

## PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1  
Stylesheet Version v1.2

EPAS ID: PAT6333819

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	AUTOMATIC REVERSION OF RIGHTS PER ¶2.1.2.1 OF ASSET PURCHASE AGREEMENT
<b>CONVEYING PARTY DATA</b>	
<b>Name</b>	<b>Execution Date</b>
PATRICK MALLERET	04/17/2018
DRAKEROD DESIGNS INC.	04/17/2018
<b>RECEIVING PARTY DATA</b>	
<b>Name:</b>	HEIDI ROTH
<b>Street Address:</b>	329 PACIFIC COAST HIGHWAY
<b>City:</b>	HERMOSA BEACH
<b>State/Country:</b>	CALIFORNIA
<b>Postal Code:</b>	90254
<b>PROPERTY NUMBERS Total: 1</b>	
<b>Property Type</b>	<b>Number</b>
Patent Number:	9179715
<b>CORRESPONDENCE DATA</b>	
<b>Fax Number:</b>	(818)340-2859
<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>	818-347-7900
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<b>Correspondent Name:</b>	MICHAEL A. DINARDO
<b>Address Line 1:</b>	6320 CANOGA AVE., SUITE 1650
<b>Address Line 4:</b>	WOODLAND HILLS, CALIFORNIA 91367
<b>ATTORNEY DOCKET NUMBER:</b>	ROTH-60075
<b>NAME OF SUBMITTER:</b>	MICHAEL A. DINARDO
<b>SIGNATURE:</b>	/Michael A. DiNardo/
<b>DATE SIGNED:</b>	10/02/2020
<b>Total Attachments: 15</b>	
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## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT ("Agreement"), entered into as of the 17 day of April 2018 (the "Effective Date") by and between **HEIDI ROTH** dba **BREATHE VOLLEYBALL**, a California sole proprietorship ("Seller"), and **PATRICK MALLERET** dba **DRAKEROD DESIGNS INC.**, a Canadian corporation ("Buyer"). Buyer and Seller are each referred to as a "Party," or, collectively, as the "Parties."

### **RECITALS**

**WHEREAS**, Seller owns all right, title and interest in and to certain intellectual property namely **BREATHE VOLLEYBALL**, US Trademark Registration No. 4,038,114 (Oct 2011, 2017) and **BREATHE ACTIVEWEAR™**, US Trademark Registration No. 4,981,373 (June 2016), and A **PATENTED DESIGN AS A BIKINI/ACTIVEWEAR TOP AND ASSORTED ACCESSORIES RELATED TO ACTIVEWEAR**, US Patent No. US 9,179,715 B1 (NOV. 2015) (trademarks and patents are, collectively, the "Intellectual Property") as well as inventory on hand of Breathe Volleyball and Breathe Activewear swimwear, consisting of approximately 100 Bikini Tops and Bikini Bottoms and 10 fabric rolls ( 10-15 meters each) (collectively, "Inventory"), and additional miscellaneous assets as all Intellectual Property, Inventory and additional miscellaneous assets are fully set forth in Exhibit A, which is attached hereto and made a part hereof. The Intellectual Property, Inventory and miscellaneous assets shall be collectively known herein as the "Assets";

**WHEREAS**, Seller is engaged in the business of selling Breathe Volleyball and Breathe Activewear Inventory through wholesale and retail channels of distribution (the "Business");

**WHEREAS**, the Parties agree that as part of this transaction Buyer shall organize Drakerod Designs, Inc. ("Drakerod") for the purpose of purchasing and holding all right, title and interest in and to the Business, inclusive of its Assets and exploiting the Intellectual Property therein, including selling any Inventory and all new products incorporating the Intellectual Property; and


**WHEREAS**, as a result of arm's length negotiations between the Parties, Buyer is hereby purchasing the Business on the terms and conditions set forth herein.

