Mutual
Letter of Intent

Regarding the Licensure of a Novel Technology

July 14, 2021

Table of Contents

Legal Identifiers
Technology Summary
Lease Instrument
Performance Standards
Licensing Terms
Formulation of a Definitive Agreement
Next Steps
Signature Page

Identifiers

The Technology (the “**Technology**”): Patented Technology that separates ions within a fluid solution using electromagnetic fields {US Patent No. 10,974,977}.

Technology Delivery Unit (“**TDU**”): The machine engineered to operate the Technology.

Crystal Newton (“**Ms. Newton**”): Manager of the Business of the Technology.

Anthony Orler (“**Mr. Orler**”): The Technology Inventor and Patent Holder.

Manufacturing Venture Partner (the “**MVP**”): A corporation who possesses a License to manufacture and distribute the TDU.

The Parties (the “**Parties**”): Mr. Orler, Ms. Newton and the MVP, collectively referenced.

The Technology Management Team (the “**Technology Management Team**”): A team assembled by Ms. Newton who manages the marketing, sales and revenues of the Technology.

Technology Adopters (the “**End-User(s)**”): Entities employing, or wishing to employ, TDU(s) in their operations.

Patent Holder Trust (the “**Trust**”): A Trust Account set up to collect Licensing and Royalty Fees generated from TDU(s).

Summary

Ms. Newton is seeking an exclusive partner to manufacture and distribute the **TDU**. The **MVP** shall manufacture, distribute and service **TDUs** in exchange for a portion of the **TDU** Revenues under a Licensing Agreement. As part of this Licensing Agreement, the **TDU** will be offered by the **MVP** to the **End-User** through a Lease Agreement Contract. This Lease shall be constructed by the **Parties** and executed between the **MVP** and **End-User**. The **End-User** shall pay both an annual Lease rate and a usage Royalty Fee as part of their Lease obligations. The **MVP** shall earn a portion of the Lease revenue and a portion of Royalty Fees produced by the **TDU**. The **MVP** shall meet minimum performance standards or pay minimum Licensing Fees in order to maintain the exclusive right to manufacture and distribute the **TDU**.

TDU Lease Contract Agreements

End-Users of the **TDU** shall enter into a Lease Agreement with the **MVP** and be Lessees of the **TDU**. As part of this Lease Agreement, the Lessee shall expect the **MVP** to perform all maintenance of the **TDU**. The Lessee shall be obligated to pay a Royalty Fee is $0.50 per 1,000 gallons processed by the **TDU**. This pricing structure is designed to include profits for each member of the **TDU** supply chain from the Patent Holder to the Manufacturer to the **End-User**; an accommodation meant to incentivize and bolster market adoption.

- The Lease Contract template shall be generated by the **Parties**.
- The **End-User** shall be the Lessee and the **MVP** shall be the Lessor.
- The annual lease rate of a **TDU** shall be a minimum of $250,000 per year.
- The MVP shall collect Lease payments.
- Of the $250,000 per year Lease payment, the **MVP** shall:
    - Remit 25% of the Lease revenues to the **Trust**.
    - Expect to expend $100,000 in manufacturing, delivering and servicing a **TDU**.
- The Lease contract shall obligate the **End-User** to pay a Royalty Fee of $0.50 per 1,000 gallons processed by the **TDU**.
- The Royalty Fees shall be assessed and by **Ms. Newton** and billed directly to the **End-User**.
- Once Royalty Fees are collected, **Ms. Newton** shall remit one half of the usage Royalty Fee to the **MVP**.

