

NONEXCLUSIVE SELL AGREEMENT OF: CHELSEA

This Agreement between Lloyds International Inc. ("Lloyds"), the creator and seller of the Chelsea ("Product"), located at 3740 Alta Mesa Drive, Studio City, CA 91604, and Amazon.com Inc. ("Purchaser"), an ecommerce company having a principal place of business at 345 Boren Ave N, Seattle, Washington 98109, is effective on the 15th day of October, 2017 ("Effective Date").

1 BACKGROUND

"Lloyds" has created the "Product" and sells it to ecommerce retailers in order to provide households in the United States domestic help. The "Product" is a robot that is capable of performing all domestic chores including walking the dogs, doing and folding laundry, vacuuming, cleaning dishes, dusting, putting away groceries, making beds, and cleaning the bathroom. The robot works through an app on a cell phone with which you can set its to do list of tasks. The robot has a battery that lasts for 8 hours and is charged with a standard 220 volt outlet. It takes about 6 hours to fully recharge the battery.

2 SALE PRICE

The total purchase price of the "Product" will be sold at a nonnegotiable wholesale price of \$3,000 by "Lloyds" to the "Purchaser" for a quantity of 10,000 units. Included in the wholesale price is 10,000 licenses for the mobile app. The MSRP is \$10,000 and the "Purchaser" may offer promotions and discounts up to 50% off MSRP. The total purchase price is to be paid 30 days after delivery is received by the "Purchaser".

3 TRANSFER

Transfer of the "Product" by "Lloyds" will be conveyed to the "Purchaser" no later than 120 days of this agreement being signed. The destination of the "Product" will be Amazon's Fulfillment Center at 1910 E Central Ave, Southgate Building 3, San Bernardino, CA 92408.

4 DEFINITIONS

4.1 "Licensed Field of Use" means that the "Product" cannot be used in any other manner other than its intended use in households in the USA.

4.2 "Licensed Patent" means "Lloyds"'s U.S. Patent Application, Serial Number I93KI83M1800BBQ, filed 03/25/2016, any foreign patent application corresponding thereto, and any divisional, continuation, or reexamination application, and each patent that issues or reissues from any of these patent applications. Any claim of an unexpired Licensed Patent is presumed to be valid unless it has been held to be invalid by a final judgment of a court of competent jurisdiction from which no appeal can be or is taken. "Licensed Patent" excludes any continuation-in-part (CIP) patent application or patent.

4.3 "Licensed Product" means a product or part of a product in the Licensed Field of Use:

(A) the making, using, importing or selling of which, absent this license, infringes, induces infringement, or contributes to infringement of a Licensed Patent.

5 GRANT

5.1 **Grant.** Subject to the terms and conditions of this Agreement, "Lloyds" grants "Purchaser" a license under the Licensed Patent which is sold with the "Product" in the Licensed Field of Use to make, have made, use, import, offer to sell and sell Licensed Product in the Licensed Territory.

5.2 **Nonexclusivity.** The license included in the sale of the "Product" is nonexclusive in the Licensed Field of Use beginning on 12/5/2080 and ending when the last Licensed Patent expires.

5.3 **Specific Exclusion.** "Lloyds" does not:

(A) grant to "Purchaser" any other licenses, implied or otherwise, to any patents or other rights of "Lloyds" other than those rights granted under Licensed Patent, regardless of whether the patents or other rights are dominant or subordinate to any Licensed Patent, or are required to exploit any Licensed Patent or Technology;

(B) commit to "Purchaser" to bring suit against third parties for infringement; and

(C) agree to furnish to "Purchaser" any technology or technological information other than the Technology or to provide Licensee with any assistance.

6 SUBLICENSING

"Purchaser" may not grant sublicenses

7 GOVERNMENT RIGHTS

This Agreement is subject to Title 35 Sections 200-204 of the United States Code. Among other things, these provisions provide the United States Government with nonexclusive rights in the Licensed Patent. "Purchaser" will ensure all obligations of these provisions are met.

8 EXCLUSIONS AND NEGATION OF WARRANTIES

9.1 **Negation of Warranties.** "Lloyds" provides "Purchaser" the rights granted in this Agreement AS IS and WITH ALL FAULTS. "Lloyds" makes no representations and extends no warranties of any kind, either express or implied. Among other things, "Lloyds" disclaims any express or implied warranty:

(A) of merchantability, of fitness for a particular purpose;

(B) of non-infringement; or

(C) arising out of any course of dealing

9 INDEMNITY

9.1 **Indemnification.** "Purchaser" will indemnify, hold harmless, and defend all Stanford Indemnitees against any claim of any kind arising out of or related to the exercise of any rights granted Licensee under this Agreement or the breach of this Agreement by Licensee.

