Intellectual Property Assignment Agreement

In consideration of royalties to be received, Kevin Aston, D.O. and ARUC Systems LLC, a limited liability company with its principal place of business in Marquette, Michigan, U.S.A., (together the “Assignors”) agree to assign to M2 International, Inc. (“M2”), a Vermont corporation with its principal place of business in Winooski, Vermont, U.S.A., or its designee any and all intellectual property rights we have to all generations of the Ratcheting Medical Tourniquet (“RMT”) (the “Intellectual Property Rights”). Intellectual Property Rights include (a) all trade secrets and confidential business information (including customer and supplier compositions, manufacturing and production processes and techniques, technical data, designs, drawings, specifications, pricing and cost information, and business and marketing plans and proposals), (b) all trademarks, service marks, trade dress, logos, trade names, and corporate names, together with all translations, adaptations, derivations, and combinations thereof and including all goodwill associated therewith, and all applications, registrations, and renewals in connection therewith, (c) all inventions (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all patents, patent applications, and patent disclosures, together with all reissuances, continuations, continuations-in-part, revisions, extensions, and reexamination thereof, (d) all copyrightable works, all copyrights, and all applications, registrations, and renewals in connection therewith, (e) all computer software (including data and related documentation), (f) all other proprietary rights, (g) any internet domain names, and any associated intellectual property right and (h) all copies and tangible embodiments thereof (in whatever form or medium) relating to, or becoming part of, the RMT.

The Assignors further agree:

1. To assign all right, title and interest to any and all such Intellectual Property Rights, and to execute all necessary papers and cooperate fully, at the expense of M2 or its designee, to enable M2 or its designee to secure full and proper protection for such Intellectual Property Rights, both domestic and foreign.

2. Not to make any application for a National Stock Number (NSN) either through the Defense Medical Logistic Item Identification System (DMLIIS) or directly in person to the Defense Medical Standardization Board (DMSM) for the RMT or any configuration of the RMT.

3. That the Assignors have read, understand and accept the royalty-income provisions of this Agreement set out below.

4. That the Assignors are now under no obligation to any person or other organization or corporation with respect to any rights in Intellectual Property Rights which are or could reasonably be construed to be in conflict with this Agreement, nor will the Assignors enter into an agreement which might create a conflict with this Agreement.
The parties agree to the following:

Royalties:

1. Scope of Royalties: M2’s obligation to pay royalties to the Assignor’s under this agreement is expressly limited to sales of the RMT and any of its configurations.

2. Purchase for Resale: M2 shall sell RMTs to ARUC Systems, LLC at fifty percent (50%) off the retail price listed on the m2 website (www.m2inc.biz) as of the date the order is received by M2.

3. Fixed Royalty: M2 shall pay either Kevin Aston, D.O. or ARUC Systems LLC but not both One-Dollar ($1.00) for each RMT sold by M2 or its licensees (the “Fixed Royalty”). M2 shall have no obligation to pay a Fixed Royalty for RMT’s purchased for resale by ARUC Systems, LLC at the fifty percent discount (50%) described above. Kevin Aston, D.O. or ARUC Systems LLC shall have the right to conduct an audit and make copies of records relating to RMT sales and to make a physical inventory count of licensed RMTs in production and/or storage.

In the event M2 does not sell a total of 5,000 RMTs by January 1, 2010 (excluding sales to ARUC Systems, LLC), M2 shall assign, and hereby automatically assigns to ARUC Systems, LLC, effective January 1, 2010, all Intellectual Property Rights, and shall execute all necessary papers and cooperate fully, at the expense of ARUC Systems, LLC, or its designee to secure full and proper protection for such Intellectual Property Rights, both domestic and foreign.

4. The parties shall indemnify, defend and hold each other harmless from and against any and all liabilities, damages, costs or expenses, including, without limitation, reasonable attorneys’ fees (including the allocable cost of in-house counsel), which arise from any claim, lawsuit, demand or other action by any party resulting from or arising out of the negligence or willful misconduct of either party in the performance of its obligations under this Agreement or arising from or related to a claim that either party has infringed an intellectual property or a similar right of a third party in performing its obligations under this Agreement.

This Agreement is entered into and effective as of the date signed below and replaces all previous agreements and understandings relating to the same or similar matters which the Assignors’ may have entered into with M2 with respect to any assignment of Intellectual Property Rights made by me from and after this Agreement becomes effective. This Agreement may not be modified or terminated, in whole or in part, except in writing and signed by an authorized representative of M2. Discharge of the Assignors’ undertakings in accordance with this Agreement will be an obligation of the Assignors’ executors, administrators or other legal representatives or assignees.
Kevin Aston, D.O., individually

Signed: [Signature] Date: 11/6/07
Print Full Name: Kevin S. Aston
Witness signature: [Signature] Date: 10/6/06

ARUC Systems, LLC
Signed: [Signature] Date: 11/6/07
Its:

Print Full Name: Kevin J. Aston
Witness signature: [Signature] Date: 11/6/07

M2, Inc.
Signed: Michael S. Moran Date: 11/11/07
Its: President
Print Full Name: Michael S. Moran
Witness signature: [Signature] Date: 11/11/07