MVP Licensing Performance Standards

In an effort to streamline the market adoption of our **Technology**, we need reliable long term Manufacturing and Distributing Partners. For this reason, we propose a multi year Licensing agreement wherein the **MVP** possesses the exclusive right to Manufacture and Distribute the **TDU** so long as the performance standard terms are met. Should the **MVP** fail to meet performance standards; they will continue to possess the right to manufacture and distribute the **TDU**, but without exclusivity. We have constructed reasonable timelines and expectations to accommodate the manufacturing learning curve and the market education process. Should the **MVP** fail to meet performance standards, they may pay a minimum Licensing Fee to maintain manufacturing exclusivity. If the **MVP** does not pay the minimum Licensing Fee it will lose its exclusive right to produce the **TDU**. The minimum annual licensing fee to manufacture the TDU shall be $5 million. This obligation can be fulfilled by meeting the performance standards. Here are the proposed performance standards, obligations and projected outcomes of a 5-Year **MVP** Exclusive License:

Year 1:

The annual licensing fee to manufacture the TDU is $5 million. The goal for year 1 is to set up manufacturing and manufacture 40 **TDU**s. We offer to complete this goal for you in our *Manufacturing Proposal*. By limiting the production of **TDU**s to 40 for the first year, we will increase the overall market demand of the **TDU** by the **End-User** and be able to ensure quality. The **MVP** needs to be able to address unforeseen production issues and personalize the experience of each **End-User**. These goals ensure that all parties involved with the business of the **TDU** have a positive experience and maximize market adoption.

- The **MVP** pays an annual Licensing Fee of $1 million to the **Trust**.
- The **MVP** invests at least $4 million into a Manufacturing Facility for the **TDU**.
- The **MVP** presells 40 **TDUs**; to be delivered in Year 2.
- The **MVP** collects a Non-Refundable deposit from the **End-User** to secure a **TDU**.
- The **MVP** can use the Non-Refundable deposit towards manufacturing costs.
- When a **TDU** is ready to be delivered to an **End-User**, the balance of the **TDU** payment shall be demanded by the **MVP** prior to delivery.
- Of the $250,000 Lease payment collected by the **MVP**, 25% shall be remitted to the **Trust.**
- The remaining **TDU** Lease payments shall be gross profit for the **MVP**.

Year 1 Goals

1. **MVP** manufactures and delivers 40 **TDUs.**
2. **MVP** achieves capacity to deliver 100 **TDU**s per year**.**
3. **MVP** earns $10 million gross revenues from Year 1 TDU Leases**.**

Year 2:

The **MVP** will 'presell' 100 **TDU**s during the second year of the **MVP** Licensing Agreement; to be delivered by Year 3. Since production of the **TDU** increases in year 2, so too does the annual Performance Standards of the **MVP**. The **MVP** must fulfill and deliver the 100 unit order or pay a Licensing Fee of $5 million. Royalty Fees generated from Year 1 installations will be credited towards the annual licensing fee obligation; at the rate of $0.25 per 1,000 gallons processed. The **MVP** may opt out of paying the $5 million licensing fee by giving up its' exclusive right to manufacture and distribute the **TDU**.

- The **MVP** delivers the first 40 **TDU**s presold during Year 1.
- The **MVP** services **TDU**s delivered from Year 1.
- The **MVP** invests in the expansion of Manufacturing Capacity to accommodate the production of 200 **TDU**s per year.
- The **MVP** presells 100 **TDUs**; to be delivered by Year 3.
- The **MVP** collects a Non-Refundable deposit from the **End-User** to presell a **TDU** Lease.
- The **MVP** can use the Non-Refundable deposit to support manufacturing costs.
- When a **TDU** is ready to be delivered to an **End-User**, the remainder Lease payment shall be collected prior to delivery.
- Out of the total Lease payment collected by the **MVP**, 25% shall be remitted to the **Trust.**
- The remainder Lease payment shall be gross profit for the **MVP**.

