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Form PTO-1594

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Tab settings

4-21-03

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DEPARTMENT OF COMMERCE
J.S. Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Potomac Capital Investment Corporation

- Individual(s)
- General Partnership
- Corporation-State Delaware
- Other
- Association
- Limited Partnership

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: August 2, 2002

2. Name and address of receiving party(ies)

Name: Electric Power Research Institute, Inc.

Internal Address: _____
Address: _____

Street Address: 3412 Hillview Avenue
City: Palo Alto State: CA Zip: 94303

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State Washington, D.C.
- Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

2,513,776
2,640,375

Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: York Huang

Internal Address: Electric Power Research Institute, Inc.

Street Address: 3412 Hillview Avenue

City: Palo Alto State: CA Zip: 94303

6. Total number of applications and registrations involved: 2

7. Total fee (37 CFR 3.41).....\$ 65.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Carole Druhan-Larsen

Name of Person Signing

[Signature]

Signature

4/8/03

Date

14/24/003 DBYRNE

00000071 2513776

Total number of pages including cover sheet, attachments, and document: 8

01 FC:0521
02 FC:0522

40.00
25.00

Documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

TRADEMARK
REEL: 002718 FRAME: 0376

**ASSIGNMENT OF INTELLECTUAL PROPERTY RIGHTS
AND RELATED ASSETS**

THIS AGREEMENT (the "Agreement") is made this 2nd day of August, 2002 (the "Effective Date"), by and between Potomac Capital Investment Corporation a Delaware Corporation with its principal office at 1801 K Street, N.W., Suite 900, Washington, D.C. 20006 ("Assignor), and Electric Power Research Institute, Inc., a District of Columbia non-profit corporation with its principal office at 3412 Hillview Avenue, Palo Alto, California 94303 ("Assignee"), each referred to herein as "Party" and collectively as the "Parties."

RECITALS

WHEREAS, Assignor has designed, developed and patented a generator interconnection system (the "Generlink®"); has designed and developed the "GridGateway prototype" unit; and has developed certain load management software and other associated work product for the reduction of load imposed on a power source (hereinafter referred to as "Intellectual Property");

WHEREAS, Assignor has exclusive rights, title and ownership interests in all the assets and Intellectual Property listed on Attachment A of this Agreement, which include copyrights, trademarks, and related trade secrets, development contracts, manufacturing know how, marketing information, miscellaneous equipment and business plans (hereinafter referred to as "Assets");

WHEREAS, the Assignee is a qualified non-profit organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, Assignor desires to make a charitable contribution of such rights, title, interests in the Assets to Assignee, pursuant to the terms and conditions of this Agreement; and

WHEREAS, Assignee is desirous of acquiring the entire rights, title, and interests in and to said Assets pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, because of the above recitals which are incorporated herein, in consideration of the mutual covenants of the parties and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, do hereby agree as follows:

I. Assignment of Assets:

1. As of the Effective Date, Assignor does hereby grant, convey, assign, transfer and deliver to Assignee, in the form of a charitable contribution, all Assignor's rights, title, and interests in and to the Assets, as said Assets are identified in Attachment A to this Agreement, which Attachment A is incorporated herein by reference, under the terms and conditions set forth in this Agreement.
2. Assignee does hereby accept, as of the Effective Date, the transfer of and rights, title, and interest in and to the Assets as sole owner of said Assets pursuant to the terms and conditions set forth in this Agreement.

II. Assignor Representations and Warranties; Covenants:

1. Assignor represents and warrants to Assignee that on the Effective Date, Assignor is the lawful owner of good and marketable title in and to the Assets and has full legal title to assign the same.
2. Assignor represents and covenants to Assignee that Assignor has not entered and will not enter into any assignment, contract, or understanding in conflict with the terms of this Agreement.
3. Assignor hereby covenants and agrees to cooperate with Assignee to enable Assignee to enjoy to the fullest extent the right, title and interest herein conveyed. Such cooperation by Assignor shall include the reasonable production of pertinent facts, documents, specifications, declarations, or other papers and other assistance for the perfecting in Assignee of the rights, title and interests herein conveyed; provided however, that the expense incurred by Assignor in providing such cooperation shall be paid by Assignee.

III. Assignee Representations and Warranties; Covenants:

1. Assignee represents and warrants to Assignor, its successors and assigns, that Assignee has been duly recognized by the Internal Revenue Service as a corporation described in Sections 501 (c)(3) and 170 (c)(2) of the Code, as evidenced in the attached IRS Determination Letter (see Attachment B hereto).
2. Assignee covenants and warrants to Assignor, its successors and assigns, that Assignee intends to use the Assets in a manner related to the purposes or functions constituting the basis of its tax exemption under Section 501 (c)(3) of the Code, including, but not limited to, licensing the GenerLink® technology and promoting the product to its utility members and to others and undertaking further research, development, and ultimate licensing of

the GridGateway and Load Management Assets also to its utility members and others.

3. Assignee represents and warrants that it will not sell, exchange, consume, or otherwise dispose of the Assets, or any portion thereof, within two (2) years of the Effective Date.
4. Assignee hereby covenants and agrees to cooperate to the fullest extent possible with Assignor to enable Assignor to comply with the tax filing obligations associated with deducting the Assets as a charitable contribution. Such cooperation by Assignee shall include the reasonable production of pertinent facts, documents, and plans evidencing the contribution, intended use, and development of the Assets, execution of Internal Revenue Service ("IRS") documents, as required, related to the contribution of the Assets, including the signing of Form 8283, Section B, acknowledging receipt of the Assets and other assistance reasonably requested by Assignor.

