such protection, as Consultant affords its own most secret or highly confidential information, but in any event no lesser standard than that which a reasonable person would utilize with respect to its own trade secrets or highly confidential information, and/or those standards in effect as established by the Company.

7.8 Non-Circumvention: Consultant agrees and covenants that, as to any business customer, contact, client, vendor, employee, consultant, agent, developer, contractor, supplier and/or potential client or customer [collectively "Contact Source"] Consultant, and/or any of its employees, agents, consultants, corporations, divisions, subsidiaries or partnerships or any other person or entity associated with Consultant, will: (i) refrain from any contact with,

solicitation of, attempt to deal with or enter into any business relationship with any Contact Source, without the prior written consent of the Company, which may be withheld in the Company's reasonable discretion; (ii) refrain from discussing, arranging, negotiating, executing or entering into any competitive contract or business relationship with such Contact Source of the Company; and/or (iii) refrain from entering into any contract or relationship with such Contact Source introduced by agents or principals of the Company, without the prior written consent of The Company to such contract or relationship, which may be withheld in its reasonable discretion. Further, Consultant or anyone acting on his behalf or for his benefit, shall not contact any employee or independent contractor or consultant of the Company for purposes of attempting to solicit same away from the employment and/or association with the Company, or attempt to convince same to leave the employ or association of the Company for any reason at any time.

7.9 Remedy for Breach. The parties hereto recognize and agree that money damages are an inadequate remedy for breach of this Agreement by Consultant and further recognize that breach of this Agreement by Consultant would result in irreparable harm to the Company. Therefore, in the event of a breach or threatened breach by Consultant of this Agreement, the Consultant may be enjoined from engaging in any activity prohibited by this Agreement by injunction or specific performance issued by a court of competent jurisdiction, and Consultant further agrees that such remedy will be without the requirement of the Company posting of any bond in connection therewith. Nothing herein shall be construed as prohibiting The Company from pursuing any other remedies available to it for such breach or threatened breach of this Agreement, including the recovery of damages.

7.10 Confidentiality Indemnification. Notwithstanding anything contained in this Agreement to the contrary, the Consultant agrees to indemnify, defend (with counsel of the Company's choosing) and hold the Company, its directors, officers, and employees, and the Company direct and indirect affiliates and subsidiaries and their directors, officers and employees, harmless from any damages, expenses, loss, cost or liability (including court costs and reasonable attorneys' fees and the cost of enforcing this indemnity provision) brought by any third party arising out of or resulting from the unauthorized use or disclosure by or through the Consultant of any Confidential Information or any other violation of this Agreement.

7.11 Additional Remedy: Notwithstanding anything contained in this Agreement to the contrary, as a further non-exclusive remedy and at the sole discretion of the Company, any violation of Sections 7 and/or 10 by or on behalf of Consultant voids and terminates any requirement that payment be made to Consultant as set forth in Section 3, and automatically reduces any such payment by seventy-five percent (75%) as liquidated damages for such breach (and Consultant agrees that the establishment of actual damages for such breach would be extremely difficult or impossible to set and that such liquidated damages reflects a reasonable and realistic value of such damages, in part); and does not void or terminate the requirement that Consultant comply with the requirements of Section 2 above. Nothing herein shall be construed as prohibiting The Company from pursuing any other remedies available to it for such breach or threatened breach of this Agreement, including the recovery of damages.

7.12 Termination of Rights: Immediately upon the earlier of Company's request or the termination or expiration of the Agreement for any reason, Consultant will: (a) stop using all Confidential Information of Company then in his possession; (b) erase or destroy all such Confidential Information which may be residing in any computer memory or data storage apparatus or otherwise held by Consultant on any equipment not supplied by Company, but only after all transfers of such Confidential Information as provided herein; and (c) destroy or return to Company (in Company's sole discretion) all such Confidential Information in tangible form. Upon the request of Company, Consultant will certify in writing to Company that the Consultant has complied with the obligations herein.