**NOW, THEREFORE**, in consideration of the mutual covenants, representations, and warranties set forth herein, and for other good and valuable consideration, which is acknowledged by the Parties as received, the Parties do hereby covenant and agree as follows:

### **ARTICLE I**

#### **Sale and Purchase of the Business**

1.1. The Parties acknowledge and agree that Seller agrees to sell, convey, assign and transfer to Buyer, or its designee, all rights, title, and interest in and to the Business, free and clear of all liens, security interests, and encumbrances of any kind or nature ("Encumbrances"). In the event that Encumbrances exist, Seller shall take all actions, including execute any and all documents reasonably necessary, appropriate, or convenient, in Buyer's sole discretion, to secure the satisfaction of any such Encumbrances as a condition precedent to, and, to the extent possible, of even date with, the execution of this Agreement.



**PATENT**

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1.2. Seller assumes all risk of loss or damage to the Assets, or the Business, prior to the Closing.

1.3 Buyer shall have the right to file a UCC-1 Financing Statement with the California Secretary of State, and any other jurisdiction in which the Assets, or Inventory, are, or shall be, located for the protection of Buyer's interest in the Assets and/or Inventory. Buyer shall be solely responsible for giving notice of the transfer to the creditors listed in the Seller's list of creditors, and for taking such other action as may be necessary to protect Buyer pursuant to the Bulk Transfer provisions of the Uniform Commercial Code.

1.4 Covenant Not to Compete. THE PARTIES ACKNOWLEDGE THAT A CONFIDENTIALITY AGREEMENT ALREADY EXISTS BETWEEN PATRICK MALLERET AND HEIDI ROTH. SELLER SHALL ENTER INTO A COVENANT NOT TO COMPETE WITH BUYER IN THE UNITED STATES, AND CANADA, EITHER BY DESIGNING, MANUFACTURING, SELLING OR OTHERWISE DISTRIBUTING BIKINI RELATED ITEMS FOR A PERIOD OF THREE (3) YEARS, PROVIDED HOWEVER, THIS COVENANT SHALL IMMEDIATELY TERMINATE IF BUYER FAILS TO TIMELY PAY THE ENTIRE PURCHASE PRICE SET FORTH IN SECTION 2, BELOW.

Seller: PR (Initials)

Buyer: HS (Initials)

1.5 Section 1.2, above, notwithstanding, Buyer shall not assume, or become liable for, any obligations, commitments, or liabilities of Seller, whether known or unknown, absolute, contingent, or otherwise, and whether or not related to the Business, including without limitation, any employment, business, sales, or use tax relating to Seller's operation of a business, and any use and ownership of the Business prior to the Closing.

## **ARTICLE II**

### **Purchase Price**

2.1. The Parties acknowledge and agree that Seller is conveying and delivering all right, title and interest in the Assets, and the Business, to Buyer. The consideration paid to Seller from Buyer for the purchase of the Business, inclusive of the Assets, shall be [REDACTED] (the "Purchase Price"). The terms and conditions of payment of the Purchase Price shall be as follows:

2.1.1 Seller shall pay to Buyer an amount that shall be equal to [REDACTED] immediately upon execution of this Agreement. Such payment shall be deemed the first installment ("First Installment") on the Purchase Price; and

2.1.2 On the first anniversary date of the Closing of the transaction contemplated herein, Seller shall pay to Buyer an additional amount that shall be equal to [REDACTED]. Such additional payment shall be deemed the second installment ("Second Installment") of the Purchase Price.

2.1.2.1

In the event that Buyer fails to pay the second installment of the Purchase Price as set forth in this Section 2.1.2, then Buyer shall be granted a ten (10) day grace

period ("Extension Period") in which to pay the Second Installment. In the event that Buyer fails to pay the Second Installment within such Extension Period, then all of the Intellectual Property, defined herein as an Asset, and sold to Buyer pursuant to this Agreement, shall immediately revert back to Seller without any further action to be taken on the part of Seller.

2.1.2.2

In the event that Buyer fails to pay the Second Installment within the Extension period, Seller shall be entitled to keep all monies received by Seller as the first installment of the Purchase Price. Buyer shall execute any and all documents necessary or convenient to assign all right, title and interest in the Intellectual Property rights back to Seller, and Buyer will thereafter make no further use of the Intellectual Property rights conveyed back to Seller anywhere in the world.