IV. Product Liability:

1. Assignee hereby accepts all liability arising from or related to the Assets as of and after the Effective Date. Such liability includes, but is not limited to, liability related to (a) the advertising and promotion of the Assets, (b) the design, manufacture, construction, installation, operation, application, existence, malfunction or failure of all or any of the Assets, and (c) any and all instruction, direction or warning given or not given regarding the use of all or any of the Assets. Assignee's liability under this Section shall be sole and absolute and shall apply in all cases, regardless of the nature of the claim or cause of action that may be asserted or raised in any particular case.
2. As between Assignee and Assignor, Assignee shall be solely responsible and liable for, and shall indemnify and hold harmless Assignor, its affiliates, directors, officers, agents, employees, and representatives (collectively, the "Assignor Indemnitees") from and against all claims, damages, losses, injuries, expenses and costs (including reasonable attorneys' fees), that arise out of or are caused by or related to the advertising, promotion, design, manufacture, construction, installation, operation, application, existence, malfunction or failure of or any instruction, direction, or warning given or not given regarding the use of, any of the Assets marketed sold and/or installed by Assignee, or its subsequent designees or licensees, on or after the Effective Date.
3. As between Assignee and Assignor, Assignor shall be solely responsible and liable for, and shall indemnify and hold harmless Assignee, its affiliates, directors, officers, agents, employees, and representatives

(collectively, the "Assignee Indemnitees") from and against all claims, damages, losses, injuries, expenses and costs (including reasonable attorneys' fees), that arise out of or are caused by or related to the advertising, marketing, design, manufacture, construction, installation, operation, application, existence, malfunction or failure of, or any instruction, direction, or warning given or not given regarding the use of, any of the Assets sold and installed by Assignor or its designees prior to the Effective Date.

V. Miscellaneous


1. Any rights or duties of the Parties under this Agreement may not be assigned without the prior written consent from the other Party, which consent may be withheld in the respective Party's sole and absolutely subjective discretion. Any attempt at assignment in violation of this provision shall be deemed null and void. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the Parties, their successors and permitted assigns.
2. The Agreement shall be governed by, and construed in accordance with, the laws of the District of Columbia.
3. The Parties hereto intend all provisions of this Agreement to be enforced to the fullest extent permitted by law. If, however, any provisions of this Agreement are held to be illegal, invalid or unenforceable under present or future law, such provision should be fully revised or reformed to the extent necessary to render the same enforceable as so revised or reformed.
4. No news release, advertisement, public announcement, denial of confirmation of same, or other publicity regarding this Agreement or any activity or relationship between the Parties regarding the assignment shall be made without the prior written approval of both Parties.


5. The Parties are independent contractors with respect to each other, and this Agreement creates no partnership, joint venture or other similar relationship between the Parties.

IN WITNESS WHEREOF, the Parties hereto have executed the Agreement as of the Effective Date.

POTOMAC CAPITAL INVESTMENT CORPORATION

ELECTRIC POWER RESEARCH INSTITUTE, INC.


John D. McCallum
President, Chief Executive Officer


Name: Henry A. Courtright
Title: VP, Gen. & Distributed Resources

Pepco Technologies, LLC
List of Contributed Assets

I. GenerLink® Interconnection Device

- (1) Patents
 - Patent # 6,188,145
 - Patent # 6,376,937
- (2) Foreign Patents Pending
 - (a) Australia -- #35015/99, filed June 11, 1999
 - (b) Canada -- #2,274,184, filed June 10, 1999
 - (c) Great Britain -- #9913659.0, filed June 11, 1999
- (2) Trademarks
 - GenerLink®
 - GenerLok™

II. GridGateway

- (1) Prototype unit
- (2) Software code and documentation
- (3) Test Files
- (4) Design Files
- (5) Assignment of ERM (Development Contracts – same as GenerLink development contracts)
- (6) Various test equipment and apparatus

III. Load Management

- (1) Assignment of Patent Application “Method for Reducing the Load Imposed on a Power Source and Apparatus for Implementing the Method,” U.S. Patent Application Pending No. 09/722,661, filed November 28, 2000
- (2) 4 - PEIM Prototypes
- (3) 2 - DEUPS prototypes
- (4) Various test equipment and apparatus

IV. Development Contracts

- (1) ERM Development Agreements dated 8/6/98 and 5/30/00 (See 11.1 of both agreements which requires ERM to work exclusively for Pepco and Pepco Technologies)
- (2) Amphenol/SINE agreement dated 4/5/00 (See provision on face of P.O. that restricts SINE from using "custom tooling" for any other purposes)

V. GenerLink® Design and Manufacturing Know How

- (1) Circuit board drawings and design files
- (2) Assembly drawings, instructions and manuals
- (3) Bill of materials and supplier contacts
- (4) AEP and UL test files

VI. Marketing Information

- (1) Electronic copy of marketing collateral
- (2) Web page
- (3) Customer lists
- (4) Customer contact files (electronic data base)
- (5) Electronic copy of GenerLink user manual
- (6) Electronic copy of GenerLink installation guide
- (7) www.GenerLink.com web domain

VII. Miscellaneous Equipment

- (1) Approximately 30 unassembled G2 UL compliant units
- (2) Various test and assembly equipment
- (3) Various generators

VIII. Business Plans

Pepco Technology Business and Technology Commercialization Business Plans