9.2 **No Indirect Liability.** "Lloyds" is not liable for any special, consequential, lost profit, expectation, punitive or other indirect damages in connection with any claim arising out of or related to this Agreement, whether grounded in tort (including negligence), strict liability, contract, or otherwise.

10 PROTECTION OF PATENTS

10.1 "Purchaser" will promptly inform "Lloyds" of any suspected infringement of a Licensed Patent by a third party.

10.2 In the event of a validity challenge of the "Product" brought by "Purchaser", "Purchaser" will pay the reasonable attorneys fees and costs of the "Lloyds" in such litigation.

11 TERMINATION

11.1 **Termination by "Purchaser".** "Purchaser" may terminate this Agreement by giving "Lloyds" written notice at least 30 days in advance of the effective date of termination selected by "Purchaser".

11.2 **Termination by "Lloyds".**

(A) "Lloyds" may also terminate this Agreement if "Purchaser":

- (1) is delinquent on any report or payment;
- (2) is in breach of any provision;

12 DISPUTE RESOLUTION

12.1 **Dispute Resolution by Arbitration.** Any dispute between the parties regarding any payments made or due under this Agreement will be settled by arbitration in accordance with the American Arbitration Association Rules and Procedures. There parties are not obligated to settle any other dispute that may arise under this Agreement by arbitration.

12.2 **Request for Arbitration.** Either party may request such arbitration. "Lloyds" and Licensee will mutually agree in writing on a third party arbitrator within 30 days of the arbitration request.

The arbitrator's decision will be final and non-appealable and may be entered in any court having jurisdiction.

12.3 **Discovery.** The parties will be entitled to discovery as if the arbitration were a civil suit in the California Superior Court. The arbitrator may limit the scope, time, and issues involved in discovery.

12.4 **Place of Arbitration.** The arbitration will be held in Los Angeles, California unless the parties mutually agree in writing to another place.

12.5 **Patent Validity.** Any dispute regarding the validity of any Licensed Patent shall be litigated in the courts located in Los Angeles County, California, and the parties agree not to challenge personal jurisdiction in that forum.

13 NOTICES

13.1 "Purchaser" will provide written notice to "Lloyds" at least three months prior to bringing an action seeking to invalidate any Licensed Patent, which comes with the "Product". "Purchaser" will include with such written notice an identification of all prior art it believes invalidates any claim of the patent.

13.2 All notices under this Agreement are deemed fully given when written, addressed, and sent as follows:

All general notices to Licensee are mailed to:

Lloyds International Inc.

3740 Alta Mesa Drive

Studio City, CA 91604

Attn: Legal Dept

14 MISCELLANEOUS

14.1 **Waiver.** No term of this Agreement can be waived except by the written consent of the party waiving compliance. This Agreement may be supplemented, amended, or modified only by the mutual agreement of the parties. No supplement, amendment, or modification of this Agreement shall be binding unless it is in writing and signed by all parties.

14.2 **Choice of Law.** This Agreement and any dispute arising under it is governed by the laws of the State of California, United States of America, applicable to agreements negotiated, executed, and performed within California.

14.3 **Exclusive Forum.** The state and federal courts having jurisdiction over Los Angeles, California, United States of America, provide the exclusive forum for any court action between

the parties relating to this Agreement. "Purchaser" submits to the jurisdiction of such courts, and waives any claim that such a court lacks jurisdiction over "Purchaser" or constitutes an inconvenient or improper forum.

14.4 Headings. No headings in this Agreement affect its interpretation.

14.5 Electronic Copy. The parties to this document agree that a copy of the original signature (including an electronic copy) may be used for any and all purposes for which the original signature may have been used. The parties further waive any right to challenge the admissibility or authenticity of this document in a court of law based solely on the absence of an original signature.

15 SURVIVAL

Except as otherwise expressly provided in this Agreement, representations, warranties, and covenants contained in this Agreement, or in any instrument, certificate, exhibit, or other writing intended by the parties to be a part of this Agreement, shall survive for 15 years after the date of this Agreement

16 JURY TRIAL WAIVERS

To the fullest extent permitted by law, and as separately bargained-for-consideration, each party hereby waives any right to trial by jury in any action, suit, proceeding, or counterclaim of any kind arising out of or relating to this Agreement.

17 MODIFICATION OF AGREEMENT

This Agreement may be supplemented, amended, or modified only by the mutual agreement of the parties. No supplement, amendment, or modification of this Agreement shall be binding unless it is in writing and signed by all parties.

Purchaser: Amazon.com Inc.

Representative: Patrick Zirpolo

Date: 10/15/2017

Address: 345 Boren Ave N, Seattle, Washington 98109

Seller: Lloyd's International Inc.

Date: 10/15/2017

Representative: Emily Kil

Address: 3740 Alta Mesa Drive, Studio City, CA 91604