ARTICLE III

Closing and Pre-Closing Obligations

3.1 The closing date shall be on or before April 20, 2018, either at the offices of Seller's attorney, or other location as chosen by the Seller. The Parties may complete the Close electronically. Closing costs shall be shared equally by Seller and Buyer. To facilitate the Closing, Buyer may make the First Installment and/or the Second Installment payments to Seller by wire transfer to Seller's bank account as follows:

Account Name: Breathe Volleyball

Account Number: [REDACTED]

Routing Number: [REDACTED]

3.2. The closing of the transactions described herein (the "Closing") will occur by completing all necessary countersignatures on this Agreement, on an Assignment and Assumption Agreement and Bill of Sale, which shall be of even date herewith, and in substantially the form as set forth in Exhibit B, which is attached hereto and made a part hereof, and on payment of the Purchase Price as set forth herein.

3.3. Seller shall maintain the Business and conduct its operation of its business in the same manner as they have been maintained and operated by Seller prior to the execution of this Agreement.

3.4. Seller shall promptly provide to Buyer all information concerning the operation of the Business as Buyer may reasonably request.

3.5. At the Closing, Seller will deliver to Buyer:

3.5.1. A duly executed Assignment and Assumption Agreement and Bill of Sale, conveying to Buyer all of Seller's right, title and interest in and to the Business, free and clear of all Encumbrances;

3.5.2. All login information for all of the Business' social media platforms; and

3.5.3. All other assignments, endorsements, and other good and sufficient instruments and documents of conveyance and transfer as shall be necessary and effective to transfer, convey, and assign to Buyer at the Closing all of Seller's right, title, and interest in and to the Business, inclusive of its Assets, free and clear of Encumbrances, as provided in this Agreement.

3.6. At the Closing, Buyer will deliver to Seller:

3.6.1. The First Installment on the Purchase Price as set forth in Section 2.1.1, above, in immediately available funds.

3.6.2. A unit certificate evidencing a ten percent (10%) equity share in Drakerod, which membership unit interest shall be deemed fully paid as consideration and inducement for Seller to enter into this transaction. This ten percent (10%) equity share will have the same equity dilution rights as the class of shares owned by Buyer, Patrick Malleret or any of Patrick Malleret's other controlled entities.



#### ARTICLE IV Representations and Warranties

4.1. Seller hereby represents and warrants to Buyer as follows:

4.1.1. Seller is a sole proprietorship in good standing in all jurisdictions wherein Seller operates. Seller has the requisite power and authority to operate and sell and transfer the Business and Assets to Buyer as contemplated herein.

4.1.2. Seller has the power and authority to execute, deliver and perform this Agreement and the execution, delivery and performance of this Agreement and related documents by Seller have been duly authorized and approved by Seller and do not require any further authorization or consent. This Agreement has been duly executed and delivered by Seller and is the legal, valid and binding obligation of Seller, and each of the related documents and agreements to be executed by Seller upon execution and delivery will be a legal, valid and binding obligation of Seller, enforceable against it in accordance with its terms.

4.1.3. Neither the execution and delivery of this Agreement, or any of the related documents, or the consummation of any of the transactions contemplated hereby, or thereby, nor compliance with, or fulfillment of, the terms, conditions and provisions hereof, or thereof, will violate, conflict with, or result in a breach of, the terms, conditions, or provisions of, or constitute a default, an event of default, or an event creating rights of acceleration, termination or cancellation or a loss of rights under, or result in the creation or imposition of any Encumbrance upon the Business, nor require the approval, consent, authorization or act of, or the making by Seller of any declaration, filing or registration with, any third person, or entity.



4.1.4. Seller is, and at the Closing will be the legal and beneficial owner of, and has, good and marketable title to the Business, and its Assets, all of which are free of all Encumbrances.

4.1.5. Seller is not in violation of, and has not received any notice of, and is not aware of, any basis for any alleged failure to comply with any requirement of law. There are no legal proceedings pending or, to the knowledge of Seller, threatened against or involving the Business, or to which any of Seller or the Business may be bound or affected, at law or in equity, and, to the Seller's knowledge, there is no basis for any of the foregoing, and Seller is not subject to any judgments, consents, decrees, injunctions, or any other judicial or administrative mandates affecting or relating to the Business.

