

## PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1  
Stylesheet Version v1.2

Assignment ID: PATI588470

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	SECURITY INTEREST
<b>CONVEYING PARTY DATA</b>	
<b>Name</b>	<b>Execution Date</b>
John H Fitzpatrick	11/04/2016
<b>RECEIVING PARTY DATA</b>	
<b>Company Name:</b>	Achaean Financial Holdings, Inc.
<b>Street Address:</b>	1305 Elm Tree Road
<b>City:</b>	Lake Forest
<b>State/Country:</b>	ILLINOIS
<b>Postal Code:</b>	60045-1417
<b>PROPERTY NUMBERS Total: 1</b>	
<b>Property Type</b>	<b>Number</b>
Patent Number:	8762245
<b>CORRESPONDENCE DATA</b>	
<b>Fax Number:</b>	5093238979
<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>	5099444626
<b>Email:</b>	saybram@leehayes.com
<b>Correspondent Name:</b>	Saybra D Morris
<b>Address Line 1:</b>	601 W. Riverside Ave
<b>Address Line 2:</b>	Ste 1400
<b>Address Line 4:</b>	Spokane, WASHINGTON 99201
<b>ATTORNEY DOCKET NUMBER:</b>	F196-0001MI
<b>NAME OF SUBMITTER:</b>	Saybra Morris
<b>SIGNATURE:</b>	Saybra Morris
<b>DATE SIGNED:</b>	10/25/2024
<b>Total Attachments: 4</b>	
source=JFitzpatrick AFH Loan 11_04_2016#page1.tiff	
source=JFitzpatrick AFH Loan 11_04_2016#page2.tiff	
source=JFitzpatrick AFH Loan 11_04_2016#page3.tiff	
source=JFitzpatrick AFH Loan 11_04_2016#page4.tiff	



1305 Elm Tree Road  
Lake Forest, IL 60045-1417

## CONVERTIBLE BRIDGE LOAN

*\$120,000*  
Achaean Financial Holdings, Inc. ("Achaean" or "Borrower"), a Delaware company, is raising [~~\$114,000~~] by offering John H Fitzpatrick (the "Lender"), a 12% note with a maturity of 12 months from date of closing with interest payable upon maturity.

Proceeds of the offering will be used for general operating costs associated with enhancing Achaean's intellectual property while pursuing a larger equity offering. At any time during the term of the note and prior to maturity, the Lender will have the option to convert principal and interest accrued into Achaean Financial Holdings equity at the equivalent of \$3.00 per Participating Preferred stock share.

### SUMMARY OF TERMS

Principal: [~~\$114,000 USD~~]

*\$120,000 USD*

Interest Rate: 12% per annum

Term: 12 months from date of closing

**Conversion Option:** Upon maturity or at any time during the term of this Note and prior to maturity, Lender may convert principal and interest due but not yet paid into equity at a conversion rate of \$3.00 per Participating Preferred equity share of Achaean Financial Holdings, Inc. Notice of intent to convert shall be sent to

Achaean Financial Holdings, Inc.  
1305 Elm Tree Road  
Lake Forest, Illinois 60045-1417  
Fax: 312-202-3618  
E-mail: [lstensrud@achaeafinancial.com](mailto:lstensrud@achaeafinancial.com)

**Equity Unit Conversion Price:** \$3.00 per share

**Security:** This loan is secured by an unsubordinated, senior claim on the full assets of the Company, including all patents, trademarks, licenses and proceeds therefrom in commercial or legal activity. Repayment is further secured by an unsubordinated, senior claim on all licensing fee revenue, ten percent (10%) of all consulting fees paid to Achaean Financial Holdings or its subsidiaries and by an

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unsubordinated senior claim on all royalties paid to Lorry Stensrud, inventor of record with the United States Patent & Trademark Office on *US Patent No. 8,762,245*. The Lender is not required to rely on the above security instruments and the assets secured therein for the payment of this Note in the event of default, but may proceed directly against the Borrower.

**Information Rights:** The Lender will have customary information and inspection rights, including to rights to receive all periodic financial and investor information reports that the Issuer prepares for its stockholders. While the Note remains outstanding the Issuer will prepare and deliver to the Lender the annual Achaean financial statements within 90 days of each fiscal year end.