Year 2 Goals

1. **MVP** delivers 100 TDUs
2. **MVP** achieves capacity to deliver 200 **TDU**s per year.
3. **MVP** earns gross profits from Year 1 Lease renewals.
4. **MVP** earns gross profits from Year 2 Leases.
5. **MVP** begins to earn usage Royalty Fee revenue from Year 1 Leases

Year 3:

The **MVP** will 'presell' 200 **TDU**s during the third year of the **MVP** Licensing Agreement; to be delivered by Year 4. Since production of the **TDU** increases in year 3, so too does the annual Performance Standards of the **MVP**. The **MVP** must fulfill and deliver the 200 unit order or pay a Licensing Fee of $5 million. Royalty Fees generated from Year 1 & 2 installations will be credited towards the annual licensing fee obligation at the rate of $0.25 per 1,000 gallons processed. The **MVP** may opt out of paying the $5 million licensing fee by giving up its' exclusive right to manufacture and distribute the **TDU**.

- The **MVP** delivers the 100 **TDU**s presold during Year 2.
- The **MVP** services **TDU**s delivered from Year 1 & 2.
- The **MVP** invests in the expansion of Manufacturing Capacity to accommodate the production of 400 **TDU**s per year.
- The **MVP** presells 200 **TDUs**; to be delivered by Year 4.
- The **MVP** collects a Non-Refundable deposit from the **End-User** to presell a **TDU** Lease.
- The **MVP** can use the Non-Refundable deposit to support manufacturing costs.
- When a **TDU** is ready to be delivered to an **End-User**, the remainder Lease payment shall be collected prior to delivery.
- Out of the Lease payment collected by the **MVP**, 25% shall be remitted to the **Trust.**
- The remainder Lease payment shall be gross profit for the **MVP**.

Year 3 Goals

1. **MVP** delivers 200 TDUs
2. **MVP** achieves capacity to deliver 400 **TDU**s per year.
3. **MVP** earns gross profits from Year 1& 2 Lease renewals.
4. **MVP** earns gross profits from Year 1 & 2 Leases.
5. **MVP** begins to earn usage Royalty Fee revenue from Year 1& 2 Leases

Year 4:

The **MVP** will 'presell' 400 **TDU**s during the fourth year of the **MVP** Licensing Agreement; to be delivered by Year 5. Since production of the **TDU** increases in year 4, so to does the annual Performance Standards of the **MVP** increase. The **MVP** must fulfill and deliver the 400 unit order or pay a Licensing Fee of $5 million. Royalty Fees generated from Year 1, 2 & 3 installations will be credited towards the annual licensing fee obligation at the rate of $0.25 per 1,000 gallons processed. The **MVP** may opt out of paying the $5 million licensing fee by giving up its' exclusive right to manufacture and distribute the **TDU**.

- The **MVP** delivers the 200 **TDU**s presold during Year 3.
- The **MVP** services **TDU**s delivered from Year 1, 2 & 3.
- The **MVP** invests in the expansion of Manufacturing Capacity to accommodate the production of 800 **TDU**s per year.
- The **MVP** presells 400 Leases of the **TDU**; to be delivered by Year 5.
- The **MVP** collects a Non-Refundable deposit from the **End-User** to presell a **TDU** Lease.
- The **MVP** can use the Non-Refundable deposit to support manufacturing costs.
- When a **TDU** is ready to be delivered to an **End-User**, the remainder Lease payment shall be collected prior to delivery.
- Out of the $250,000 Lease payment collected by the **MVP**, 25% shall be remitted to the **Trust.**
- The remainder Lease payment shall be gross profit for the **MVP**.

Year 4 Goals

1. **MVP** delivers 400 **TDU**s.
2. **MVP** achieves capacity to deliver 800 **TDU**s per year.
3. **MVP** earns gross profits from Year 1, 2, & 3 Lease renewals.
4. **MVP** earns gross profits from Year 4 Leases.
5. **MVP** begins to earn usage Royalty Fee revenue from Year 1, 2, & 3 Leases

Year 5:

The **MVP** will 'presell' 800 **TDU**s during the fourth year of the **MVP** Licensing Agreement; to be delivered by Year 6. Since production of the **TDU** increases in year 5, so to does the annual Performance Standards of the **MVP** increase. The **MVP** must fulfill and deliver the 800 unit order or pay a Licensing Fee of $5 million. Royalty Fees generated from Year 1, 2, 3 & 4 installations will be credited towards the annual licensing fee obligation at the rate of $0.25 per 1,000 gallons processed. The **MVP** may opt out of paying the $5 million licensing fee by giving up its' exclusive right to manufacture and distribute the **TDU**.