4.1.6. Seller has provided Buyer with true and correct copies of all documents of which Seller is aware evidencing Sellers' rights in and to the Business. To Seller's knowledge, each agreement and instrument, if any, with respect to such Business is in full force and effect, and neither Seller, nor any third party, or entity, is in default thereunder.

4.2. Buyer represents and warrants to Seller that:

4.2.1. Buyer is a corporation duly organized, validly existing and in good standing under the laws of the Country of Canada.

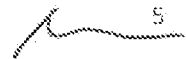
4.2.2. Buyer has the corporate power and authority to execute, deliver and perform this Agreement and each of the related documents. The execution, delivery and performance of this Agreement and the related documents by Buyer have been duly authorized and approved by its Board of Managers and do not require any further authorization or consent by them. This Agreement has been duly executed and delivered by Buyer and is the legal, valid and binding obligation of Buyer enforceable in accordance with its terms, and each of the related documents to be executed by Buyer upon execution and delivery will be a legal, valid and binding obligation of Buyer, enforceable against it in accordance with its terms.

4.2.3. Neither the execution and delivery of this Agreement or any of the related documents or the consummation of any of the transactions contemplated hereby or thereby nor compliance with or fulfillment of the terms, conditions and provisions hereof or thereof will violate, conflict with, result in a breach of the terms, conditions or provisions of, or constitute a default of, nor would it interfere with Buyer's performance of any of its obligations under this Agreement, or any of the related documents, or require the approval, consent, authorization or act of, or the making by Buyer or any of its affiliates of any declaration, filing or registration with, any third person, or entity.

4.3. The Parties mutually represent, warrant, and covenant to each other:

4.3.1. No representation or warranty in this Agreement or any other information furnished by such Party contains any untrue statement or material fact or fails to state any fact necessary in order to make the statements not misleading in any material respect. All such statements and representations shall be true and correct as of the Closing Date as though made on such date.

4.3.2. Each of the Parties shall, prior to or at the Closing, execute any and all documents and perform any and all acts reasonably necessary, incidental, or appropriate to effectuate the transactions contemplated by this Agreement.



4.3.3. At any time after the execution of this Agreement and prior to the Closing, if either Party becomes aware of any fact or circumstance that would materially change a representation or warranty made under this Agreement, the Party with knowledge of those facts shall notify the other in writing as soon as possible after the discovery of such changed circumstance.

## ARTICLE V

### Post-Closing Obligations

5.1. Each Party shall do all acts and things, and shall make, execute, and deliver such written instruments as shall be reasonably necessary to carry out the terms and provisions of this Agreement. This covenant of further assurances shall survive the Closing.

5.2. Each Party shall be responsible for such Party's taxes that may be imposed on or chargeable to such Party as a result of consummating the transaction contemplated by this Agreement.

## ARTICLE VI

### Termination

6.1. This Agreement and the transactions contemplated hereby may be terminated prior to the Closing by mutual written agreement of Buyer and Seller.

6.2. In the event of the termination of this Agreement, this Agreement will forthwith become void and have no effect, without liability on the part of any Party, or its managers, officers, shareholders, agents or employees, except that nothing herein will relieve any Party from liability for any breach of this Agreement.

## ARTICLE VII

### Indemnification

7.1. Seller will indemnify, defend and hold harmless Buyer and its successors, assigns, managers, officers, agents and employees (the "Buyer Indemnitees") against and in respect of any damages, deficiencies, costs, liabilities, claims or expenses, including without limitation interest, penalties and attorneys' fees, relating to: (a) Seller's ownership and use of the Business prior to the Closing; (b) the failure or falsity of any representation or warranty of Seller contained in this Agreement; (c) the failure by Seller to perform any other covenant or agreement to be observed or performed by Seller under this Agreement; and (d) any and all claims of creditors related to the Business.