8. Equipment for Performance:

8.1 Consultant shall be given a computer system and such other equipment deemed by the Company to be necessary to complete the services and work to be performed by Consultant for the Company as set forth in this Agreement [collectively "Equipment"] at no cost to him by the Company which shall be and remain the property of the Company.

8.2 The Equipment shall be used only and exclusively for the rendition of the services and work to be rendered by Consultant to the Company as defined and set forth in this Agreement. Consultant may not use any other computer or similar equipment to complete any such service or work for any reason, or to record, hold or replicate any such services or work, and/or the results thereof. Consultant shall not make any copies or transmissions of any information, including Confidential Information, Technology, Technology Information, New Technology, Additional Technology Work, Additional Services and/or Work Product, held or produced on the Equipment, or otherwise, for any reason other than as permitted by the Company in writing.

8.3 Except as contemplated by this Agreement, Consultant shall refrain from any transmission or any duplication by any means, at any time, for any reason to any person or entity, of the information and data identified herein held in or processed on such Equipment.

8.4 The Company owns all data on any such Equipment; and the Company shall have full and unlimited rights of access, review and copying of all data contained on such Equipment at any time; including, without limitation, all data, programs, files, e-mails, records, entries and storage items contained therein [collectively "Equipment Information"]. Consultant shall not erase or remove any Equipment Information for any reason by any means without the prior written consent of the Company. Consultant may not provide any such Equipment Information to any person or entity for any reason without the prior written consent of the Company.

9. Right of First Refusal: For a period of five (5) years from the date of execution of this Agreement, Consultant must provide, in writing, the Company with the right of first refusal ["ROFR"] of any technology, patents, discoveries, science, facts, data, IP, prototypes or other similar items developed outside of the terms and conditions of this Agreement to acquire same upon the same terms and conditions as offered to any third party, person or entity.

10. Non-Compete:

10.1 Consultant has represented to the Company that he intends on retiring from all business activity following his commitments to the Company as set forth in this Agreement. Consultant has further stated that the monies payable to him under this Agreement will be more than sufficient for his financial needs in the future and he will have no need to arrange for additional remuneration or compensation from any other source following his retirement.

10.2 Consultant acknowledges and recognizes the extremely competitive nature of the business and markets of the Company and, but for Consultant's agreement herein to not compete in any fashion with the business(es) of the Company, the Company would not have entered into this Agreement.

10.3 Accordingly, Consultant hereby covenants and promises to not enter into any agreement, contract, arrangement, understanding, plan and/or transaction, as an owner, consultant, expert, director, employee, inventor, officer, advisor, member, manager, investor, or in any other capacity whatsoever, either directly or indirectly, with any person or entity or group which supports, engages in, conducts business in, or otherwise deals in a business or endeavor which competes with the business(es) of the Company. This covenant of non-competition shall include, without limitation, any technology, inventions, patents, copyrights, IP, or other discoveries developed or created by Consultant, individually or in conjunction with any other person or entity which would violate Section 9 of this Agreement and/or compete with the business(es) of the Company.

10.4 This covenant of non-competition shall be effective during the Term of this Agreement and for an additional five (5) years after termination hereof. This Section 10 shall survive any termination or cancellation of this Agreement. This covenant has been negotiated and agreed upon by the parties, and is supported by consideration satisfactory to Consultant.

10.5 If Consultant violates or breaches this Section 10, by any means and/or for any reason, he agrees that any profits, income, remuneration, monies or other benefits received by Consultant as a result of such breach or violation shall be immediately paid and delivered to the Company; and that any technology, inventions, patents, copyrights, IP, or other discoveries developed or created by Consultant in violation of this Agreement shall immediately vest in and be owned by the Company without further payment of any kind.