- The **MVP** delivers the 400 **TDU**s presold during Year 4.
- The **MVP** services **TDU**s delivered from Year 1, 2 ,3 & 4.
- The **MVP** invests in the expansion of Manufacturing Capacity to accommodate the production of 1600 **TDU**s per year.
- The **MVP** presells 800 Leases of the **TDU**; to be delivered by Year 6.
- The **MVP** collects a Non-Refundable deposit from the **End-User** to presell a **TDU** Lease.
- The **MVP** can use the Non-Refundable deposit to support manufacturing costs.
- When a **TDU** is ready to be delivered to an **End-User**, the remainder Lease payment shall be collected prior to delivery.
- Out of the $250,000 Lease payment collected by the **MVP**, 25% shall be remitted to the **Trust.**
- The remainder Lease payment shall be gross profit for the **MVP**.

Year 5 Goals

1. **MVP** delivers 800 **TDU**s.
2. **MVP** achieves capacity to deliver 1600 **TDU**s per year.
3. **MVP** earns gross profits from Year 1, 2, 3 & 4 Lease renewals.
4. **MVP** earns gross profits from Year 5 Leases.
5. **MVP** begins to earn usage Royalty Fee revenue from Year 1, 2, 3 & 4 Leases

Formulating a Definitive Licensing Agreement

Basic Terms

1. **Ms. Newton** shall manage the Definitive Licensing Agreement with the **MVP**.
2. **Ms. Newton** and **Mr. Orler** shall provide the **MVP** with **TDU** engineering plans.
3. The **Parties** will collaborate to set up manufacturing for the **TDU**.
4. The **MVP** shall set up facility(s) to manufacture and distribute **TDU**(s).
5. The **MVP** shall assemble an engineering team to manufacture, install and service the **TDU**(s).
6. The **MVP** shall meet certain minimum sales and service standards in order to maintain the exclusive right to manufacture and distribute the **TDU**.
7. Each **TDU** will be equipped with usage meters that will provide the principle means of communication between the **MVP** engineering team and the **End-User**.
8. The **TDU** usage meter will be accessed by **Ms. Newton** for the purpose of Royalty Fee assessment and collection.
9. **Ms. Newton** shall collect and distribute Royalties according to the terms of Licensure.
10. **Ms. Newton** shall assemble a Technology Sales Team to market the **Technology** and procure **TDU** Lease opportunities for the **MVP**.

Next Steps

The signing of this Letter of Intent is not legally binding but simply represents that the **Parties** agree to the basic terms described herein. **Ms. Newton** and **Mr. Orler** recognize that the viability of the **TDU** must be proven to the **MVP** prior to any Agreement being finalized. In order to go from the signing of this Letter of Intent to formulating a Definitive Licensing Agreement, we offer the following interim steps:

1. Upon the signing of this Letter of Intent by the **MVP**, **Ms. Newton** shall deliver it to **Mr. Orler** for review.
2. If the prospective **MVP** is acceptable to **Mr. Orler, Ms. Newton** shall schedule a phone conference between the **Parties**.
3. The goal of the phone conference is to answer basic preliminary questions that each side may have about each other and the terms of Partnership.
4. During the phone conference, **TDU** engineering plans shall be shared with the prospective **MVP**.
5. After this phone conference, the **Parties** will arrange a time to inspect the **Technology** Prototype.
6. After inspection of the Prototype, the **Parties** shall begin formulating a Definitive Licensing Agreement.

The Parties hereby affix their signatures below to certify an earnest intention to develop and define a Definitive Licensing Agreement between them, according to the terms described herein.

____ ____________

Mr. Anthony J Orler Date

____ ____________

Ms. Crystal R Newton Date

____ ____________

MVP Representative Date