7.2. Buyer will indemnify, defend and hold harmless Seller and its successors, assigns, managers, officers, agents and employees (the "Seller Indemnitees") against and in respect of any damages, deficiencies, costs, liabilities, claims or expenses, including without limitation interest, penalties and attorneys' fees, relating to: (a) Buyer's ownership and use of the Business after the Closing; (b) the failure or falsity of any representation or warranty of Buyer contained in this Agreement; (c) the failure by Buyer to perform any other covenant or agreement to be observed or performed by Buyer under this Agreement, including, but not limited to the timely payment of the Purchase Price; and (d) any and all claims of creditors related to the operation of Drakerod.





7.3 The agreement to indemnify the Parties as provided in Sections 7.1 and 7.2, above, shall survive the Closing.

7.4. If a claim by a third party is made against one or more of the Buyer Indemnitees, and/or the Seller Indemnitees, and if such Indemnitee intends to seek indemnity with respect thereto under this Article VII, the Buyer, or Seller to be charged with the Indemnification, as appropriate (the "Indemnifying Party"), shall notify the non-Indemnifying Party of such claim. The Indemnifying Party shall have thirty (30) days after receipt of such notice to undertake, conduct, and control, through counsel of its own choosing and at its expense, the settlement or defense thereof, and the non-Indemnifying Party shall cooperate with the Indemnifying Party in connection therewith.

## ARTICLE VIII

### Miscellaneous

8.1. All remedies set forth in this Agreement are cumulative and not exclusive of any other legal or equitable remedy otherwise available to any Party.

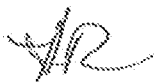
8.2. The respective rights and obligations of the Parties to this Agreement may not be assigned to any third party without the prior written consent of Parties, which consent may not be unreasonably withheld; provided, however, the assignment of any such obligation shall not relieve the assigning Party of its, his or her primary liability arising hereunder.

8.3. The Parties may at any time by mutual written agreement: (i) extend the time for the performance of any of the obligations or other acts of the Parties hereto; (ii) waive any inaccuracies in the representations and warranties contained herein or in any document, certificate or writing delivered pursuant hereto; or (iii) waive compliance with any of the agreements, covenants or conditions contained herein. Any agreement on the part of any Party to any such extension or waiver will be valid only if set forth in an instrument in writing signed by both Parties.

8.4. All covenants, agreements, representations, and warranties under this Agreement that are capable of surviving after closing and intended to survive shall survive the Closing and shall remain effective indefinitely.

8.5. This Agreement constitutes the entire agreement between the Parties hereto with respect to the subject matter hereof and thereof and supersedes all other prior agreements and understandings, both written and oral, between the Parties with respect to the subject matter hereof.

8.6. Arbitration. In the event that a dispute arises between or among the Parties as respects this Assignment, or the Purchase Agreement, or the subject matter hereof, the same shall be submitted to arbitration, in the County of Los Angeles, under the commercial rules of the American Arbitration Association in Los Angeles County California and interpreted under California law, without regard to conflict of law principles. The prevailing Party shall be entitled to receive reasonable attorneys' fees and costs of suit, including the costs of collection. Either Party shall be entitled to obtain specific performance of this Agreement as a remedy cumulative to any other remedy at law, in equity, by statute or by contract.



8.7. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of this Agreement, which will remain in full force and effect. In the event of any such invalidity or unenforceability, the stricken provision shall be reinterpreted in order to accomplish such validity, or enforceability while maintaining the original intent of the Parties.

8.8. Any notice, request, claim, demand or other communication to be given by any Party hereunder will be in writing and will be deemed sufficient if delivered personally, sent by registered or certified mail, postage prepaid, sent by overnight courier or sent by telecopy, and addressed as follows:

If to Seller, to:

**BREATHE VOLLEYBALL**

Attn: Heidi Roth  
329 Pacific Coast Hwy  
Hermosa Beach Ca 90254  
(310) 350-1026  
breathevolleyball@yahoo.com

with a copy to:

Michael P. Martin, Esq.  
Fischbach, Perlstein, Lieberman & Almond, LLP  
1925 Century Park East, Suite 2050  
Los Angeles, CA 90067  
(310) 556-1956  
mmartin@fpllaw.com

If to Buyer, to:

**DRAKEROD DESIGNS INC.**

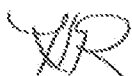
Attn: Patrick Malleret  
1354 Ester Drive  
Burlington, ON L7P1L3 Canada  
Telephone: 905-334-1811  
pmalleret@genecos.com

with a copy to:

Shaune B. Arnold, Esq.  
**FINNEY ARNOLD LLP**  
633 W. 5<sup>th</sup> Street, 28<sup>th</sup> Floor  
Los Angeles, California 90071  
(213) 718-3468  
sarnold@falawyers.com

or to such other address as the person to whom notice is given may have previously furnished to the others in writing in the manner set forth above. Such communications will be deemed to have been delivered on the day of delivery if delivered personally, two (2) days after mailing if sent by mail, one (1) business day after timely delivery to an overnight courier, if sent by overnight courier; and when telecopied with printed confirmation of delivery, provided that notice of any change of address shall be effective only upon receipt thereof.

8.9. This Agreement will be governed by and construed in accordance with the laws of the State of California, without regard to conflict of law principles.



8.10. In the event that a dispute arises respecting any Party's obligations arising hereunder, the prevailing Party shall be entitled to recover reasonable attorneys' fees and expenses incurred in connection therewith, including costs of collection.

8.11. The descriptive headings herein are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

8.12. This Agreement may be executed in two (2) or more counterparts, each of which will be deemed to be an original, but all of which will constitute one (1) and the same agreement. An electronic signature shall have the same legal effect as an original signature.

8.13. Time shall be of the essence with respect to the obligations of the Parties to this Agreement.

IN WITNESS, WHEREOF each of Buyer and Seller have caused this Agreement to be executed and delivered on its behalf by its officers thereunto duly authorized, all as of the day and year first written above.

**"BUYER"**  
**DRAKEROD DESIGNS INC.**  
a Canadian corporation

By:   
PATRICK MALLERET  
Its: MANAGING MEMBER

**"SELLER"**  
**HEIDI ROTH**  
dba **BREATHE VOLLEYBALL**,  
a California sole proprietorship

By:   
HEIDI ROTH  
Its: OWNER

## EXHIBIT A

### VALUATION OF THE BUSINESS, ASSETS AND INVENTORY

1. The Parties agree that the Business has been evaluated and valued solely by the Parties as set forth in Section 2, below.

2. The valuation of the Business is [REDACTED] which was determined to be the sum of the intellectual property and inventory held by the Business. The Valuation was determined as follows:

- (i) BREATHE VOLLEYBALL, US Trademark Registration No. 4,038,114 (Oct 2011, 2017);
- (ii) BREATHE ACTIVEWEAR, US Trademark Registration No. 4,981,373 (June 2016);
- (iii) A PATENTED DESIGN AS A BIKINI/ACTIVEWEAR TOP AND ASSORTED ACCESSORIES RELATED TO ACTIVEWEAR, BATHING SUIT TOP WITH ADJUSTABLE BACK, US Patent No. US 9,179,715 B1 (November 2015) shall be; and
- (iv) That certain website and the URL as follows: [www.breathevolleyball.com](http://www.breathevolleyball.com) shall be deemed an Asset.
- (v) The following domain names shall be deemed Assets:
  - [breathepaddleboard.com](http://breathepaddleboard.com)
  - [breathevolleyball.com](http://breathevolleyball.com)
  - [breatheswimwear.com](http://breatheswimwear.com)
  - [breatheswimwear.org](http://breatheswimwear.org)
  - [breatheactivewear.co](http://breatheactivewear.co)
  - [breathe-activewear.org](http://breathe-activewear.org)
  - [breathebikinis.com](http://breathebikinis.com)
  - [breatheactivewear.us](http://breatheactivewear.us)
- (vi) The following miscellaneous assets shall be deemed Assets:
  - BREATHE LOGO
  - Social Media Platforms in existence as of the Effective Date
- (vii) Inventory, as defined in that certain Asset Purchase Agreement of even date herewith, consisting of the following:

Bikini Tops and Bikini Bottoms - approximately 100 pieces -


*already shipped and received by Patrick Malheret (Buyer)*

*W/R*

*[Signature]*

10 fabric rolls (10-15 meters each)