11. Dispute Resolution Procedures/Mediation/Arbitration. The parties agree to submit any dispute arising between them, ["Dispute"], to a resolution procedure as follows:

11.1 Mediation: The parties shall first submit any such applicable dispute to mediation with a party or entity mutually agreeable to the parties. If such an agreement cannot be reached within five (5) days following notice of such dispute, then mediation shall take place in front of and with Judicial Dispute Resolution ["JDR"], 1411 Fourth Avenue, Suite 200, Seattle, Washington, 98101 (206-223-1669), in Seattle, Washington.

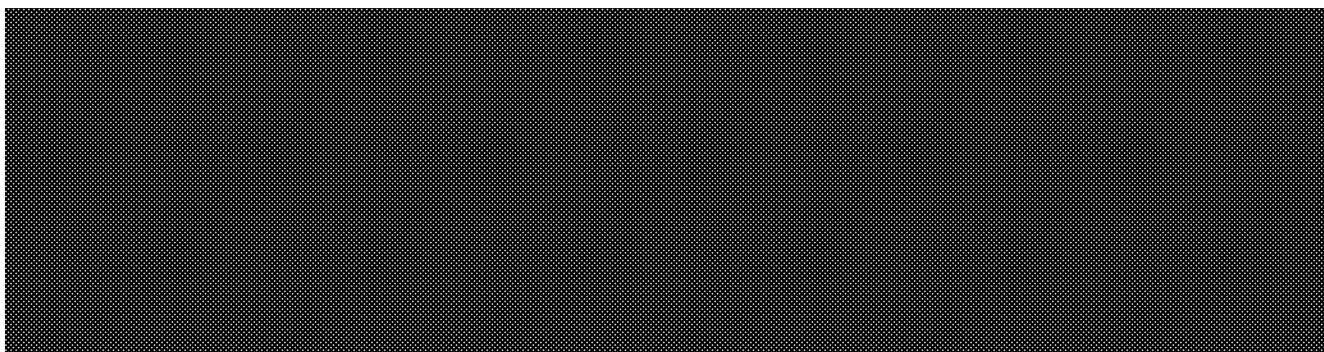


11.2 Arbitration: If mediation is not successful in resolving the applicable dispute, then such dispute shall be submitted to binding arbitration pursuant to the rules and procedures in effect for JDR, or such other mutually agreed arbitrator, in Seattle, Washington. Such arbitration must be initiated no later than twenty (20) days following a mediation decision. The arbitrator may not be the same person that mediated such dispute(s) unless all parties agree to the contrary in writing. A decision must be rendered by such arbitrator no later than five (5) days following submission thereto and the arbitration hearing thereon, unless otherwise mutually agreed to by all parties thereto.

11.3 Costs: The initial costs and expenses of mediation and arbitration shall be paid by the parties on an equal basis and each shall be responsible for fifty percent (50%) of such costs of mediation and arbitration. The prevailing party in such arbitration shall be entitled to reimbursement of all costs and expenses so paid thereby in the mediation and arbitration. Further, the prevailing party in such arbitration shall be entitled to recover his attorneys fees incurred thereby in or with regard to such arbitration; and it is agreed that such arbitrator shall be authorized and empowered to set the amount of same as part of the final arbitration award and decision.

11.4 Other disputes: The parties recognize and agree that certain parts and provisions of this Agreement may require injunctive relief by a Court; and each party agrees that such relief may be requested and received, and that once this occurs, the parties shall submit all other issues, claims and/or disputes to the ADR provisions of this section. It is agreed that venue and jurisdiction therefor shall lie in Snohomish County Superior Court, State of Washington, regardless of the then applicable residence of any party. The prevailing party therein shall have the right to assess and collect all reasonable attorneys fees incurred in such action, together with costs related thereto.

12. Warranties and Representations:



12.2 Consultant has the authority and right to fully perform under this Agreement without condition or variance of any kind, and the authority and right to provide the Consultant Deliverables, and each of them.

12.3 Consultant owns and has exclusive rights and title to, without restriction or requirement of consent from any person or entity, transfer, vest or otherwise deliver each and every thing, asset or item which Consultant is to provide under this Agreement, free from any encumbrance or contractual obligation whatsoever.