**Redemption:** If the Issuer agrees to a change-of-control or sale of substantially all the Issuer's business and assets to a third party, the Issuer must redeem the Note in cash or Achaean Financial Holdings convertible preferred stock.

**Prepayment:** The Borrower reserves the right to prepay this Note in whole or in part prior to the Due Date with no prepayment penalty. Any such prepayment shall be applied against the installments of principal due under this note in the inverse order of their maturity and shall be accompanied by payment of accrued interest on the amount prepaid to the date of prepayment.

**Collection Costs:** If any payment obligation under this Note is not paid when due, the Borrower promises to pay all costs of collection, including reasonable attorney fees, whether or not a lawsuit is commenced as part of the collection process.

**Default:** If any of the following events of default occur, this Note and any other obligations of the Borrower to the Lender, shall become due immediately, without demand or notice:

- the failure of the Borrower to pay the principal and any accrued interest when due;
- the liquidation or dissolution of the Borrower;
- the filing of Federal bankruptcy or State insolvency proceedings involving the Borrower as a debtor;
- the application for the appointment of a receiver for the Borrower;
- the making of a general assignment for the benefit of the Borrower's creditors;
- the insolvency of the Borrower;
- a material misrepresentation by the Borrower to the Lender for the purpose of obtaining or extending credit; or
- the sale of a material portion of the business or assets of the Borrower.

In addition, the Borrower shall be in default if there is a default in any security agreement which secures this Note.

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**Covenants:**

During the term of the Note, Achaean will:

- Protect its intellectual property
- Comply with federal and state tax requirements
- Prepare financial reports in accordance with GAAP on an annual basis by an outside accountant

Achaean will not without prior notification to the Lender:

- Change its business or enter a new line of business
- Dispose of its assets other than in the ordinary course of business
- Make any loans or investments other than in the ordinary course of business

**Representations:** Achaean Financial Holdings, LLC owns an exclusive, worldwide license to *US Patent No. 8,762,245* to achieve its goal of royalty incomes for the sub-licensed use of the patent and all other intellectual property including, but not limited to service marks, copyrights, now or to be secured as part of the plan of the firm.

**Transferability:** The Lender may not transfer the Note without prior written approval by Achaean Financial Holdings.

**No Waiver:** No delay in enforcing any right of the Lender under this Note, or assignment by Lender of this Note, or failure to accelerate the debt evidenced hereby by reason of default in the payment of a monthly installment or the acceptance of a past-due installment shall be construed as a waiver of the right of Lender to thereafter insist upon strict compliance with the terms of this Note without notice being given to Borrower. All rights of the Lender under this Note are cumulative and may be exercised concurrently or consecutively at the Lender's option.

**Severability of Provisions:** If any one or more of the provisions of this Note are determined to be unenforceable, in whole or in part, for any reason, the remaining provisions shall remain fully operative.

**Amendments:** This note may not be amended without the written approval of the holder of both parties to this agreement.

**Information Rights:** The Lender will have customary information and inspection rights, including to rights to receive all periodic financial and investor information reports that the Issuer prepares for its stockholders. While the Note remains outstanding the Issuer will prepare and deliver to the Lender the annual Achaean financial statements within ninety (90) days of each fiscal year end.

**Governing Law and Jurisdiction:** This agreement shall be governed by and construed in accordance with the laws of Delaware State applicable to transactions signed and to be performed solely within such state.

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**Confidentiality:** This agreement contains Confidential Information within the meaning used in the confidentiality agreement, dated, between the parties hereto. Except as otherwise required by law, the Issuer will not disclose the existence or terms of this term sheet or any of the matters referred to herein ("Confidential Information") to any persons other than its executive officers, directors, accountants, advisors and attorneys, and shall inform all recipients of Confidential Information that they may not disclose it to third parties. The Lender is responsible for all such recipients' conduct with respect to the Confidential Information.

Dated: November 4, 2016

By: Oak Family Holdings, LLC, by John Fitzpatrick,  
MANAGING member  
(Signature) John N Fitzpatrick

Print Name: John H. Fitzpatrick, as MANAGING member of OAK  
FAMILY HOLDINGS, LLC

Address: 415 E. NORTH WATER ST., APT 2803  
Chicago, IL 60611

Receipt & Acceptance:

Date: 11/10/16, 2016

Achaeon Financial Holdings, Inc.

By: Larry J. Stensrud  
(Signature)

Name: Lorry J. Stensrud

Its: CEO & President