3. The Parties agree that the purchase price of the Business shall be an amount that shall be equal to the Valuation of the Business ("Purchase Price"). Based on the above-referenced Valuation amount, the Parties acknowledge and agree that the Purchase Price of the Business shall be [REDACTED]



**EXHIBIT B**

**FORM OF**

**ASSIGNMENT AND ASSUMPTION AGREEMENT  
AND BILL OF SALE**

**THIS ASSIGNMENT AND ASSUMPTION AGREEMENT AND BILL OF SALE** ("Assignment") is entered into as of the 17 day of April 2018 (the "Effective Date") by and between **HEIDI ROTH dba BREATHE VOLLEYBALL**, a California sole proprietorship ("Seller"), and **PATRICK MALLERET dba DRAKEROD DESIGNS, INC.** a Canadian corporation ("Buyer"). Buyer and Seller are each referred to as a "Party," or, collectively, as the "Parties."

**WITNESSETH**

**WHEREAS**, Seller and Buyer have entered into that certain Asset Purchase Agreement dated of even date herewith (the "Purchase Agreement") wherein the Parties set forth their terms and conditions respecting the purchase by Buyer and the sale by Seller of that certain Business, commonly known as Breathe Volleyball, inclusive of its Assets. Terms used herein but not otherwise defined herein are used herein as defined in the Purchase Agreement; and

**WHEREAS**, pursuant to the Purchase Agreement, Seller has agreed to sell, assign, transfer and deliver, free and clear of all Encumbrances, the Business, inclusive of its Assets, to Buyer, and Buyer has agreed to purchase and accept such Business and Assets.

**NOW, THEREFORE**, in consideration of the mutual promises contained in this Assignment, the consideration set forth in the Purchase Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

**AGREEMENT**

1. **Bill of Sale; Assignment of Assets.** Seller hereby grants, conveys, sells, assigns, transfers and delivers to Buyer and its successors and assigns, and Buyer hereby accepts, all of Seller's right, title, and interest in and to the Business, inclusive of all of its Assets, as of the date of this Assignment.

2. Seller hereby authorizes Buyer to take any appropriate or reasonable action to protect the right, title and interest hereby conveyed in connection with the Assets hereby conveyed to Buyer in the name of Seller, or Buyer, or any other name (but for the benefit of Buyer and its successors and assigns) against each and every person or persons whomsoever claiming, or asserting any claim, against any, or all, of the same.

3. **Power of Attorney.** Seller hereby constitutes and appoints Buyer, its successors and assigns, the true and lawful attorney-in-fact of Seller with full power of substitution in the name and stead of such Seller, but on behalf and for the benefit and at the expense of Buyer, its successors and assigns, to demand and receive any and all of the Assets assigned pursuant to this Assignment and to give receipts and releases for, and in respect of, the same, or any part thereof, to endorse any claim, or right, of any kind in respect thereof, and to do all acts and things in relation to the above-

mentioned Business, inclusive of its Assets, which Buyer, its successors or assigns, may deem desirable, such Seller hereby declaring that the foregoing powers are coupled with an interest and are not revocable and shall not be revoked by such Seller for any reason whatsoever, except as provided in Section 2.1.2 of the Purchase Agreement.

4. Further Assurances. Each Party hereto agrees to execute or cause to be executed and to deliver, or cause to be delivered, to the other Party hereto any and all instruments, agreements, affidavits, certificates, and other documentation, including, without limitation, endorsements, lease assignments, collateral assignments, and assumption agreements, which may be reasonably requested, or required, in order to complete, evidence, perfect, or record the transactions contemplated by this Assignment, and the Purchase Agreement, and further agrees to cooperate in effecting the intent of this Assignment and the Purchase Agreement.