12.4 The promises and actions of Consultant to perform under this Agreement shall not violate any existing contracts, agreements, promises, options, rights of first refusal, or other claims of any person or entity not a signatory to this Agreement; and Consultant knows of no claim to the contrary. Consultant additionally represents, warrants, and covenants to Company that he will comply with all applicable laws and regulations that may be in effect during the term of the Agreement as they apply to Consultant's obligations under the Agreement.

13. Binding Effect: The rights and responsibilities set forth or created by this Agreement shall inure to the benefit of and be binding upon the parties hereto, their respective successors in interest, assigns, grantees, heirs, spouses, personal representatives, executors, guardians, administrators, family members, attendants, agents, employees, representatives, and insurers.

14. Further Acts: The parties hereby shall perform all further acts and to execute all documents necessary or desirable to effect the terms of this Agreement.

15. Governing Law: The laws of the State of Washington shall govern this Agreement and all documents relating hereto, regardless of the residence of any party hereto.

16. Venue and Jurisdiction: Venue and jurisdiction of any action arising out of or related to this Agreement shall be in any federal or state court having subject matter jurisdiction in Snohomish County, State of Washington.

17. Integration: This Agreement contains the entire agreement of the parties hereto with respect to the transactions contemplated and terms and conditions set forth herein. No prior or contemporaneous representations, inducements, promises, or agreements, oral or otherwise, between or among the parties which relate to the subject matter hereof which are not embodied in this Agreement shall be of any force or effect. This Agreement shall only be amended or modified by the mutual written agreement between the parties. The signature of each party may be delivered by scanned image (e.g. .pdf or .tiff file extension name) as an attachment to electronic mail (email) and such scanned signature shall be treated in all respects as having the same effect as an original inked signature.

18. Notices:

18.1 All notices to be given pursuant to this Agreement shall be in writing; and delivered either (1) by actual delivery and/or personal service of any such notice into the hands of the intended recipient thereof; or (2) by the mailing of the notice in the United States mails to the last known address of the intended recipient, by certified or registered mail, return receipt requested, properly stamped and addressed. The notice shall be deemed to be received (1) on the date of its actual receipt by the intended recipient or (2) three days following the date of its mailing in the manner set forth herein.

18.2 Each party hereto shall keep the other party informed at all times of the then current address(es) therefor, the telephone and facsimile numbers therefor, and the e-mail address(es) for same.

19. Default: In the event of any breach of or default in the terms and conditions of this Agreement by or on behalf of Consultant, the Company may suspend and/or terminate any benefits, remuneration, payments or monies due to Consultant under this Agreement, including without limitation Section 3 hereof ["Benefits"], without prior Notice; and may, at the sole option of the Company, withhold or terminate such Benefits until Consultant is in compliance with the terms and conditions of this Agreement. Further, the Company may offset any and all damages (including attorneys fees, costs and amounts of settlements made) incurred by the Company against any such Benefits due to Consultant. In the event of such offset or termination of such Benefits to Consultant, it is agreed that any rights, remedies, vesting or benefits accruing to the Company under this Agreement, including those that might be contingent upon payment or delivery of such Benefits to Consultant, shall nonetheless fully vest in and become the property of the Company in the same manner and to the same extent as if such Benefits were paid or delivered.

20. Remedies for Breach: In addition to any rights or remedies available to the Company for any breach of this Agreement by the Consultant, the Company may bring any action deemed necessary for injunctive relief and/or specific performance without the necessity of posting any bond as a prerequisite to same. Further, at the sole option of the Company, any violation(s) of Sections 2, 7, 8, 9, 10 and/or 12 shall entitle the Company to do any or all of the following: (i) suspend all payments due to Consultant until the breach is resolved or adjudicated; (ii) require Consultant to fully perform under this Agreement, including Section 3, notwithstanding subsection 20(i) above; (iii) reduce all benefits payable to Consultant under Section 3 by seventy-five percent (75%) as liquidated damages; (iv) terminate this Agreement; and/or (v) seek out and hire any person or entity to complete the Consultant Deliverables as then required and deduct the cost and expense of such replacement(s) from any amount(s) due to Consultant.