5. Corrected Conveyances. The Parties agree that, in the event any business, properties, or assets which should have been conveyed by Seller to Buyer pursuant to the Purchase Agreement and this Assignment are not so conveyed, then, in any such event, all Parties shall promptly take such steps as may be reasonably necessary to cause any such business, properties, and assets to be conveyed to Buyer, or to cause such liability to be assumed by Buyer, in the same manner as if said business, properties, and assets had been conveyed, or such liability had been assumed, pursuant to this Assignment. The Parties hereto further agree that, in the event any business, property, or asset which was not to have been conveyed by Seller to Buyer pursuant to the Purchase Agreement and this Assignment is nevertheless conveyed to Buyer by Seller, then, in any such event, all Parties shall promptly take such steps as may be reasonably necessary, or convenient, to cause such business, property, or asset to be reconveyed to, or such liability to be reassumed by, the Seller.


5.1 Any corrected conveyance, reconveyance, or assumption covered by this Section 5 shall be made pursuant to the same forms and documents as those employed with respect to the other Business, properties, and Assets conveyed and liabilities assumed pursuant to this Assignment. All costs and expenses associated with any such corrected conveyance, reconveyance, or assumption shall be paid by the Party that would have paid such costs and expenses if such business, property, or asset had been initially conveyed, or such liability had been initially conveyed or retained as contemplated by the Purchase Agreement. All such corrected conveyances, reconveyances, and assumptions shall be deemed to have been made at the same time as the conveyances and assumptions evidenced hereby.

6. Marketable Title. Seller hereby represents, warrants and covenants to Buyer that Seller owns on the date hereof, the Business, inclusive of all of the Assets, tangible or intangible, free and clear of all Encumbrances.

7. Binding Effect. This Assignment shall be for the benefit of and be binding upon the Parties hereto and their successors and assigns.

8. No Third-Party Beneficiaries. This Assignment is intended for the benefit only of the Parties hereto, and no rights are intended to be conferred by this Assignment to any other third parties, including, without limitation, any creditors of Seller.

9. Effect on Agreements. Except as expressly provided herein, should a provision of this Assignment be inconsistent with a provision of the Purchase Agreement, the provision of the Purchase Agreement shall govern and take precedence over the provision of this Assignment. The Parties hereto agree that this Assignment complies with the terms and intent of the Purchase



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Agreement. The respective representations and warranties and related indemnities contained in the Purchase Agreement expressly survive this Assignment as and to the extent provided in the Purchase Agreement.

10. Actions on Behalf of Buyer. If and to the extent that Buyer is unable to enforce directly and on its own behalf any rights, claims, or benefits under the Purchase Agreement that have been assigned to Buyer hereunder, Seller shall, upon receipt of written notice from Buyer, take such reasonably requested actions at Buyer's expense as may be necessary or advisable to enforce such rights, claims, and benefits on behalf of, and for the benefit of, Buyer.

11. Survival. The provisions of this Assignment that by their sense and context are intended to survive the performance hereof by the Parties hereto shall so survive the completion of such performance and the occurrence of the Closing.

12. Governing Law. This Assignment shall be governed by and construed in accordance with the laws of the State of California without regard to conflict of law principals.

13. Arbitration. In the event that a dispute arises between or among the Parties as respects this Assignment, or the Purchase Agreement, or the subject matter hereof, the same shall be submitted to arbitration in the County of Los Angeles, pursuant to the commercial rules of the American Arbitration Association. The prevailing Party shall be entitled to receive reasonable attorneys' fees and costs of suit, including the costs of collection. Either Party shall be entitled to obtain specific performance of this Agreement as a remedy cumulative to any other remedy at law, in equity, by statute or by contract.

14. Counterparts. This Assignment may be executed in two or more counterparts, all of which shall be considered one and the same agreement. An electronic signature shall have the same legal effect as an original signature.



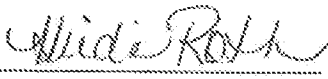
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[SIGNATURE PAGE FOLLOWS.]



IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the Effective Date hereof.

**"SELLER"**

**HEIDI ROTH**  
**dba BREATHE VOLLEYBALL,**  
a California sole proprietorship

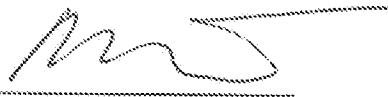
By: 

HEIDI ROTH

Its: OWNER

**"BUYER"**

**DRAKEROOD DESIGNS INC.**  
a Canadian corporation

By: 

PATRICK MALLERET

Its: MANAGING MEMBER