21. Descriptive Headings: Titles to paragraphs in this Agreement are for information purposes only and are not intended to limit, alter or enhance the content of any paragraph.

22. Attorneys' Fees: In the event any party hereto employs an attorney to enforce or defend any claim or cause of action arising out of or relating to this Agreement, the prevailing party in any such claim, cause of action or arbitration shall be entitled to recover from the other all such prevailing party's reasonable attorneys' fees, together with all costs and expenses incurred in connection therewith. This Section shall include all legal fees and costs incurred on appeal and/or whether or not any action is commenced.

23. Review: Each party has reviewed this Agreement in its entirety, understands same, and agrees that the terms and conditions of this Agreement adequately and correctly reflect the agreements and understandings of the parties as to the subject matter hereof. Each party has been provided with the opportunity to have this Agreement reviewed by counsel of their choosing prior to execution hereof, and has either obtained such review or voluntarily refrained from doing so.

24. Insurance on Consultant's Life: In the Company's sole discretion and at its sole cost, the Company may determine that it needs to protect itself from projected loss that might arise from the death of Consultant prior to the delivery of all benefits and assets due to the Company under this Agreement. In such a case, Consultant agrees that the Company may obtain a life insurance policy or policies on the life of Consultant; make all premiums related to same; and the Company shall be the beneficiary thereof superior to any and all claims of creditors, spouses or heirs of Consultant. Consultant agrees to take whatever actions are required, including tests and physical examinations, to apply for such insurance coverage and agrees to complete and execute whatever applications and forms are required to effectuate same, whether subject to applicable HIPAA rules and regulations or otherwise.

25. Specifications on Equipment: In addition to the terms of Section 8 hereinbelow, Consultant shall provide the Company with his suggested specifications and requirements as to the Equipment which he deems necessary for Consultant to perform his functions and duties under this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as their voluntary act and deed the date noted at Snohomish, Washington.

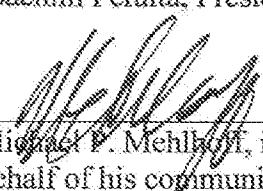
Dated: July \_\_\_\_\_, 2012

PARADIGM WATER SOLUTIONS, INC.

BY:

\_\_\_\_\_  
Joachim Peralta, President

Dated: July 24, 2012

  
\_\_\_\_\_  
Michael F. Mehlhoff, individually and on behalf of his community

[NOTARIZATIONS ON NEXT PAGE]

STATE OF WASHINGTON )  
 )ss.  
COUNTY OF SNOHOMISH )

On this \_\_\_\_ day of July, 2012, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Joachim Peralta, known to me, or proved to me on the basis of satisfactory evidence, to be the President, of Paradigm Water Solutions, Inc., the corporation that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes set forth therein, and on oath stated that he is authorized to execute the said instrument and that the seal affixed thereto, as applicable, is the valid corporate seal of said corporation.

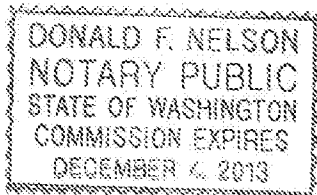
WITNESS my hand and official seal

.....  
DONALD F. NELSON, NOTARY PUBLIC  
My Commission Expires: 12-04-2013

STATE OF WASHINGTON )  
 )ss.  
COUNTY OF KING )

On this 24 day of July, 2012, before me, the undersigned, a Notary Public in and for the State of Washington, personally appeared Michael P. Mehlhoff, known to me, or proved to me on the basis of satisfactory evidence, to be the person whose name is subscribed to the within instrument and acknowledged that said person executed the same as the free and voluntary act thereof for the uses and purposes set forth therein.

WITNESS my hand and official seal



  
.....  
DONALD F. NELSON, NOTARY PUBLIC  
My Commission Expires: 12-04-2013